

# **CUSTOMS CODE OF TURKMENISTAN**

*This Code defines the legal, economic, and organizational basis for state regulation of customs, contributing to the development of Turkmenistan's economy and ensure its economic security.*

## **SECTION I. GENERAL PROVISIONS**

### **Chapter 1. MAIN PROVISIONS**

#### **Article 1. Customs policy of Turkmenistan**

Turkmenistan implements the single customs policy, which is a compound part of the internal and foreign policy of Turkmenistan.

#### **Article 2. Customs affair in Turkmenistan**

Customs affairs in Turkmenistan is a set of methods and means of customs regulation issues related to moving through customs border of Turkmenistan goods and vehicles, determining the order and conditions of customs clearance, application of customs regimes and levying of customs duties, customs control and other measures for the implementation of customs policy of Turkmenistan.

#### **Article 3. Customs legislation of Turkmenistan**

1. Turkmenistan's Customs legislation is based on the Constitution and consists of this Code and other legal acts of Turkmenistan regulating relations in the field of customs.

2. If an international treaty of Turkmenistan establishes rules other than those contained in this Code, the rules of the international treaty are implemented.

#### **Article 4. Customs territory and customs border of Turkmenistan**

1. Turkmenistan territory, including the territorial water and airspace above it, is the customs territory of Turkmenistan.

2. Customs territory of Turkmenistan also includes those located in the exclusive economic zone of Turkmenistan and on the continental shelf of Turkmenistan artificial islands, facilities, and installations over which Turkmenistan exercise jurisdiction under the legislation.

3. In accordance with the legislation in the territory of Turkmenistan may be created special economic zones, which are part of the customs territory of Turkmenistan. Goods placed in special economic zones are treated as being outside the customs territory of Turkmenistan for customs duties and taxes, as well as

prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan, except as specified in this Code and other normative legal acts of Turkmenistan.

4. The limits (bounds) of customs territory of Turkmenistan, as well as the limits (bounds) of the territories referred to in the second and third parts of this article, are the customs border of Turkmenistan.

5. Customs Turkmenistan border coincides with the State borders, except within the territory specified in the second and third parts of this article.

## **Article 5. Basic terms used in this Code**

1. This Code uses the following basic terms:

1) **interested persons** - persons whose interests are affected by the decisions, actions (inaction) of customs authorities in respect of goods and(or) vehicles directly and individually, if this Code provide otherwise;

2) **foreign goods** - goods that are not Turkmen products under paragraph 25 of this section;

3) **foreign person** - a person who is not a person of Turkmenistan under paragraph 26 of this section;

4) **carrier** - a person performing the carriage of goods across the customs border of Turkmenistan and (or) transport of goods under customs supervision within the customs territory of Turkmenistan or responsible for the use of the vehicle;

5) **declarant** - the person submitting a customs declaration, or person on behalf of who the customs declaration is submitted;

6) **free circulation** - circulation of goods in the customs territory of Turkmenistan without the restrictions and limitations specified by law;

7) **Customs procedure** - set of regulations providing for the procedure of customs operations and determining the status of goods and (or) vehicles for customs purposes;

8) **Customs declaration** - a customs document in the prescribed form, which shall include the information required for submission to the customs authority under this Code;

9) **Customs broker (representative)** - intermediary performing customs operations for and on behalf of the declarant or other person to whom entrusted the duty or who has been granted the right to perform customs operations under this Code;

10) **Customs regime** - set of standards established by this Code, defining the status of the goods and vehicles for customs purposes depending on the purpose of their movement across the customs border and use in the customs territory of Turkmenistan or outside it;

11) **Customs authorities** - the authorized state body on customs affairs and customs authorities subordinated to him;

12) **Customs control** - set of the measures exercised by the customs authorities of Turkmenistan to ensure compliance with customs laws and

international treaties of Turkmenistan, control over the execution of which vested to the customs authorities of Turkmenistan;

13) **activities in the field of customs affairs** - activities of legal persons as owners of temporary storage warehouses, owners of customs warehouses and customs brokers (representatives);

14) **authorized state body on customs affairs** -- the central executive body carrying out the governance of the customs affair in Turkmenistan;

15) **status of the goods and vehicles for customs purposes** - the availability or absence of prohibitions and restrictions on the use and disposal of goods and vehicles under Turkmenistan legislation;

16) **Customs operations** - certain actions in respect of goods and (or) vehicles committed by individuals and customs authorities under this Code while operating customs clearance of goods and (or) vehicles;

17) **Customs documents** - documents prepared exclusively for customs purposes;

18) **Customs payments** – customs duties, taxes, customs fees.

The taxes and excise taxes are entrusted under the law to the customs authorities of Turkmenistan during the importation of goods into the customs territory of Turkmenistan;

19) **goods** - any movable property relocated across the customs border of Turkmenistan, except vehicles referred to in paragraph 28 of this section;

20) **release of goods** – actions of customs authorities, to allow interested parties to use and(or) dispose of the goods under the customs regime under which the relevant goods are placed;

21) **moving through the customs border of Turkmenistan goods and (or) vehicles** – performing actions on import into the customs territory of Turkmenistan, or removal from the territory of goods and(or) vehicles by any methods:

a) **import of goods and (or) vehicles to the customs territory of Turkmenistan** - the actual crossing of goods and (or) vehicles of the customs border of Turkmenistan and all subsequent actions under this Code with the goods and (or) vehicles before they are released by the customs authorities;

b) **export of goods and (or) vehicles from the customs territory of Turkmenistan** - submission of customs declaration or commission of action referred to the second paragraph of this subparagraph of actions, directly aimed at export of goods and (or) vehicles, as well as all subsequent actions under this Code with the goods and (or) vehicles to the actual crossing of the customs border of Turkmenistan.

Action directly refers to export of goods and (or) vehicles from the customs territory of Turkmenistan refers to a person entry (exiting from Turkmenistan) to the customs control zone, the entry of a motor vehicle crossing the state border of Turkmenistan to exit from the customs territory of Turkmenistan, delivery by transport companies renting goods or postal services international mails to be sent outside the customs territory of Turkmenistan, person's actions aimed directly at the actual crossing of the customs border by goods and (or) vehicles outside

locations, installed under Turkmenistan legislation;

22) **shipping documents** - transport (shipment), commercial and customs documents for goods transported across the customs border and transported under customs supervision within the customs territory of Turkmenistan, which accompany them during transportation;

23) **person** - individual or legal person;

24) **commercial documents** - invoice, shipping and packing lists and other documents which are used under Turkmenistan legislation and international treaties of Turkmenistan or customs of business turnover in the implementation of foreign trade and other activities which, under law, the parties' agreement or business practices are used to validate transactions involving the movement of goods across the customs border, if other is not prescribed by this Code;

25) **Turkmen goods** - goods for customs purposes with the status of being in free circulation in the customs territory of Turkmenistan:

a) completely produced in Turkmenistan;

b) released for free circulation in the customs territory of Turkmenistan;

c) made in Turkmenistan from goods entirely produced and(or) released for free circulation in the customs territory of Turkmenistan;

26) **Turkmenistan individual**- a legal entity located in Turkmenistan, established under Turkmenistan legislation, as well as a physical person residing in Turkmenistan, including registered in the territory of Turkmenistan as a sole proprietorship;

27) **transport (shipping) documents** - bill of lading, invoice or other documents confirming the existence and content of the contract of shipment of goods and accompanying goods at international traffic;

28) **vehicles** - any sea (river) vessel (including self-propelled and non-self-propelled lighters and barges), hovercraft, aircraft, motor vehicle (including trailers, semi-trailers and combined vehicles), a unit of railway rolling stock or containers used for the international transportation of passengers and goods, as well as their regular spare parts, accessories and equipment contained in their regular tanks, fuel and lubricants and fuel, if they are transported with vehicles.

2. All other terms are used in this Code in the meanings given to civil and other legislation of Turkmenistan, as well as relevant articles of this Code.

## **Chapter 2. MAIN PRINCIPALS OF MOVING GOODS AND VEHICLES THROUGH CUSTOMS BORDER OF TURKMENISTAN**

### **Article 6. Moving goods and vehicles across the customs border of Turkmenistan**

1. All persons shall have an equal right to move goods and vehicles across the customs border of Turkmenistan in the order prescribed by this Code, except those as provided by this Code and other normative legal acts of Turkmenistan and Turkmenistan international treaty.

2. Goods and vehicles crossing the customs border of Turkmenistan so that is

prescribed by this Code.

### **Article 7. Compliance with the prohibitions and restrictions on the movement of goods across the customs border of Turkmenistan**

1. Goods prohibited, under Turkmenistan legislation, from import into the customs territory of Turkmenistan, are subject to immediate removal from the customs territory of Turkmenistan unless otherwise specified by this Code and normative legal acts of Turkmenistan. Export (removal) of the above-mentioned goods shall be made by the carrier.

In case of impossibility of export or failure of non-immediate removal (export) of these products, it shall be placed in temporary storage or in other places that are customs control zones, at expense of the persons referred to in Article 9 of this Code. The time limit for the temporary storage of goods shall be **THREE DAYS** unless otherwise provided by the Turkmenistan legislation in respect of certain goods. Disposal of the goods at the end of that period execute under Chapter 39 of this Code.

Goods restricted for import into the customs territory of Turkmenistan are allowed to import (and in cases stipulated by this Code - released by the customs authority), subject to terms and conditions prescribed by Turkmenistan legislation or international treaties of Turkmenistan.

2. Goods prohibited for export are not subject to the actual export from the customs territory of Turkmenistan.

3. Goods restricted for export from the customs territory of Turkmenistan are allowed to export are subject for export if it meets the requirements and conditions established by Turkmenistan legislation or international agreements of Turkmenistan.

4. Expenses incurred by the persons referred to in Article 9 of this Code, declarants, carriers, or other persons in connection with prohibitions and restrictions on import of goods into the customs territory of Turkmenistan or their removal from the territory, the **CUSTOMS AUTHORITY SHALL NOT REIMBURSE**.

### **Article 8. Customs clearance and customs control**

1. Goods and vehicles conveyed across the customs border of Turkmenistan are subject to customs clearance and customs control in the manner and on the terms provided for in this Code.

2. When carrying out customs clearance and customs control the customs authority and its officials are not entitled to establish requirements and restrictions not provided for by the customs legislation of Turkmenistan and other normative legal acts of Turkmenistan.

### **Article 9. Obligation to carry out customs operations for the release of goods**

The obligation to carry out customs operations for release of goods, unless otherwise provided in this Code are:

1) if the movement of goods across the customs border of Turkmenistan carries out in accordance with the foreign economic transaction and concluded by a person of Turkmenistan - Turkmenistan person who has entered into a foreign trade transaction or in whose name or on whose behalf the transaction is enclosed;

2) if the movement of goods across the customs border of Turkmenistan done without entering a foreign trade transaction by Turkmenistan person:

a) A person having the right of ownership and (or) the right to use the goods in the customs territory of Turkmenistan;

b) other persons acting as lawfully sufficient under the civil legislation of Turkmenistan and (or) with this Code to make legal actions on their behalf with the goods under customs control.

### **Chapter 3. INFORMING AND CONSULTING**

#### **Article 10. Information on normative legal acts in the field of customs**

1. Authorized state body on customs affairs and other customs authorities shall ensure free access, including the use of information technology to information on normative legal acts in the field of customs.

2. Authorized state body on customs affairs shall ensure publication in periodicals normative legal acts in the field of customs adopted by this body.

#### **Article 11. Consultation on customs issues and other issues within the competence of customs authorities**

1. Customs authorities shall consult interested parties on customs issues and other issues within the competence of these bodies. Information on the request of the concerned person is given as soon as possible, but no later than one month from the date of receipt of the request.

2. Counseling is free of charge by the customs authorities in both orally and in writing.

3. Information provided by interested parties during the consultation is not a basis for a decision or action (inaction) of the customs authorities in the implementation of customs operations in respect of goods and (or) vehicles.

4. Customs officials are responsible under the Turkmenistan legislation for the accuracy of the information provided to persons under the provisions of this chapter.

### **Chapter 4. COUNTRY OF ORIGIN**

#### **Article 12. Identification of the country of goods' origin**

1. Identification of the country of goods' origin carries out in accordance with the provisions of this chapter in all cases where the application of customs and tariff regulation and prohibitions and restrictions prescribed by Turkmenistan legislation, depending on the country of goods' origin.

2. The country of origin of goods shall be the country in which the goods were completely produced or sufficiently processed in accordance with the criteria of sufficient processing established by Article 14 of this Code.

3. Country of origin may be considered a group of countries, customs unions of countries, a region, or part of the country if to determine the country of origin needs such a selection.

4. Upon request of the declarant or other interested person, the customs authorities shall make a preliminary decision on determining the origin of goods under Chapter 6 of this Code.

### **Article 13. Goods completely produced in given country**

Goods completely produced in given country are:

1) mineral products extracted from the subsoil of the country, in its territorial waters (sea) or on the seabed;

2) vegetable products are grown or harvested in a given country;

3) animals born and raised in given country;

4) products obtained in given country of animals raised therein;

5) products obtained from hunting and fishing in given country;

6) products of sea fishing and other products of fishing vessel obtained by given country's boat;

7) products obtained aboard a factory ship of given country solely from products referred to in paragraph 6 of this Article;

8) products obtained from the seabed or subsoil of the sea outside the territorial waters (sea) of given country, if that country has exclusive rights for the development of that seabed or those marine mineral resources;

9) waste and scrap (secondary raw materials) derived from manufacturing or other processing operations in given country, and used products collected in given country and suitable only for the processing of raw materials;

10) goods produced in given country solely from products referred to in paragraphs 1-9 of this Article;

11) electricity produced in given country.

### **Article 14. Criteria for sufficient processing of goods**

1. If the production of goods involves two or more countries, the country of goods' origin shall be the country in which the last processing or manufacturing products operations were carried out that meet the criteria of sufficient processing under the provisions of this Article.

2. If, in respect of certain goods or any particular country specificity

determination of goods' origin of imported into the customs territory of Turkmenistan is not specifically stipulated under the third part of this article, the general rule used, according to which the goods are considered as originating from a given country if as a result of processing or manufacturing of the goods has been a change in the classification code of the goods under the nomenclature of foreign economic activity at any of the first four characters (signs).

3. To determine the country of origin is also used the following criteria for sufficient processing of goods:

1) performance of certain manufacturing or technological operations sufficient to name the country of goods' origin shall be the country where these operations took place;

2) changes in the cost of goods, when the percentage of the cost of materials and value-added reaches a fixed share at the price of the final product (the ad valorem percentage rule).

4. Regardless of the provisions set out in the third part of this article, do not meet the criteria of sufficient processing the following:

1) operations to ensure the safety of goods during storage or transport;

2) operations to prepare the goods for sale and transportation (division the batch, forming of shipments, sorting, repackaging);

3) simple assembly operations, that understood as an assembly of components of the product with mounting material (screws, nuts, bolts, etc.) or by riveting, welding, soldering, or by gluing;

4) mixing of goods originating from different countries, if the characteristics of the final product are not significantly different from those of mixed goods;

5) slaughter;

6) combination of two or more of the above operations.

5. When establishing an order to use the criteria of sufficient processing for certain types of goods imported from countries to which Turkmenistan provides tariff preferences, for the purpose of providing it the Cabinet of Ministers has the right to determine the conditions for using the rules for direct purchase and direct shipment.

### **Article 15. Features of determination of the country of goods' origin**

1. When determining the country of goods' origin in unassembled or disassembled type, delivered in several batches if production or transport conditions cannot be shipped by one party, as well as goods, the batch of which is divided into several parties as a result of errors, should be considered at the request of the declarant as a single commodity.

2. Condition of the practical application of the provisions of the part of this Article are:

1) prior notification of the customs authority on the goods in unassembled or disassembled type supplied by parties (batches), with an indication of the reasons for such delivery and presentation specifications of each party (batch) with an indication of the classification codes of goods under the nomenclature of foreign

economic activity, value and country of origin of the goods in each shipment. In cases of breakdown parts of goods into several parties as a result of errors or incorrect addressing additional documentary evidence shall be submitted on the fallacy of separating the product;

2) delivery of all consignments of goods from one country by one supplier under a single contract;

3) declaration of all consignments in one customs authority;

4) the importation into the customs territory of Turkmenistan all consignments within a period not exceeding six months from the date of acceptance of the customs declaration by customs authorities in respect of the first consignment. Upon motivated request, if you cannot supply the goods for reasons beyond the control of the consignee, the remaining term of the import consignments may be extended by the customs authority. Wherein mentioned extension may not exceed one year from the date of importation of the first consignment.

3. Devices, accessories, spare parts and tools for use with machines, equipment, instruments or vehicles considered as originating from the same country as the machinery, equipment, instruments or vehicle, unless devices, accessories, spare parts, and tools are imported and used as a unit with the above machinery, equipment, or vehicles, in the amount indicated in the accompanying technical passport, technical forms, and other technical documents.

4. Package in which the goods are imported into the customs territory of Turkmenistan, considered as originating from the same country as the goods, except in cases where the package in accordance with the Commodity nomenclature of foreign economic activity to be declared separately from the goods. In these cases, the country of origin of packaging is determined separately from the country of goods' origin.

### **Article 16. Confirmation of the country of origin**

Documents confirming the country of goods' origin are a declaration of goods' origin or in cases determined by the legislation of Turkmenistan, a certificate of origin.

### **Article 17. Declaration of origin of goods**

1. A document certifying the country of goods' origin, under this Code may serve as a declaration of goods' origin made up in arbitrary form, provided that it contains information that can help determine the country of origin. As such declaration may be used commercially or any other documents relating to the goods, containing a statement of the country of goods' origin made by a manufacturer, seller, or exporter in connection with the export of goods.

2. If the declaration of good's origin has information on the country of origin based on other criteria of sufficient processing than those applied in Turkmenistan, the country of origin of goods shall be determined under the criteria specified in

Article 14 of this Code.

### **Article 18. Certificate of origin**

1. Certificate of origin - a document certifying the country of origin issued by the competent authority of the country of origin or the country of exportation of the goods, if, in the country of export, a certificate issued based on information received from the country of origin.

2. When exporting goods from the customs territory of Turkmenistan certificate of origin issued by the appropriate authorized state bodies of Turkmenistan if the specified certificate is required under the terms of a contract on the laws of the country of importation of goods or the presence of such a certificate is specified by international treaty Turkmenistan.

3. Authorized state body of Turkmenistan issuing the certificate of origin shall:

1) keep a copy and other documents on which the origin of goods are certified, not less than three years from the date of issuance;

2) at the request of the customs authority in the specified period of time to submit the documents and information necessary to verify the authenticity or validity of a certificate of origin.

4. If the certificate of goods' origin has information on country of origin based on other criteria of sufficient processing than those applied in Turkmenistan, the country of origin of goods shall be determined in accordance with the criteria specified in Article 14 of this Code.

5. In case of doubt on the authenticity of the certificate or information contained herein customs authority may apply to the competent authority of the country of origin that issued the certificate with motivated request to provide additional or clarifying information.

### **Article 19. Submission of documents confirming the country of goods' origin**

1. When goods are imported into the customs territory of Turkmenistan document certifying the country of origin presented in case if Turkmenistan grants tariff preferences in accordance with Turkmenistan legislation or international treaties of Turkmenistan to the country of origin of those goods.

The customs authority may require the submission of a document certifying the country of origin, in other cases where there is a reason to believe that alleged information about the country of origin of goods affects the application of customs duties, taxes and (or) the restrictions and limitations established by the legislation of Turkmenistan, are unreliable.

In these cases, the document certifying the country of origin of goods submitted in the form specified by Turkmenistan legislation or international agreement of Turkmenistan, at the same time with the customs declaration and other documents necessary for the customs clearance.

2. Upon the loss of a certificate of origin of goods, the duplicate issued by the authority referred to in Section 18 of this Code is accepted.

3. Country of goods' origin established by customs authorities after identification of the information specified in the document certifying the country of origin with the information contained in the shipping documents.

4. Condition for acceptance by customs authority a certificate of origin is the presence at the customs authority officially transferred sample forms, seal impressions, signatures of persons, and addresses of the bodies authorized to certify and issue certificates of origin of goods.

#### **Article 20. Grounds of refusal to release the goods for reasons of goods' origin**

1. Customs authority shall refuse to release the goods if the country of origin is the country whose goods cannot be imported into Turkmenistan under Turkmenistan legislation or international treaties of Turkmenistan.

2. Presentation of improperly issued a certificate or declaration of goods' origin or not the submission of these documents is not a reason for refusing to release the goods, except those as specified in Paragraph one of this article.

3. In the case, if the country of origin is not confirmed, in respect of such goods the maximum statutory rate of customs duties shall apply.

4. In relation to the goods specified in parts two and three of this article, preferential treatment or most favored nation treatment is applied (restored), provided that the customs authority receives confirmation of the country of origin of this product before the expiration of one year from the date of acceptance of the customs declaration.

### **Chapter 5. COMMODITY NOMENCLATURE OF FOREIGN ECONOMIC ACTIVITY**

#### **Article 21. Commodity nomenclature of foreign economic activity**

1. Commodity nomenclature of foreign economic activity approved by the authorized state body on customs affairs based on the Harmonized Commodity Description and Coding.

2. Commodity nomenclature of foreign economic activity is used for the application of customs and tariff regulation and prohibitions and restrictions established by the legislation of Turkmenistan, conducting customs statistics of foreign trade.

#### **Article 22. Classification of goods**

1. Declaration of goods under Chapter 11 of this Code shall be classified in accordance with which each item has a classification code on the Commodity Nomenclature of Foreign economic activity.

2. In the case of incorrect indication of goods classification code under the Commodity nomenclature of foreign economic activity during the declaration, the customs authority classifies such goods on their own.

3. The decision of the customs authority on the classification of goods in accordance with the Commodity nomenclature of foreign economic activity is mandatory. The declarant is entitled to appeal the decision under the legislation of Turkmenistan.

4. The information included in the shipping documents, as well as conclusions, references, certificates, acts issued by organizations performing expertise, are complementary (information) materials and may be taken into account for the classification of goods.

5. Upon request of the declarant or other interested (concerned) person, the customs authority shall take a preliminary decision on the classification of goods under Chapter 6 of this Code.

## **Chapter 6. PRELIMINARY DECISION**

### **Article 23. Preliminary decision making**

1. Authorized state body on customs affairs and customs authorities designated by the authorized state body on customs affairs, at the request of the declarant or other interested person (hereinafter in this chapter - the applicant) takes a preliminary decision on the classification of goods in accordance with the Commodity nomenclature of foreign economic activity concerning a particular product, the origin of goods from a particular country (country of origin).

2. Form a preliminary decision is determined by the authorized state body on customs affairs.

### **Article 24. Statement on the adoption of the preliminary decision**

1. Adopted statement on a preliminary decision (hereinafter in this chapter - the application) is submitted by the applicant to the appropriate customs authority in writing form.

2. The statement must contain information about the product, necessary for making a preliminary decision. The application shall be accompanied by samples of the product, its description, photos, drawings, designs, commercial, technical and other documents.

3. Customs authority shall consider the application and issue a preliminary decision within thirty days from the date of registration of the application, if not required to provide any other information or examination.

4. If submitted information by the applicant is insufficient for making a preliminary decision, the customs authority, within thirty days from the date of receipt of the application, shall notify the applicant of the need to provide additional information and set a deadline for its submission. If additional information is not submitted within the prescribed period the statement is rejected.

5. In the case of rejection of the application, the customs authority shall, within two days, send the applicant a written motivated refusal.

Rejection of applications does not prevent the applicant from repeated application for a preliminary decision after removal shortcomings that provided the reasons and led to the rejection of the application.

### **Article 25. Legal value and validity of the preliminary decision**

A preliminary decision is binding for all customs authorities. A preliminary decision is valid for three years from the date of its adoption unless it is revoked or amended under Article 26 of this Code.

A preliminary decision is entitled to use only by the person, on the application of which the decision was made.

### **Article 26. Amendment or cancellation of preliminary decisions**

1. Customs authority that made the preliminary decision has the right to change or cancel it.

2. Amendments in preliminary decision executed in the following cases:

1) Passing binding decisions by the World Customs Organization for use in Turkmenistan;

2) If the legislation of Turkmenistan or international agreements of Turkmenistan, concerning the matters for determining the country of goods' origin, establish other requirements and conditions for determining the country of origin;

3) Changes in the Commodity nomenclature of foreign economic activities or provisions of the customs legislation of Turkmenistan in the part of preliminary decision making;

4) Identification of errors in the preliminary decision.

Amendments to preliminary decision shall enter into force on the day of the adoption of the decision.

The decision to amend the preliminary decision sends within three days to the person who was sent the preliminary decision.

3. Cancellation preliminary decision was made if that decision was made based on forged documents and false information submitted by the applicant. Cancellation shall take effect from the date of the decision to annul the preliminary decision.

The decision on the cancellation of the preliminary decision shall be sent within three days in writing to the person who was sent the preliminary decision.

## **SECTION II. CUSTOMS PROCEDURES**

### **Subsection 1. CUSTOMS CLEARANCE**

#### **Chapter 7. GENERAL PROVISIONS RELATING TO CUSTOMS**

## CLEARANCE

### **Article 27. Scope work of this Chapter**

The provisions of this chapter apply to all customs operations performed with respect to goods and vehicles transported across the customs border of Turkmenistan.

### **Article 28. The procedure of Customs Clearance**

1. Customs clearance executes in the manner prescribed by this Code and adopted under the regulatory legal acts of Turkmenistan.

2. Procedure and technologies of customs clearance shall be established depending on the types of goods transported across the customs border of Turkmenistan, the mode of transport used for such conveyance, the categories of persons transporting goods and vehicles.

3. Customs operations apply regardless of the country of origin, dispatch, and destination of the goods.

### **Article 29. Starting and completion of customs clearance**

1. Customs clearance begins:

1) During importation of goods - at the time of presentation to the customs authorities a customs declaration or documents in respect of goods that transported across the customs border of Turkmenistan, under Article 40 of this Code, and in cases stipulated by this Code, - by an oral statement or commit other acts that have evidence the intention of the person to make the customs clearance;

2) During export of goods - at the time of submission a customs declaration to the customs authority and in cases stipulated by this Code, -by an oral statement or taking other actions that demonstrate the intention of the person to make the customs clearance.

2. Customs clearance concluded after customs operations are completed which is required under the Code for placing goods under the customs regime and the termination of this regime if such customs regime operates within a certain period, as well as for the calculation and collection of customs duties.

Customs clearance of goods is subject to veterinary, phytosanitary, and other forms of state control and can be completed only after consultation with the appropriate authorized state bodies exercising such control.

### **Article 30. Place and time of customs clearance**

1. Customs clearance exercises at the location of the customs authorities at working time.

2. Upon reasonable request of the declarant or other interested person, separate customs operations for customs clearance may be performed outside of

locations and working hours of the customs authorities in accordance with the procedure established by the authorized state body on customs affairs.

### **Article 31. Documents and information required for customs clearance**

1. According to the procedure of customs clearance identified in this Code, the person obliged to provide the customs authorities with documents and information required for customs clearance.

2. Customs authorities during customs clearance have the right to require only those documents and information specified by the present Code, and which are necessary to ensure compliance with the customs legislation of Turkmenistan and international treaties of Turkmenistan, enforcement of which vested on the customs authorities of Turkmenistan.

3. Lists and forms of documents and lists of data required for customs clearance applicable to specific customs procedures and customs regimes, established by the authorized state body on customs affairs, unless otherwise provided by this Code and other normative legal acts of Turkmenistan.

4. To simplify and expedite customs clearance, customs authorities may accept customs documents specified by the customs authorities of foreign countries based on agreements with these bodies on mutual recognition of documents used for customs purposes.

5. Documents required for customs clearance may be submitted as originals or copies of them, as well as in the form of electronic documents in the manner prescribed by the authorized state body on customs affairs.

6. Lists of documents and information required for customs clearance must be officially published.

### **Article 32. Presence of authorized persons and their representatives during the customs clearance**

1. Persons with a mandate in relation to goods or their representatives have the right to be presented at the customs clearance.

2. Upon request of the customs authority, persons having authority in relation to goods or their representatives must be presented at the customs clearance.

### **Article 33. Language of Customs Clearance**

1. Customs clearance, including filling out documents required for customs clearance implemented in the state language of Turkmenistan, except those as provided in this Code and international treaties of Turkmenistan.

2. Customs authorities may accept documents in foreign languages in which officials of these bodies can speak.

### **Article 34. Priority procedure for customs clearance**

When importing into the customs territory of Turkmenistan and exported from the territory of goods necessary to eliminate the effects of natural disasters, accidents and catastrophes, and other emergencies, goods supplied as part of humanitarian aid, goods sent and received by diplomatic missions, as well as goods subject to rapid deterioration (spoilage), living animals and birds, radioactive materials, international mails and express cargo goods intended for participation in fairs and exhibitions, and materials for the media and other similar goods, the customs clearance procedure executes in a priority manner.

### **Article 35. Simplified customs clearance procedures**

To improve customs clearance, authorized state body on customs affairs may establish simplified customs clearance procedures.

### **Article 36. Use and disposal of goods in respect of which customs clearance is completed**

Use and disposal of goods for which customs clearance has not been completed is not allowed, except for the cases provided for by this Code.

## **Chapter 8. ARRIVAL OF GOODS AND VEHICLES ON CUSTOMS TERRITORY OF TURKMENISTAN**

### **Article 37. Place and time of arrival of goods and vehicles into the customs territory of Turkmenistan**

1. The arrival of goods and vehicles into the customs territory of Turkmenistan allowed at checkpoints across the state border of Turkmenistan established in accordance with the Turkmenistan legislation during working hours of the customs authorities. In some other places, the goods and vehicles can come to the customs territory of Turkmenistan under Turkmenistan legislation.

2. After crossing the customs border of Turkmenistan carrier is obliged to deliver the goods and imported vehicles at checkpoints and present them to the customs authority. It is not allowed to change the status of goods, breach their packaging, as well as change, deletion, destruction, or damage of seals, stamps, and other means of identification.

3. Provisions of this chapter do not apply to goods transported by pipelines, power transmission lines, and transported by sea (river), aircraft crossing the customs territory of Turkmenistan without stopping in a port or airport located in the customs territory of Turkmenistan.

### **Article 38. Defining checkpoint**

1. On arrival of goods and vehicles into the customs territory of Turkmenistan, the following are considered as the checkpoints:

1) for air transport - the crossing point at the first airport in the customs territory of Turkmenistan, in which the aircraft lands and produces unloading, loading, and reloading of the goods;

2) for goods transported by air - checkpoints at the customs territory of Turkmenistan, in which the aircraft lands and unload goods;

3) marine (river) transport - checkpoint at the first port in the customs territory of Turkmenistan, which made unloading, loading, and reloading of goods;

4) for goods carried by sea (river) transport - checkpoints at ports in the customs territory of Turkmenistan, where the sea (river) boat makes a stop and unload goods;

5) for other modes of transport and goods transported on them - the first checkpoint of Turkmenistan on the travel route.

2. At the departure of goods and vehicles from the customs territory of Turkmenistan, the following are considered as the checkpoints:

1) for air transport - the last checkpoint at the airport in the customs territory of Turkmenistan, in which the aircraft lands and produces unloading, loading, and reloading of the goods;

2) for goods transported by air - checkpoints at the customs territory of Turkmenistan, in which the aircraft lands and takes a load of goods;

3) marine (river) transport - checkpoint at the last port in the customs territory of Turkmenistan, at which made unloading, loading, and reloading of goods;

4) for goods carried by sea (river) transport - checkpoints at ports in the customs territory of Turkmenistan, where the sea (river) boat makes a stop and makes the loading of the goods;

5) for other modes of transport and goods transported on them - the last checkpoint Turkmenistan on the travel route.

### **Article 39. Prior notification of customs authorities of the arrival of the goods and vehicles into the customs territory of Turkmenistan**

Administration of crossing point in the state border of Turkmenistan (the airport manager, airdrome, sea and river port, the railway station, depot) send advance notice to the customs authorities on the place and time of arrival of goods and vehicles at the crossing point of the state border of Turkmenistan in the order agreed of this administration with the customs authority under Turkmenistan legislation.

### **Article 40. Submission of documents, information on the arrival of goods and vehicles to the customs border of Turkmenistan**

1. On arrival of goods and vehicles into the customs territory of Turkmenistan carrier is obliged to submit to customs authorities documents and information stipulated by the authorized state body on customs affairs under Article 31 of this Code, depending on the mode of transport that carrying international shipping.

2. When carrier submits documents written in a foreign language, the customs

authorities have the right, if necessary, to require translation into the official language of Turkmenistan only the information that is needed for customs clearance.

3. On behalf of the carrier, the documents and information may be submitted by any other person acting on his behalf.

4. Carrier is entitled to submit documents and information to the customs authority before the actual arrival of goods and vehicles into the customs territory of Turkmenistan.

#### **Article 41. Measures were taken in the accident or force majeure**

1. If delivery of the goods from the actual crossing place of the customs border of Turkmenistan to the place of arrival is interrupted, or if the sea (river), the aircraft makes an emergency stop or landing in the customs territory of Turkmenistan due to an accident, force majeure or other circumstances preventing delivery of goods, implementation or stop landing at designated locations, the carrier must take all measures to ensure the safety of goods and vehicles, immediately inform the nearest customs authority about the circumstances, location of the goods, as well as on the request of the customs authority to transport goods or provide their transportation (if the vehicle is damaged) to the location of the nearest customs authority or other place specified by the customs authority.

2. Customs Authority receiving notification of incidents referred to in the first part of this article determines the necessary measures to ensure customs control, depending on the nature of the incident, the degree of loss of product quality and the technical condition of the vehicle.

3. Carriers or other persons' expenses in connection with the measures specified in this Article, the customs authorities are not reimbursed.

#### **Article 42. Actions with the goods and vehicles in place of their arrival**

1. After the arrival of goods and submission to the customs authorities the relevant documents and information, products can be unloaded or reloaded, placed in temporary storage areas, and are claimed by a certain customs regime or to internal customs transit.

2. Since the presentation of goods at the point of arrival these goods acquire the status goods are in temporary storage. At the expiry of the period of temporary storage, the customs bodies shall dispose of the goods under Chapter 39 of this Code.

3. Vehicles are subject to customs clearance under Chapter 20 of this Code.

#### **Article 43. Unloading and reloading of the goods at the place of arrival**

1. Unloading and reloading goods from vehicles arriving in the customs territory of Turkmenistan carried out in the place of arrival and during working

hours of customs authorities in places specially designed for this purpose.

In other places, and (or) outside normal working hours of the customs authority the work on unloading and reloading of the goods is allowed with the permission of the customs authority, issued on request of the person concerned.

2. Places of unloading and reloading of the goods are customs control zone. These places should be designed and equipped in the way to ensure the safety of goods and shall exclude access to individuals not involved in cargo operations.

3. Upon request of the person carrying out cargo operations in the sea (river) port, the goods may be in the place of their unloading and reloading without space at the storehouse for temporary storage during the period necessary for the implementation of these operations, but within the terms established by Article 62 of this Code.

4. In case of loss of goods or transfer them to third parties without the permission of the customs authorities responsible for the payment of customs duties and taxes under this Code shall be the person performing cargo operations.

5. Prohibited unloading of goods whose import into the customs territory of Turkmenistan is prohibited under the Turkmenistan legislation.

## **Chapter 9. INTERNAL CUSTOMS TRANSIT**

### **Article 44. Internal customs transit**

1. Internal customs transit - the customs procedure under which foreign goods are transported through the customs territory of Turkmenistan without payment of customs duties and taxes and use of prohibitions and economic restrictions established in the legislation of Turkmenistan.

2. Internal customs transit is used for the transport of goods from the place of their arrival to the location of the customs authority of destination, from the location of goods at their place of a declaration to place of export at the customs territory of Turkmenistan, between temporary storage warehouses, customs warehouses, as well as in other cases of transportation of foreign goods through the customs territory of Turkmenistan.

3. Provisions of this chapter shall not apply to goods transported by air if the aircraft during a regular international flight, in place of arrival of goods, make an intermediate or emergency (technical) landing without partial unloading of goods, and as well on goods transported by pipeline and delivered by power transmission lines.

4. Transportation of goods in accordance with the domestic customs transit procedure may be carried out by any carrier.

5. For the purposes of this Chapter:

1) as vehicle is understood as the vehicle on which goods are transported through the customs territory of Turkmenistan;

2) forwarding agent is a person acting under the contract of freight forwarding under the civil legislation of Turkmenistan.

## **Article 45. Permit for internal customs transit**

1. Internal customs transit is allowed with the written permission of the customs authority in the zone of which transportation of goods begins under the customs procedure of internal customs transit (customs office of departure).

2. Permission for internal customs transit shall be issued to:

- 1) carrier;
- 2) forwarder, if he is a person of Turkmenistan;
- 3) persons referred to the sixth part of this article.

3. Permission for internal customs transit is issued under the following conditions if:

1) importation of goods into Turkmenistan is not prohibited under Turkmenistan legislation;

2) in respect of imported goods a border control and other forms of state control in the place of their arrival were held, in the case the goods are subject to such control under Turkmenistan legislation in the place of their arrival;

3) when permits and (or) licenses for goods are presented, in the case when under Turkmenistan legislation of the movement of goods in the customs territory of Turkmenistan is a subject to present these permits and (or) licenses;

4) concerning goods the transit declaration presented;

5) identification of the goods secured;

6) vehicle is properly equipped, in the case when the goods are transported under customs seals and stamps;

7) measures are taken to ensure compliance with the customs legislation of Turkmenistan.

4. Permission for internal customs transit shall be issued upon presentation of the goods to the customs authority of departure as soon as this customs authority is satisfied with the conditions laid down in the third part of this article, but not later than three days from the date of acceptance of the transit declaration. Transit declaration accepted by the departure customs authority on the day of its submission, if it meets all the requirements.

In granting permission for internal customs transit, the departure customs office shall set a period for internal customs transit and determines the place of delivery of goods.

5. Authorized state body on customs affairs have the right to make decisions on preventing from internal customs transit for carrier or freight forwarder, that has repeatedly failed to meet obligations under the carriage of goods under the internal customs transit that is set by the decision of imposing an administrative penalty in cases of administrative offenses in the field of customs if at least one of these actions were not performed, or such carrier or forwarder failed to fulfill an obligation to pay customs duties and taxes under Article 55 of this Code. The above decision shall be canceled within five days after payment of an administrative penalty, as well as customs duties and taxes under Article 55 of this Code, was made by the carrier or freight forwarder with respect to which such

decision was adopted and notification in writing shall be presented to it within that period.

6. Transport of goods in accordance with the domestic customs transit to the place of delivery that is not a location of the customs authority, permission for internal customs transit shall be issued only to a person who will carry out storage of the goods and other operations with the goods at the delivery location under this Code. In this case, that person carries out duties and responsibilities as defined in this Chapter for the forwarder, subject to the provisions of the fifth paragraph of Article 57 of this Code.

7. If permission for internal customs transit cannot be issued because of non-compliance with the conditions outlined in paragraphs 1 - 3 of 3 part of this Section, the customs authority may authorize the transport of goods in temporary storage or in other places that are customs control zones, provided customs escort vehicles for carrying goods.

#### **Article 46. Transit declaration**

1. As a transit declaration, the customs office of departure shall accept any commercial, transport (carrier) documents and (or) customs documents containing the information specified in Part Two of this article.

2. To obtain permission for internal customs transit carrier (forwarder) submit to the customs office of departure the following information:

1) the name and location of the sender (recipient) of goods in accordance with the transport (carriage) documents;

2) the country of origin (country of destination) goods;

3) the name and location of a carrier of goods or freight forwarder, if permission for internal customs transit receives forwarder;

4) vehicle in which goods transported through the customs territory of Turkmenistan, and if transported by the motor transport – information on the driver of the vehicle;

5) on types or names, quantity, cost of goods in accordance with the commercial, transport (carriage) documents, weight or volume, classification codes of goods in accordance with the Commodity nomenclature of foreign economic activity of at least the first four digits;

6) on the total number of packages;

7) on the destination of goods;

8) on the proposed transshipment of goods or other cargo operations on the way;

9) on the planned period of the carriage of goods;

10) on route, if the carriage of goods shall be carried out on certain routes.

3. Authorized state body on customs affairs is entitled to reduce the list of data specified in the second part of this article, with the categories of persons transporting goods and vehicles, types of goods, as well as based on the mode of transport.

4. If the documents submitted under the first paragraph of this article, do not

contain all information specified in Part Two of this article, these data shall be provided additionally by introducing the missing information in writing to the transit declaration. Transit declaration form and procedure for its completion established by the authorized state body on customs affairs.

5. Adoption of a transit declaration documents submitted under the first paragraph, a customs official of customs authority makes a notation on such documents in the form and manner determined by the authorized state body on customs affairs.

6. Transit declaration may be presented in the form of an electronic document. The order of presentation and use it for internal customs transit determined by the authorized state body on customs affairs.

7. In cases stipulated by international treaties of Turkmenistan, a transit declaration can be used documents issued under the international treaties of Turkmenistan.

#### **Article 47. Dates of internal customs transit**

1. The deadline for internal customs transit may not exceed ten days, and in some cases, the authorized state body on customs affairs can authorize a longer period which may not exceed twenty days from the date of authorization for internal customs transit.

2. Upon receipt of permission for internal customs transit, a period for internal customs transit shall be determined within the time limit by the customs authority which established in part one of this article, based on the application of the carrier (freight forwarder), the normal period of transportation of goods, mode of transport and vehicle capabilities, its route and other conditions of carriage.

3. Upon reasonable request of the person concerned, the customs authorities may extend the prescribed period of internal customs transit within the time limit established in part one of this article. If during the transport of goods under the domestic customs transit procedure the carrier can not deliver the goods to the original period due to an accident or force majeure, with the permission of the customs authority in writing, the period of internal customs transit may be extended for a period exceeding the time limit specified in Paragraph of this Article.

#### **Article 48. Identification of goods and their documents**

1. Customs office of departure shall identify the goods placed under the customs procedure of internal customs transit, to enable the detection by customs authority of destination the traces of seizing of goods, placement goods in the vehicle or carrying out any operations with the goods, if such actions may have been committed in the transportation of these goods in accordance with the domestic customs transit.

2. To identify the goods, the customs office of departure is entitled to use the following methods:

- 1) the imposition of customs seals and stamps on vehicle or swap body;
- 2) applying a digital, alphabetic or other marking, identification marks, the imposition of seals and stamps on individual packages;
- 3) stamping;
- 4) taking samples and specimens;
- 5) description of the goods and vehicles;
- 6) use drafts, produce scale images, photographs, videos, illustrations;
- 7) use drafts compiled by customs officials, produced scale images, photographs, videos, illustrations;
- 8) other means to identify the goods, including consignor fillings.

3. Identification of goods carried out by imposing customs seals and stamps on the vehicle or swap body at the conditions set out in Article 49 of this Code.

In other cases, the identification of goods is carried out by other means specified in the second part of this article.

4. In compliance with the conditions under which goods cannot be removed from the sealed container, packing or inserted in it without leaving visible traces of opening containers, packaging or broken custom seals and stamps, identification of goods can be done by imposing customs seals and stamps on such containers, packing.

5. Customs authorities use customs seals or other means of identification of the customs authorities of foreign states, except if:

- 1) customs seals or other means of identification recognized by the customs authority of departure insufficient or unreliable, in accordance with the criteria defined by the first part of Article 49 of this Code;
- 2) customs office of departure makes visual inspection of goods.

If Customs authorities use customs seals or other means of identification of the customs authorities of foreign countries, on modification, deletion, destruction, or damage of these means of identification apply restrictions under this Code in respect of means of identification of the customs authorities of Turkmenistan.

6. Customs authorities carry out identification transport (transportation) documents, as well as the carrier's existing commercial documents for the goods for customs purposes.

For the purposes of identification documents customs authorities may use the following:

- 1) putting on documents seals and stamps;
- 2) application of special labels, special protective tools;
- 3) placement of documents required for customs purposes, into the cargo compartments of vehicles or swap bodies, which are subject to customs seals and stamps;
- 4) placement of documents required for customs purposes, in safe packages.

#### **Article 49. Equipment, vehicles and swap bodies for the transport of goods under customs seals and stamps**

1. Vehicles or swap bodies can be approved for the transport of goods under

Customs seals and stamps, under the stipulation that the customs seals and stamps may be affixed directly to these vehicles or swap bodies, which are designed and equipped in such a way that :

- 1) customs seals can be imposed by a simple and reliable way;
- 2) the goods cannot be removed from the sealed part of the cargo compartment of a vehicle or inserted in it without leaving visible traces of opening the cargo space of the vehicle or breakage seals and stamps;
- 3) vehicle and its cargo spaces have no hiding places for concealing goods;
- 4) all of the places in which goods may be readily accessible for visual inspection.

2. The decision on approval of the vehicle or swap body to the carriage of goods under customs seals and stamps accepts the customs office of departure.

This decision is taken by the customs authority of departure on the day when the concerned person appealed to the customs authority.

#### **Article 50. Place of delivery of goods under internal customs transit**

1. Place of delivery of goods under internal customs transit determined by the customs authority of departure based on the information about destination point specified in the transport (transportation) documents. The place of delivery of the goods is a customs control zone, located in the area of the customs authority of destination. In this case, the goods transported from their place of arrival were delivered to the location of the customs authority.

2. If you change the destination at the domestic customs transit, a carrier may apply to the customs authorities with a request to change the place of delivery of goods. The carrier shall submit an application to any customs authority located on its route, to change the destination, made up in arbitrary form, documents confirming the change of destination, as well as documents provided by the third part of Article 57 of this Code.

The decision to change the delivery of goods accepted by the customs authority not later than the day following the day of receipt of the application and documents referred to in the first paragraph of this subsection. The above decision is made by the completion of the internal customs transit for goods, the place of delivery of which was changed, and the issuance of a new permit for internal customs transit. New authorization for internal customs transit shall be issued on the day of adoption decision on changing the place of the goods delivery.

#### **Article 51. Measures to ensure compliance with the customs legislation of Turkmenistan at the internal customs transit**

Customs office of departure has the right to take the following steps (one of these measures) to ensure compliance with the customs legislation of Turkmenistan under the domestic customs transit:

- 1) To ensure the payment of customs duties and taxes on foreign goods in the amount corresponding to the amount of import customs duties and taxes that would

be payable when goods are released for free circulation. If the information on the goods presented for internal customs transit is not sufficient for calculating the amount of import customs duties and taxes, the size of the payment of customs duties and taxes shall be determined in the manner provided in Article 282 of this Code;

2) Customs escort.

### **Article 52. Customs escorts**

1. Customs escort - escort vehicles carrying goods in accordance with the domestic customs transit procedure, which is carried out by customs officials solely to ensure compliance with the customs legislation of Turkmenistan during the internal customs transit.

2. The customs authority may decide to implement customs escort in the following cases:

1) Failure to secure the payment of customs duties and taxes under Chapter 29 of this Code;

2) The shipment of certain types of goods that are determined based on risk analysis and management under this Code;

3) non-delivery by the carrier at least once within one year before the date of application for permission for internal customs transit of goods to the place of delivery, as confirmed by the approved decision on the imposition of administrative penalty in the case of administrative offense in the area of customs;

4) re-exportation of goods mistakenly delivered to Turkmenistan whose import is prohibited in Turkmenistan if the place of actual crossing the customs border of exported goods does not match the location of these goods;

5) transport of goods under the sixth and seventh parts of Article 45 of this Code;

6) Transportation of goods, which are subject to the prohibitions and restrictions established by the legislation of Turkmenistan.

3. Customs escort is subject to charge customs fee under Chapter 32 of this Code.

### **Article 53. Obligations of the carrier under the domestic customs transit**

The transport of goods in accordance with the domestic customs transit, the carrier shall:

1) to deliver the goods and their documents in the terms established by the customs authority of departure, to the place of delivery of goods;

2) to ensure the safety of goods, customs seals and stamps or other means of identification if it's used;

3) Avoid reloading, unloading, loading, and other cargo operations with goods without permission of customs authorities, except for transshipment to another vehicle in the case provided by the first part of Article 54 of this Code.

**Article 54. Overloading, unloading, loading and other cargo operations with goods**

1. Overload, unloading, loading, and other cargo operations with goods that are transported in accordance with the domestic customs transit allowed with the permission of the customs authority of departure or the customs authority in the area of activity of which the cargo operation is carried out. If the goods can be shipped from one vehicle to another without damaging the customs seals and stamps, such overload is permitted after prior notification of the customs authority.

2. Customs authority may refuse to issue a permit for cargo operations with goods only if their implementation may result in the loss of goods or change their qualities.

**Article 55. Liability of the carrier and forwarder for internal customs transit**

1. In case of non-delivery of foreign goods to the customs office of destination, the carrier or freight forwarder, if permission for internal customs transit received by a freight forwarder is obliged to pay import duties and taxes under this Code.

If carrier handed over the goods to the recipient or other person without the permission of the customs authority, the person who obtained the goods for its possession is responsible for payment of customs duties and taxes, if established that during receiving of such goods the person knew or should have known about violations of customs legislation Turkmenistan.

2. Carrier and forwarder are not responsible for the payment of customs duties and taxes if the goods are destroyed or lost due to an accident, force majeure, or natural loss under the normal conditions of carriage (transportation).

Customs authorities are not entitled to bring to the carrier or forwarder the claim for payment of customs duties and taxes on the ground of infringement the terms of internal customs transit if other conditions and requirements of this chapter have been met.

3. For transshipment of goods under the internal customs transit from one vehicle to another vehicle responsible for the payment of customs duties and taxes shall bear the carrier (forwarder) who was granted authorization for internal customs transit.

4. When goods are transported by rail in accordance with internal customs transit, the responsibility for paying customs duties and taxes is borne by the railroad, which has lost the goods or issued them without the permission of the customs authority. The requirement to pay customs duties and taxes is presented by the customs authorities to the destination railway. The provisions of this part do not apply to cases when a permit for internal customs transit was issued to a forwarder, as well as to cases of transportation of goods in direct mixed traffic, if a permit for internal customs transit was issued to a carrier of another type of transport.

**Article 56. Measures were taken in the accident, force majeure or other circumstances**

1. During an accident, force majeure or other circumstances preventing transportation of goods under the internal customs transit, the carrier shall take measures under Article 41 of this Code.

2. Costs incurred by the carrier in connection with the adoption of these measures, the customs authorities are not reimbursed.

**Article 57. Completion of Internal Customs Transit**

1. Customs authority, which completes the internal customs transit (custom office of destination), draws the completion of the internal customs transit of goods as soon as possible, but not later than twenty-four hours after the registration of arrival of the vehicle, if during the verification of documents and identification of goods by this Customs authority if infringements of the customs legislation of Turkmenistan were not identified.

2. Customs office of destination shall register the arrival of the vehicle at the place of delivery of the goods within two hours after the submission by the carrier the documents mentioned in the third part of this article.

3. To complete the internal customs transit the carrier shall submit to the customs authority of destination present transit declaration, as well as available other documents on the goods within one hour after the arrival of the vehicle at the place of delivery of goods, and in the case of arrival outside the working hours of customs authority - within one hour from the beginning work hours of the customs authority. For carriage of goods by railroad deadline for submission of these documents may not exceed twelve hours.

4. At the place of delivery of goods for the completion of the internal customs transit vehicles are placed in the area of customs control.

Placement of the vehicles in the customs control zone is allowed at any time.

5. When transporting the goods to the place of delivery of goods that is not the place of the customs authorities, the completion of the internal customs transit can be done without bringing goods to the customs office of the destination.

A person granted permission for internal customs transit shall be obliged to accept the goods for storage, to ensure exclusion of transactions that change the state of the goods that will disrupt their packing, use and disposal it till the time as the customs authority certifies the delivery of goods in temporary storage, customs warehouse or any other place designated as the place of delivery of goods in accordance with the rules established by this Chapter. In this case, the goods shall be placed in a separate room or in a fenced perimeter site provided with plates with information enabling them to identify.

For the completion of the internal customs transit, the documents confirming the acceptance of the goods shall be submitted to the customs office of destination along with the documents mentioned in the third part of this article, within 24

hours after the arrival of the vehicle to the place of delivery of goods. Within three days after submission of the documents, customs authority of destination shall register the arrival of the vehicle and delivery of goods.

## **Chapter 10. TEMPORARY STORAGE OF GOODS**

### **Article 58. The temporary storage of goods**

1. The temporary storage of goods - Customs procedure under which foreign goods are stored without payment of customs duties and taxes and without application of the restrictions established by the legislation of Turkmenistan, before their release in accordance with a certain customs regime or to place them under another customs procedure.

2. For the purposes of this Chapter, the vehicle is understood as the vehicle on which goods are transported through the customs territory of Turkmenistan.

### **Article 59. Warehouses of temporary storage**

1. The temporary storage of goods is carried out at warehouses of temporary storage unless otherwise provided in this Chapter.

Temporary storage warehouses are specially assigned and equipped for this purpose premises and (or) open grounds that meet the requirements of Article 66 of this Code.

2. Temporary storage warehouses are customs control zone.

3. Goods may be placed on any temporary storage subject to the limitations provided herein.

### **Article 60. Placement of goods in temporary storage warehouses**

1. In the temporary storage, in a warehouse can be placed any foreign goods, including imported into the customs territory of Turkmenistan with violations under the law on import bans.

2. Goods that may cause harm to other goods or require special storage conditions, should be stored in warehouses or separate rooms of temporary storage warehouses, specially adapted for the storage of such products, in compliance with the mandatory requirements established by the legislation of Turkmenistan.

3. Temporary storage can also be used for storage of goods in the cases provided for by Articles 326 and 338 of this Code.

### **Article 61. Documents required for placing goods in temporary storage**

1. During placing goods in temporary storage areas, the following documents shall be submitted to the customs authorities, the documents contain information about the name and location of the sender (recipient) of goods in accordance with the transport (carriage) documents about the country of origin and country of

destination of the goods, description of the goods, its quantity, the number of packages, the nature and methods of packaging and labeling of goods, invoice value, gross weight of goods (in kilograms) or on the number of goods (in cubic meters), as well as information about the classification codes of goods in accordance with the Commodity nomenclature of foreign economic activity at least the first four characters.

Authorized state body on customs affairs has the right to reduce the list of the information specified in the first paragraph of this subsection, taking into account the mode of transport, types of goods, as well as categories of persons transporting goods and vehicles.

If submitted documents do not contain the information specified in this subsection, the person placing goods in temporary storage areas is obliged to inform the customs authority of the missing information by submitting other available documents or additional documents drawn up by them (or on behalf of another person) in an arbitrary form.

2. Upon the customs authority request, the person placing goods in temporary storage areas shall submit the necessary documents and information in electronic form under this Code.

### **Article 62. Dates of temporary storage of goods**

1. The period for the temporary storage of goods is one month.

Upon reasonable request of the person concerned, the customs authorities may extend the deadline.

The time limit for the temporary storage of goods shall be six months unless otherwise provided in this Article.

2. Perishable goods can be stored in temporary storage within the time limit to preserve their qualities, allowing the use of such goods on the designation, but not exceeding the time limit established in part one of this article.

3. In cases envisaged in the first paragraph of Article 7 and the eighth part of article 326 of this Code, the temporary storage of goods carried out within the time specified in these articles. **Extending these deadlines are not allowed.**

4. Calculation of the temporary storage of goods begins with the day they placed at the temporary storage or from the date of acquisition of goods the status of goods in temporary storage, under this Code. In the case of internal customs transit for the transport of goods from the place of arrival in the customs territory of Turkmenistan to the location of the customs authority, calculus of the temporary storage of such goods starts anew from the date of completion of the internal customs transit.

5. Disposal of goods after the expiration of dates provided in this Article shall be under Chapter 39 of this Code.

### **Article 63. Operations with goods in temporary storage**

1. Persons and their representatives with a mandate in relation to the goods

have the right to do with the goods in temporary storage, normal operations necessary to ensure the safety of goods in an unaltered state (including inspect and measure goods, move them within the temporary storage warehouse ), provided that those operations will not cause a change in their state, their packaging and violation (or) the change imposed identification means.

2. Operations that are not specified in the first part of this article (including sampling and sample the goods, fix the damaged packaging as well as the operations necessary for the preparation of goods for export from the temporary storage warehouse and subsequent transport) can be performed by individuals with authority in respect of the goods and their representatives with the permission of the customs authority.

The customs authority may refuse to issue a permit for such operations only if their implementation would entail the loss of the goods or change their status.

#### **Article 64. Unusable, spoiled or damaged goods**

Goods that have become unusable, corrupted, or damaged due to an accident or force majeure during their temporary storage shall be placed under the customs regime determined by the declarant as if they were imported into the customs territory of Turkmenistan in a worn, damaged or defective condition.

#### **Article 65. Types of Temporary Storage**

1. Temporary storage can be open or closed.

2. Temporary storage warehouses are open type if they are available for the storage of any goods and use for any persons.

3. Temporary storage warehouses are closed type, if they are intended for storage of goods of the owner of the warehouse or the storage of certain products, including those with the limited circulation and (or) require special storage conditions.

#### **Article 66. Requirements for the provision of necessary facility and location of temporary storage warehouses**

1. Premises and (or) open areas intended for use as a temporary storage warehouse, should be equipped to ensure the safety of goods, prevent access by unauthorized persons (who are not employees of the warehouse, not having authority in respect of goods or not representatives of the persons possessing such powers), as well as provide an opportunity to conduct in respect of those goods customs control. Temporary storage warehouses should be located in reasonable proximity to transport hubs and highways.

2. To the premises and (or) open spaces intended for use as a temporary storage warehouse, must adjoin guarded area equipped for parking of vehicles carrying goods, for the time required for completion of the internal customs transit. This specified area is a customs control zone. Vehicles transporting goods under

customs supervision may enter this zone at any time of day.

3. According to the first and second parts of this Article, the authorized state body on customs affairs establishes mandatory requirements for the provision of necessary facility and location of temporary storage warehouses to ensure customs control.

4. According to the decision of the authorized state body on customs affairs, stipulated by this article the specific requirements for the arrangement of closed warehouses that are located in the territories of enterprises and owned by persons engaged in production activities may not apply if it complies with the criteria set by the first part of this article.

### **Article 67. Owners of Temporary Storage warehouses**

1. A legal entity of Turkmenistan included in the List of owners of a temporary storage warehouse may own a temporary storage warehouse.

The conditions for inclusion in the List of owners of a temporary storage warehouse and the procedure for maintaining this list are established by the authorized state body on customs affairs.

The list of owners of a temporary storage warehouse is maintained by the authorized state body on customs affairs.

2. The owner of a temporary storage warehouse provides storage of goods under customs control, in cases and under the conditions established by this Code.

3. Relations between owners of temporary storage warehouse and persons placing goods for storage, based on the contract. The owner of a temporary storage warehouse (except closed warehouse used to store goods of warehouse owner) cannot refuse to sign a contract if it can exercise the storage of goods.

4. Owners of temporary storage warehouses may be customs authorities without inclusion in the List of owners of temporary storage warehouses.

### **Article 68. Obligations of the temporary storage warehouse owner**

1. The temporary storage warehouse owner shall:

1) comply with the terms and conditions outlined in this Code concerning the storage of goods under customs control;

2) keep a record of the stored goods under customs control and submit to customs authorities reports on the storage of such goods;

3) to ensure the safety of goods in a temporary storage warehouse, and vehicles are in the surrounding area, which is a customs control zone;

4) Allow the twenty-four hours placement of goods and vehicles at temporary storage warehouse or to adjacent to the warehouse territory which is a customs control zone;

5) prohibit unauthorized access to goods and vehicles located on the warehouse or the surrounding area without permission of the customs authority;

6) to pay customs duties and taxes under part two of this article, as well as in the case provided by the first part of Article 55 of this Code if the owner of a

temporary storage warehouse received permission for internal customs transit.

2. Temporary storage warehouse owner is responsible for paying duties and taxes in respect to goods stored in the warehouse of temporary storage, in case of lost or released without permission of the customs authority. Owner of temporary storage warehouse shall not be liable for the payment of customs duties and taxes only if the goods are destroyed or lost due to an accident, force majeure, or natural loss under normal conditions of storage.

#### **Article 69. Actions taken with goods in case of exclusion of the owner of a temporary storage warehouse from the List of owners of a temporary storage warehouse**

In the event that the owner of a temporary storage warehouse is excluded from the List of owners of a temporary storage warehouse, the goods stored in his temporary storage warehouse are subject to placement at his expense to another temporary storage warehouse within two months from the day following the day of exclusion from this list. From the day following the day of exclusion of the owner of the temporary storage warehouse from the List of owners of the temporary storage warehouse, the placement of goods in this temporary storage warehouse is not allowed.

#### **Article 70. Storage of goods in temporary storage warehouses of customs authorities**

1. Temporary storage warehouses of customs authorities are open-type warehouses and must meet the requirements established by Article 66 of this Code.

2. When storing goods in temporary storage warehouses of customs authorities, relations between customs authorities and persons placing goods in these warehouses shall be carried out in accordance with this Code and the civil legislation of Turkmenistan. The refusal of the customs authority to conclude an agreement if it is possible to store goods is not allowed.

The acceptance of goods for storage by the customs authority is certified by the issuance of a document to the person who placed the goods in the temporary storage warehouse in the form determined by the authorized state body on customs affairs.

3. The rights, obligations and responsibilities of customs authorities in connection with the storage of goods by these authorities follow from the essence of obligations in accordance with the general provisions on storage provided for by the civil legislation of Turkmenistan, taking into account the provisions established by this Code.

The customs authority is responsible for the payment of customs duties and taxes in case of loss of goods stored in a temporary storage warehouse, unless the goods are destroyed, lost due to an accident, force majeure or natural loss of goods under normal storage conditions.

4. For storage of goods in a temporary storage warehouse of the customs

authority located at the checkpoint across the State Border of Turkmenistan, a customs fee is levied in accordance with Chapter 32 of this Code.

### **Article 71. The temporary storage of goods in a vehicle**

1. The temporary storage of goods on the vehicle allowed by the customs authority in addressing a person having authority over the goods, with the consent of the person in charge of the railway, or the carrier making the delivery of goods by road, on the condition to the delivery of goods without damage and loss, imposed customs seals and other means of identification, as well as the inability to access to the goods in the presence of means of identification.

2. The temporary storage of goods in the vehicle is allowed if the goods are not unloaded from the vehicle and the vehicle's parking place agreed with the customs authority. Unloading of goods from the vehicle or change of vehicle parking is allowed only with the permission of the customs authority.

Location vehicles are a customs control zone. A person having authority in respect of goods is obliged to ensure the safety of goods and prevent access to unauthorized persons.

3. In case of loss of goods stored on the vehicle in the area of customs control, or their release without permission of the customs authorities responsible for the payment of customs duties and taxes incurred a person having authority over the goods, and if the vehicle is in a protected area of a temporary storage warehouse, this is the responsibility of the owner of a temporary storage warehouse.

4. Term of temporary storage of goods on the vehicle may not exceed ten days from the date of authorization by the customs authority for the storage of goods on the vehicle. After this period the goods are not released in accordance with a certain customs regime or not placed under another customs procedure, should be placed on the temporary storage or under another customs procedure.

### **Article 72. Temporary warehouse of the consignee**

1. With the permission of the customs authority goods may temporarily be stored in a warehouse of the consignee:

- 1) If it applies for special simplified procedures for individuals;
- 2) if necessary temporary storage of goods require special storage conditions and if within a reasonable distance from the place of receiving of the goods is absent of temporary storage adapted for storage of such goods;
- 3) If the recipient of the goods are public authorities or state-owned enterprises (organizations, institutions);
- 4) Upon the arrival of the goods at the expense of construction and investment contracts concluded based on decisions of the Cabinet of Ministers of Turkmenistan.

2. When issuing a permit for the temporary storage of goods in the recipient warehouse, the customs authority may require the payment of customs duties and

taxes.

3. Recipient of goods during storage of goods in the warehouse shall comply with all requirements of this chapter. The warehouse of the recipient of goods is not allowed for the storage of foreign goods belonging to other parties.

### **Article 73. Placement of Goods in temporary storage by the customs authorities**

In cases stipulated by part one of Article 7, Articles 326 and 338 of this Code, the goods may be placed in temporary storage areas by the customs authorities. Storage costs and damages to the owner of a temporary storage warehouse in these cases are carried out by persons identified by these articles.

### **Article 73<sup>1</sup>. Completion of the customs procedure for the temporary storage of goods in case of committing offenses in the field of customs**

1. In cases of the sale (use) of goods without the permission of the customs authorities, as well as their loss during the period of temporary storage, the relevant persons are brought to administrative responsibility for an administrative offense in the field of customs, and customs clearance of such goods, which is not completed within the timeframes provided for in Article 62 of this Code, upon the expiration of the specified periods, regardless of the impossibility of submitting the established documents to the customs authority due to the sale (use) or loss of goods, it can be completed in the manner prescribed by the authorized state body on customs affairs on the basis of documents submitted to the customs authorities possibly. In this case, the calculation of the amounts of customs duties and taxes payable is carried out in accordance with Article 271 of this Code.

2. Upon completion of the customs procedure for temporary storage of goods in accordance with the provisions of this article, no later than ten days from the date of completion of customs clearance, the customs authorities shall notify in writing the authorized state bodies for certification of products imported into the customs territory of Turkmenistan, attaching copies of documents confirming the sale (use of) the goods to take appropriate action. At the same time, operations provided for by the legislation of Turkmenistan in relation to goods between interested parties can be carried out after the completion of customs clearance.

3. The provisions of this article do not apply to goods that were destroyed or lost due to an accident or force majeure during the period of temporary storage.

## **Chapter 11. DECLARATION OF GOODS**

### **Article 74. Goods are subject to declaration**

Goods shall be declared to the customs authorities when they are moved across the customs border of Turkmenistan, changing the customs regime, as well as in other cases stipulated by this Code.

## **Article 75. Declaration of Goods**

1. Declaration of the goods produced by a declaration to the customs authority in the customs declaration or otherwise specified in this Code, in written, oral, or electronic form of reliable information about products, customs regulations, and other information required for customs purposes.

Declaration of the goods made by the declarant or customs broker in accordance with the customs regime chosen by the declarant or customs broker.

2. Declaration procedure determined by the authorized state body on customs affairs under this Code and other normative legal acts of Turkmenistan.

3. Customs declaration certified by the person who prepared it and signed by an employee of that person. Identity declaration is made by stamping if, under the law, individuals preparing the Customs declaration shall have a seal.

4. List of information to be stated in the customs declaration shall be limited to only those details which are essential for the purposes of the calculation and collection of customs duties and taxes, the formation of the customs statistics, and the application of the customs legislation of Turkmenistan.

5. List of information to be stated in the customs declaration, and the forms in which they appear, subject to official publication.

## **Article 76. Place authorization of customs declaration**

1. Customs declaration is submitted to the customs authority, where customs clearance is carried out unless otherwise provided in this Code.

2. To ensure the effectiveness of monitoring of compliance with the customs legislation of Turkmenistan authorized state bodies on customs affairs shall have the right to establish certain customs authorities to declare certain types of goods.

## **Article 77. Declarant**

1. The declarant is the persons referred to in Article 9 of this Code, and any other persons authorized to dispose of the goods in the customs territory of Turkmenistan under the civil legislation of Turkmenistan, in compliance with the conditions provided by the second part of this article.

2. A declarant may be the only individual of Turkmenistan, except the cases involved the movement of goods across the customs border of Turkmenistan:

1) foreign individuals for personal, family, household and other purposes not related to business activities;

2) foreign persons who enjoy customs privileges under Chapter 23 of this Code;

3) foreign persons having representative offices registered (accredited) in the territory of Turkmenistan in the order prescribed by Turkmen legislation or generally accepted international rules, with the declared customs regime of temporary import, re-export, customs transit, customs mode of release for the free

circulation of goods imported for needs of such missions;

4) foreign carriers when declaring the customs regime of customs transit;

5) other cases where a foreigner has the right to dispose of the goods in the customs territory of Turkmenistan but not in the frame of the foreign trade deal, one side of which is Turkmenistan individual.

### **Article 78. Rights and obligations of the declarant**

1. When declaring goods and performing other customs operations required for the release of the goods, the declarant has the right:

1) inspect and measure declared goods, including before submission of the customs declaration;

2) with the permission of the customs authority to take samples of declared goods imported into the customs territory of Turkmenistan. Separate customs declaration for samples and specimens of the goods are not submitted with the proviso that those indicated in the customs declaration for the goods;

3) to present during visual inspection and customs inspection of the declared goods, while customs officials taking samples and specimens of the goods;

4) review the available results on research of samples and specimens of the declared goods made by the customs authorities;

5) to submit documents and information required for the declaration of goods, including in electronic form under this Code;

6) exercise other powers and rights stipulated by this Code.

2. When declaring goods and performing other operations customs declarant shall:

1) submit a customs declaration and present to the customs authority the necessary documents and information;

2) At the request of the customs authority present the declared goods;

3) to pay customs payments or secure the payment of customs duties and taxes under Section III of this Code;

4) inform the customs authorities on the terms of inspection of declared goods, if their examination must comply with the special requirements;

5) Comply with other requirements of customs authorities, provided herein.

### **Article 79. The time frame for customs declaration**

1. Customs declaration for goods imported into the customs territory of Turkmenistan shall be submitted not later than thirty days from the date of presentation of the goods to the customs authority in the place of their arrival or from the date of completion of the internal customs transit, if the declaration of the goods is not produced in the place of their arrival, except in cases provided for in Articles 228, 234 of this Code.

2. If the period specified in the first part of this article, is not sufficient for the declarant to collect the necessary documents and information, on reasoned appeal of the declarant in writing to the customs authorities, it may extend the deadline for

submission of the customs declaration. Extending the deadline for submission of the customs declaration should not lead to a breach of the term of the temporary storage of goods.

3. If the deadline for submission of the customs declaration is matched to the holiday (not a working day) of the customs authority, the expiration day shall be the next working day of the customs authority.

4. Customs declaration for goods exported outside the customs territory of Turkmenistan submitted before its actual export from the customs territory of Turkmenistan, except for the removal of the goods transported by pipelines and electric power lines.

### **Article 80. The preliminary declaration of Goods**

1. Customs declaration can be made on foreign goods before they arrive in the customs territory of Turkmenistan or until the completion of internal customs transit.

2. If for customs purposes should be used transport (conveyance) or commercial documents accompanying the goods, the customs authority in the preliminary declaration of goods takes certified by declarant copies of these documents and, if necessary, after the arrival of the goods into the customs territory of Turkmenistan compares the information contained in these copies of documents, with the information contained in the original documents.

3. Upon completion of the customs declaration and payment of due customs duties and taxes before the arrival of the goods into the customs territory of Turkmenistan, such customs declaration may be used as a single document required for the application to goods customs procedures.

4. If goods are not submitted to the customs authority, accepted the customs declaration under the first paragraph of this article, within fifteen days from the date of its adoption, the customs declaration considered as not submitted.

### **Article 81. Submission of documents for declaring goods**

1. Submission of the customs declaration must be accompanied by presenting to the customs authority documents confirming the information stated in the customs declaration.

2. When declaring goods, the following key documents shall be presented:

1) contract signed at the settlement of foreign trade transactions, or other documents that reflect the content of such transaction;

2) commercial documents;

3) transport (transportation) documents;

4) permits, licenses, certificates, and (or) other documents confirming compliance with the restrictions established by the legislation of Turkmenistan;

5) documents confirming the granting exemptions from payment of customs duties and taxes;

6) documents confirming the origin of the goods under Article 16 of this

Code;

7) payment and accounting documents;

8) documents justifying the declared customs value and chosen method of determining the customs value;

9) documents confirming the information on the declarant and the persons referred to in Article 9 of this Code.

3. Customs authority may request additional information to verify the information contained in the customs declaration, submitted documents, and for other purposes related to the customs clearance.

4. If some documents cannot be presented simultaneously with the customs declaration, on a reasoned request of the declarant in writing, the customs authorities in writing giving a permit to permit such documents within the time required to obtain them, but not later than forty-five days after acceptance of the customs declaration if another term for the submission of certain documents and information is not provided by this Code. Declarant submits a written obligation on submitting the documents within the prescribed period.

5. Where a submission to the customs authority of documents that can be used during customs clearance of other goods, on request of the declarant the customs authority issued a written confirmation of the acceptance of such documents in the form established by the authorized state body on customs affairs. Confirmation shall be valid before making any changes in the documents submitted, or till the expiration date.

6. Electronic documents were submitted to the customs authorities in accordance with the procedure established by the authorized state body of Turkmenistan on customs affairs.

## **Article 82. Acceptance of Customs Declaration**

1. A customs declaration is accepted by the customs authorities on the day of its receipt, except for cases of refusal to accept under the fourth part of this article. Acceptance of the customs declaration formalized in accordance with the procedure established by the authorized state body on customs affairs.

2. Since the adoption of the customs declaration, it becomes a statement certifying the facts of legal significance.

3. If a customs declaration is not accepted by the customs authority, such declaration shall be considered for customs purposes as not submitted.

4. Customs authority is not entitled to refuse acceptance of the customs declaration, except when:

1) the customs declaration is submitted to the customs authority that is not authorized to accept customs declarations;

2) the customs declaration is submitted by an inappropriate person;

3) in the customs declaration is not given the necessary information;

4) the customs declaration is not signed or is not properly certified or filled in not prescribed form;

5) when along with submitting the customs declaration, the documents required for customs clearance are not submitted, except for documents that may be submitted after acceptance of the customs declaration under the fourth part of Article 81 of this Code;

6) in the declared goods are not committed acts which, under this Code must be performed before submitting or simultaneously with submission of the customs declaration. The fact of non-payment of customs duties and taxes at the time of submission of the customs declaration is not a basis for refusing to accept the customs declaration.

5. On the reasons for the refusal of accepting the customs declaration, the customs authority shall notify the person who filed the declaration, not later than the day following the date of submitting. Upon request of the person submitting the customs declaration, such notification shall be submitted in writing.

#### **Article 83. Amendments and addendum to the information stated in the customs declaration**

1. Upon reasonable request of the declarant in writing form with the permission of the customs authority, the information stated in the customs declaration may be amended or supplemented.

2. Amendments and addendum to the information stated in the customs declaration, shall be permitted if:

1) at the time of receipt of declarant the customs authority has not found untrue information in the customs declaration, except for inaccuracies that do not affect the decision on release of goods;

2) to the time of receipt of declarant application the customs authority has not begun an examination of goods;

3) Changes, additions do not affect the decision to release the goods and do not entail the need to change the information affecting the determination of the amount of customs duties and taxes and applying restrictions and limitations established by the legislation of Turkmenistan.

3. Customs officials are not entitled on his initiative or at the order or request of interested persons fill out a customs declaration, modify or supplement the information stated in the customs declaration, except filling in it information that falls within the competence of customs authorities, as well as changes or supplement coded data used for machine processing, if such information available in unencrypted type in the customs declaration.

#### **Article 84. Revoke of customs declaration**

1. Upon request of the declarant in writing form, accepted customs declaration on foreign goods may be revoked before the release of such goods for the application of different customs regime.

Revoke of the customs declaration is allowed with the permission of the customs authority in writing form if, before application of declarant, the customs authority has not set untrue information in the customs declaration, except for inaccuracies that do not affect the decision to release the goods.

In granting permission for revoking the customs declaration, the customs authority shall establish a new deadline for the customs declaration, which may not exceed ten days from the date of authorization for withdrawal. Revoke of customs declaration does not extend the deadline for payment of customs duties and taxes.

2. Upon request of the declarant in writing form, accepted customs declaration on Turkmen goods exported from the customs territory of Turkmenistan, may be withdrawn regardless of the purpose of such a withdrawal before the departure of goods from the customs territory of Turkmenistan.

Revoke of the customs declaration is allowed with the permission of the customs authority in writing form if, before receipt of declarant appeal, the customs authority has not set untrue information outlined in it, except for inaccuracies that do not affect the decision to place the goods under the declared customs regime.

The deadline for submission of a new customs declaration for these products is not established.

#### **Article 85. Incomplete customs declaration**

1. If the declarant does not have all information needed to complete the customs declaration, for reasons beyond his control, is allowed to supply incomplete customs declaration, provided that it claimed the information necessary for the release of goods, calculation, and payment of customs duties, demonstrating compliance restrictions imposed by the legislation of Turkmenistan, as well as enabling the identification of the goods on the totality of their quantitative and qualitative characteristics.

When submitting an incomplete customs declaration, the declarant undertakes responsibility in writing form to provide the missing information within the period prescribed by the customs authority, which for foreign goods may not exceed forty-five days from the date of adoption of incomplete customs declaration by the customs authority.

For the Turkmen goods, the period during which the declarant is obliged to provide the missing information, cannot exceed three months from the date of acceptance by the customs authority of incomplete customs declaration.

2. If the customs authority accepts an incomplete customs declaration, its subject to the same requirements and conditions of the customs legislation of Turkmenistan, including the calculation and payment of customs duties and taxes,

which are used in case, if originally were supplied complete and duly completed customs declaration.

### **Article 86. Periodic Customs Declaration**

1. With regular moving goods through customs border of Turkmenistan by the same person, the customs authority may authorize the filing of one of the customs declaration for the goods through the customs border for a certain period.

2. The use of periodic customs declaration should not lead to a breach of the limit of the temporary storage of goods or violate the term of payment of customs duties and taxes.

3. When applying periodic customs declaration to the Turkmen goods exported from the customs territory of Turkmenistan, applying the rules provided by the third and the seventh article 88 of this Code.

4. With regular moving through customs border of Turkmenistan the same goods and the same person, the customs authority may authorize the use of a periodic customs declaration with the repeated movement of such products within one year.

### **Article 87. Features of declaration of Turkmen goods when they are exported from the customs territory of Turkmenistan**

1. When exporting Turkmen goods from the customs territory of Turkmenistan at the request of the declarant, the simplified declaration procedure is used under Articles 85, 86, and 88 of this Code.

2. Simplified declaration procedure is used for Turkmen goods, if it does not impede the implementation of customs control and does not exempt the declarant from compliance requirements and conditions outlined in this Code and other normative legal acts of Turkmenistan, in terms of completeness and timeliness of payment of customs duties, compliance with the prohibitions and restrictions established by the legislation of Turkmenistan, as well as compliance with customs regimes.

Upon cancellation by the customs authority in the application of the simplified procedure of declaring Turkmen goods, the customs authority shall notify the declarant under the fifth paragraph of Article 82 of this Code with the conditions that must be fulfilled for the application of this order.

3. Goods transported by pipelines and electric power lines shall be declared in the manner prescribed by Chapter 24 of this Code.

### **Article 88. Periodic temporary declaration of Turkmen goods**

1. When Turkmen goods exported from the customs territory of Turkmenistan in respect of which can not be presented accurate information required for customs clearance in accordance with the ordinary conduct of foreign trade, it is allowed their periodic temporary declaration by filing a temporary customs declaration.

2. Upon departure, Turkmen goods from the customs territory of Turkmenistan declarant shall submit a full and duly filled customs declaration for all Turkmen goods exported within a certain period. Submission of complete and duly filled customs declaration carry out within the period established by the customs authority at the request of the declarant. In establishing such a period, the period is taken into account necessary for the declarant to obtain information sufficient to supply a complete and duly filled customs declaration. The deadline for submission of complete and duly filled customs declaration shall be three months from the day following the day of expiry of the period for the export of declared goods.

3. The period during which suppose to export Turkmen goods, declared by using the temporary customs declaration, determined by the declarant. In respect of Turkmen goods that are subject to export customs duties, or which are subject to the prohibitions and restrictions prescribed by law, this period may not exceed one month, and the temporary customs declaration accepted by the customs authority not earlier than fifteen days before the beginning of that period.

4. Temporary customs declaration may include information based on the intention of export indicative amount Turkmen goods for a certain period, conditional customs value (valuation) determined according to the planned movement across the customs border of Turkmenistan, several Turkmen goods, as well as based on specified conditions of foreign trade transactions of consumer properties Turkmen goods and order of determination of their prices on the day of submitting the temporary customs declaration.

The departure of Turkmen goods from the customs territory of Turkmenistan in the amount exceeded claimed in the temporary customs declaration is not allowed, except in the cases specified in Article 102 of this Code.

5. If using the temporary customs declaration, the bans and economic limitations prescribed by law shall apply on the date on which the declaration was accepted by the customs authority. Rates of export customs duties applicable on the date of acceptance by the customs authority of the temporary customs declaration, except as provided by this Code.

6. Export customs duties are paid simultaneously with the temporary customs declaration to the customs authority. If the payable amount of export duties increased by the correction of information, prescribe in four-part of this article, an additional payment of export customs duties shall be paid simultaneously with the submission of complete and duly filled customs declaration. Penalties, in this case, are not charged. Overpaid or overcharged amounts of export customs duties shall be reimbursed under Article 295 of this Code.

7. If after four months from the date of adoption of the temporary customs declaration Turkmen goods will not be exported from the customs territory of Turkmenistan, customs declaration, in which such goods were declared for exportation, considered as not submitted.

Upon reasonable request of the person concerned, the customs authorities may extend this period, but no more than another four months.

## **Chapter 12. RELEASE OF GOODS**

### **Article 89. Grounds for the release of goods**

1. Release of goods by the customs authorities, provided if :

1) at the customs clearance and inspection by customs authorities found no violations of the customs legislation of Turkmenistan, except as provided for in Article 93 of this Code;

2) submitted to customs authorities licenses, certificates, permits and other documents required for the release of goods under the law and international treaties of Turkmenistan, except in cases where these documents can be submitted after the release of the goods;

3) declarant met the requirements and conditions for placing goods under the chosen customs regime or application of the relevant customs procedure under this Code;

4) in respect of goods that duties were paid, taxes provided security for payment of customs duties and taxes under Chapter 29 of this Code.

2. Release for the free circulation of goods imported into the customs territory of Turkmenistan is allowed, subject to the payment availability of customs duties and taxes on the accounts of the customs authorities. In the case of non-transfer for the goods customs duties and taxes to the account of customs authorities, the goods considered as conditionally released.

3. Release the goods may be suspended under Article 344 of this Code.

4. Permit for the room for Turkmen goods exported from the customs territory of Turkmenistan, under the customs regime issued by the customs authority, concerning the release of the goods.

### **Article 90. Conditional Release**

1. Conditional release of goods is subject to the following cases:

1) Benefits to pay customs duties and taxes in accordance with Turkmenistan legislation is subject to restrictions on the use and disposal of goods;

2) The goods are placed under the customs regime of customs warehouse, free trade, processing on the customs territory, processing for free circulation, temporary import, re-export, customs transit, destruction and special customs regimes applicable to goods imported into the customs territory of Turkmenistan;

3) Goods are released without the submission of documents and information confirming compliance with the restrictions established by the legislation of Turkmenistan.

2. Conditionally released goods, which enjoy preferential customs duties and taxes under the law, can only be used for purposes consistent with the terms of the provision of benefits.

Goods whose production was done by the customs authorities without documents confirming compliance with the restrictions established by the legislation of Turkmenistan, shall not be transferred to third parties, including

through sale or disposal by other method and in cases where restrictions on the importation of goods imposed in connection with quality assurance and safety of these products are prohibited for use in any form.

3. Conditionally released goods have the status of foreign goods.

4. The goods declared for release for free circulation shall be considered as conditionally released if granted a deferral or installment payment of customs duties, taxes or if the accounts of the customs authorities have not received the amount of customs duties and taxes.

### **Article 91. Time of release of goods**

The customs authorities shall release the goods under Article 89 of this Code not later than three days from the date of acceptance of the customs declaration, submission of other necessary documents and information, except in the case of prolongation of the time of the examination of goods under the second part of Article 308 of this Code, as well as on the application of preliminary declaration - from the date of presentation the goods to customs authorities.

### **Article 92. Additional conditions for release of goods**

1. If during an inspection of the customs declaration and other documents submitted at the declaration and declared goods by customs authorities revealed noncompliance with conditions of release provided for Article 89 of this Code, the release of goods is not carried out.

Customs authority shall immediately notify the declarant on terms the release of goods are not met and what actions are sufficient to comply with the conditions of release of the goods in accordance with the provisions of this section, shall take the declarant.

2. If the customs authority found that the declaration of goods declared false information that affects the amount of paying customs duties and taxes in cases stipulated by this Code, the customs authority shall immediately request the declarant to implement correct information and recalculate the amount of paying customs duties and taxes. The customs authority request shall have exactly specify what information needed to be adjusted for the release of goods.

3. If the customs authority discovered the signs indicating that the claimed information at declaring goods affect the amount of paying customs duties and taxes may be inaccurate or declared information is not confirmed, the customs authority carries out an additional checking in any manner under this Code.

Release of goods by the customs authority subject to the payment of customs duties and taxes, which may be further calculated on the results of the audit. The customs authority shall inform the declarant in writing form the amount required for payment of customs duties and taxes.

4. If the customs authority found that the declaration of goods declared false information that affects the application of prohibitions or restrictions imposed by the legislation of Turkmenistan, in the cases provided by this Code, the customs

authority send to the declarant requirement to correct such information and submit proof compliance documents with applicable restrictions. The request of the customs authority shall specify exactly what information is needed for correction to release the goods and what documents confirming compliance with appropriate restrictions should be presented.

5. If the customs authority discovers the signs indicating that the claimed information at declaring goods that affect the application of prohibitions or restrictions imposed by the legislation of Turkmenistan, may be inaccurate or declared information is not confirmed, the customs authority carries out any additional checks by any manner under this Code.

Release of goods by the customs authority, on condition presenting the documents by the declarant, confirming compliance with the relevant restrictions. The customs authority shall inform the declarant in writing form which documents must be presented for this.

6. In cases envisaged in the second and fourth paragraphs of this Article, goods shall be released not later than the day following the day of execution requirements of the customs authority by the declarant and additional payment appropriate amounts of customs duties and taxes, if such additional payment is required, except in cases where the goods are confiscated ( withdraw) or they seized under Turkmen legislation.

In cases stipulated by the third and the fifth of this Article, goods shall be released not later than the day following the date of payment of customs duties, taxes, and (or) presenting the documents confirming compliance with the relevant restrictions.

If the adjustment of the data declared in the declaration of goods, the amount of paying customs duties, and taxes are reduced compared with declared by the declarant, the release of these products is carried out without compliance of requirements specified in the second and third parts of this article.

7. Actions under this Article shall be made by the declarant within the period of temporary storage of goods, established under this Code.

### **Article 93. Release of goods in the case of an administrative violation in the field of customs**

In the case of an administrative violation in the field of customs release of goods can be done on ta decision of the head of the customs authority before completion of the proceedings, if the goods which are the subject of the offense, not seized as evidence or they were not seized under the Turkmenistan legislation.

## **Chapter 13. CUSTOMS BROKER**

### **Article 94. Customs Broker**

1. A customs broker can be a legal entity created in accordance with the legislation of Turkmenistan, included in the List of customs brokers.

The conditions for inclusion in the List of customs brokers and the procedure for maintaining this list are established by the authorized state body on customs affairs.

The list of customs brokers is maintained by the authorized state body on customs affairs.

2. Customs broker performs customs operations under this Code on behalf of the declarant or other interested parties on their behalf.

3. Relations between customs broker and the represented person are formed under this Code and other normative legal acts of Turkmenistan based on the contract.

### **Article 95. Conditions for customs broker activities**

Conditions for a legal entity to perform the activity as a customs broker are the following:

1) the presence at least two specialists in customs clearance, that have under Article 98 of this Code qualification certificate on customs clearance;

2) Availability of initial authorized capital specified by the legislation of Turkmenistan, the authorized fund or customs broker shares;

3) availability of software products that are compatible with the software products used by customs authorities.

### **Article 96. Rights of a customs broker**

1. Carrying out customs operations customs broker has the same rights as the person who authorizes him to represent their interests in relations with customs authorities.

2. Customs Broker has the right to act as a guarantor to the customs authorities for the performance of the obligation to pay customs duties and taxes submitted by him if under this Code are required to provide security for their payment.

3. Customs Broker has the right to demand from the person who represents submitting documents and information required for customs clearance, including those containing information constituting commercial, banking or any other legally protected secrets and other confidential information, and to obtain such documents and information within the time frame for compliance of the requirements of this Code.

4. Customs broker may establish a condition for signing contracts with the represented person that require to enforce the obligations of that person under the civil legislation of Turkmenistan.

### **Article 97. Duties and responsibilities of a customs broker**

1. Duties of customs broker carrying out customs clearance stipulated by the requirements and conditions established by this Code in respect of customs

operations necessary for placing goods under the customs regime or another customs procedure.

The fact of such transactions does not impose on the customs broker duties to perform operations associated with the completion of the customs regime act, as well as other duties, which, under this Code, imposed only on a person specified in Article 9 of this Code, or carrier.

2. Customs broker pays the customs duties and taxes, if the content of the customs regime for declaring certain goods provides the condition for their payment, and if it is stipulated in the contract with the represented person.

For payment of customs duties and taxes payable under this Code, during the declaration of goods, customs broker bears the same responsibility as the declarant.

3. Obtained from the represented person information constituting commercial, banking, or any other legally protected secrets and other confidential information can not be disclosed or used by the customs broker and its employees for their purposes, transferred to other persons, except in cases specified by law.

4. Customs broker shall keep records of goods that he has performed the customs operations, and submit to the customs authorities report on customs operations.

5. Duties and Responsibilities of a customs broker to the customs authorities cannot be limited by the contract between customs broker with the represented person.

6. A customs broker is liable for failure to comply with the requirements established by this Code in accordance with the legislation of Turkmenistan.

### **Article 98. Customs Clearance specialist**

1. Customs clearance specialist is an individual who meets the qualification requirements established by the authorized state body on customs affairs, and having a qualification certificate on customs clearance.

Qualification certificate of customs clearance issued by an authorized state body on customs affairs based on certification for compliance with the qualification requirements (hereinafter - the certification).

Procedure for certification established by the authorized state body on customs affairs.

2. Mandatory requirements for applicants to obtain a qualification certificate on customs clearance are the following:

- 1) availability of a certificate of general secondary education;
- 2) participation in training courses for professional training of a customs clearance specialist, which are conducted by the authorized state body on customs affairs;
- 3) mastering the program for the professional training of a customs clearance specialist, determined by the authorized state body on customs affairs.

3. Customs Clearance specialist operates as an employee of the customs broker under the legislation of Turkmenistan.

Upon the termination of an employment contract with a specialist in customs

clearance, customs broker shall immediately notify the customs authority.

4. Customs broker cannot limit the duties of the customs clearance specialist before the customs authorities.

5. Authorized state body on customs affairs maintains a roster of experts in customs clearance.

### **Article 99. Grounds and procedure for cancellation of the qualification certificate of a customs clearance specialist**

1. Qualification certificate of the customs clearance is void if:

1) established the fact of obtaining the qualification certificate of the customs clearance specialist by using forged documents;

2) entered into force verdict, providing punishment as deprivation of the right to engage in activities as a specialist in customs clearance for a certain period;

3) customs clearance specialist violate the requirements established in the third part of Article 97 hereof;

4) customs clearance specialist repeatedly brought to administrative responsibility for administrative violations in the field of customs.

2. The decision to annul the qualification certificate of the customs clearance specialist made by the authorized state body on customs affairs. The mentioned body passed the decision on the cancellation of the qualification certificate of the customs clearance specialist. A copy of the decision shall be sent to the person against whom the decision was delivered within three days from the date of its issuance.

3. Person, the customs clearance specialist qualification certificate of whom was revoked may appeal the decision of revocation under Turkmenistan legislation.

4. A person the qualification certificate on the customs clearance specialist of whom was revoked, is not entitled to re-apply with an application for qualification certificate:

1) within one year from the date of the decision to annul the qualification certificate, if it is canceled on the grounds provided in paragraphs 1 and 3 of this Article;

2) within the period stipulated by an effective court sentence if a qualification certificate revoked on the grounds specified in paragraph 2 of this Article;

3) during the period when a person is considered as a subjected for an administrative penalty if a qualification certificate revoked on the grounds specified in paragraph 4 of this article.

## **Chapter 14. DEPARTURE OF GOODS AND VEHICLES FROM THE CUSTOMS TERRITORY OF TURKMENISTAN**

### **Article 100. The departure of goods and vehicles from the customs territory of Turkmenistan**

1. The departure of goods and vehicles from the customs territory of Turkmenistan - the implementation of actions aimed at the export of goods and vehicles outside the customs territory of Turkmenistan.

Export of goods and vehicles from the customs territory of Turkmenistan allowed at checkpoints across the state border of Turkmenistan or other locations specified under Turkmen legislation, during working hours of the customs authorities.

2. Export of goods from the customs territory of Turkmenistan is allowed with the permission of the customs authority after the release of goods under the declared customs regime applicable to exported goods, under the requirements of this Code.

3. Before the export of goods and vehicles, the carrier shall submit to the customs authorities the documents and information stipulated by the authorized state body on customs affairs, depending on the type of transport by which the international transportation of goods is implemented.

4. Provisions of this Article shall not apply to goods carried by sea (river), aircraft crossing the customs territory of Turkmenistan without stopping in the sea (river) port or airport, located in the customs territory of Turkmenistan, as well as on the goods delivered from the customs territory of Turkmenistan by pipelines and power transmission lines.

#### **Article 101. Loading of goods on the vehicle departing from the customs territory of Turkmenistan**

1. Loading of goods on the vehicle departing from the customs territory of Turkmenistan is allowed with the permission of the customs authority after accepting the customs declaration, except in cases when the customs clearance of goods at the customs authority does not require the goods checking, as well as the movement of goods in accordance with the customs regime of customs transit.

2. Loading of goods on the vehicle departing from the customs territory of Turkmenistan is held in the field, agreed with the customs authorities at the working hours of the customs office, and in the cases established by the authorized state body on customs affairs– with the presence of a customs officer.

3. Customs authority may permit loading without the presence of a customs officer, and on the application of person – beyond working hours of the customs authority.

#### **Article 102. Requirements for goods at their departure from the customs territory of Turkmenistan**

1. Goods must be exported from the customs territory of Turkmenistan in the same quantity and condition in which they were placed under a certain customs regime, except for changing the amount and condition of the goods due to natural wear and tear or loss, either due to changes in the natural characteristics of the goods under normal conditions of carriage (transportation) and storage, as well as

changes in the number of goods due to the presence of non-drainable residues in the vehicle.

2. Carrier is not liable for non-compliance of the provisions of this Article if the loss or change in a condition of goods occurred due to an accident or force majeure and in the cases provided by technical regulations and standards in Turkmenistan – during the change in the information on the number of goods due to errors of measurement methods.

## **Subsection 2. CUSTOMS REGIME**

### **Chapter 15. GENERAL PROVISIONS RELATING TO CUSTOMS REGIME**

#### **Article 103. Types of Customs Regimes**

1. For customs regulation on goods the following types of customs regimes shall be established:

- 1) basic customs regimes:
  - a) release for free circulation;
  - b) export;
  - c) customs transit;
- 2) economic customs regimes:
  - a) processing on the customs territory;
  - b) processing for free circulation;
  - c) processing outside the customs territory;
  - g) temporary importation;
  - d) temporary export;
  - e) customs warehouse;
  - g) free trade;
  - h) free customs zone (free warehouse);
- 3) completing customs regimes:
  - a) re-import;
  - b) re-export;
  - c) destruction;
  - g) refusal in favor of the state;
- 4) special customs regimes:
  - a) movement of supplies;
  - b) other special customs regimes.

2. Customs regimes established by this Code, except for the free customs zone (free warehouse).

Free customs zone (free warehouse) is installed under Turkmenistan law governing the legal relationships in the establishment and application of the customs regime of the free customs zone (free warehouse).

#### **Article 104. Selecting and changing of customs regime**

The individual is entitled to choose any customs regime or change it to another regardless of the nature, quantity, country of origin unless otherwise provided by this Code and other normative legal acts of Turkmenistan.

**Article 105. Application and placement of goods under the customs regime**

1. The day of application of goods under a certain customs regime is considered the date of acceptance by the customs authorities a customs declaration or other statement in which the person concerned indicated a selected customs regime.

2. Placement of goods under the customs regime realized with the permission of the customs authority, issued under this Code.

3. The day of placing goods under the customs regime shall be the date of release of the goods by the customs authority in the order prescribed by this Code.

**Article 106. Responsibility for failure to comply with the conditions and requirements of the customs regime**

Responsibility for failure to comply with the conditions and requirements of the customs regime established by this Code bear the declarant or other person declared respective customs regime unless otherwise provided in this Code.

**Article 107. Consequences of withdrawal of goods in the case of administrative violation in the field of customs**

1. If the seizure of goods placed under the customs regime, in a case concerning administrative violation in the field of customs, the action of the customs regime in respect of such goods shall be suspended.

2. If the decree came into force in the case of administrative violation in the field of customs, do not provide for confiscation of the goods placed under the customs regime, customs regime in respect of these goods is resumed.

3. If the involvement of individual to administrative responsibility associated with non-compliance with customs regulations and executed non-compliance entails the impossibility of further application of the customs regime, customs regime shall be completed under this subsection, within fifteen days after the date of entry into force of the judgment in the case of administrative violation.

**Chapter 16. MAIN CUSTOMS REGIMES**

**§ 1. Release for free circulation**

**Article 108. Content of customs regime**

Release for free circulation - the customs regime under which goods imported into the customs territory of Turkmenistan remain on this territory without the obligation to their exportation from the territory.

### **Article 109. Conditions for placing goods under the customs regime**

1. Release for free circulation provided if:

- 1) Payment of customs duties was made;
- 2) Compliance with the prohibitions and restrictions established by the legislation of Turkmenistan were met;
- 3) Other requirements prescribed by this Code and other normative legal acts of Turkmenistan were met.

2. If these conditions were not met, the goods are subject to conditional release under Article 90 of this Code.

## **§ 2. Export**

### **Article 110. Content of customs regime**

Export - customs regime under which goods are in free circulation in the customs territory of Turkmenistan, are removed from this site without the obligation to re-import.

### **Article 111. Conditions for placing goods under the customs regime**

Exports of goods exercised if:

- 1) payment of customs duties was made;
- 2) compliance with the prohibitions and restrictions established by the legislation of Turkmenistan were met;
- 3) other requirements and conditions stipulated by this Code and other normative legal acts of Turkmenistan were met.

## **§ 3. Customs transit**

### **Article 112. Content of customs regime**

Customs transit - the customs regime under which foreign goods are moved through the customs territory of Turkmenistan under customs control between the point of entry into the customs territory of Turkmenistan and their exit from this site (if it is a part of their way, which begins and ends outside the customs territory of Turkmenistan ) without payment of customs duties and taxes, and without application of prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

### **Article 113. Conditions for placing goods under the customs regime**

Under the customs regime of customs, transit can be placed any foreign goods, except goods transit of which is prohibited under Turkmenistan legislation and international treaties of Turkmenistan.

### **Article 114. Application of rules to the customs regime of customs transit, stipulated by this Code in respect of internal customs transit**

1. Under the customs regime of customs transit procedure for issuing permission on customs transit by customs authorities and procedure of setting the period for customs transit, identification of goods, measures to ensure the customs legislation of Turkmenistan execute in according to the rules set by Articles 45 - 51 of this Code concerning the domestic customs transit and applicable to customs regime of customs transit.

2. The rights, duties, and responsibilities of the carrier or freight forwarder under customs transit apply to the provisions of paragraphs 1 and 2 of Article 53, and Articles 55 and 56 of this Code.

### **Article 115. Transshipment of goods in transit and other operations with transit goods**

1. Transshipment transit goods from the vehicle in which the goods were imported into the customs territory of Turkmenistan, to the vehicle in which the goods will be re-exported from this territory may be permitted by the customs authority in the area of operations in which this cargo operation is performed. If transit goods can be transshipment from one vehicle to another without damaging the customs seals and stamps, such overload is allowed with prior notification of the customs authority.

2. Warehousing (storage, crushing, or stockpiling parties and other similar operations) of transit goods in the customs territory of Turkmenistan is permitted in compliance with requirements and set by this Code.

3. Carrying out the operation with transit goods that are not provided by the first and second parts of this Article shall only be permitted if it realization caused by the real threat of destruction, loss or damage of goods and (or) vehicles.

### **Article 116. Completion of the customs regime**

1. Customs transit shall be completed by exporting of transit goods from the customs territory of Turkmenistan.

The carrier shall present the transit goods, transit declaration, and other documents on transit goods that are used for the purposes of customs transit to the customs office of the destination. Customs office of destination shall make the necessary customs operations to complete the customs transit, and to authorize the

departure of goods and vehicles on the day of submission of transit goods and documents.

When exporting the transit of goods by separate batches, customs transit considered as completed after the departure of the last batch of goods from the customs territory of Turkmenistan.

2. Customs transit may also be completed by placing the goods under other customs regimes in compliance with the requirements and conditions set by this Code.

### **Article 117. Peculiarities of the customs regime**

1. In the case, where the place of arrival of transit goods into the customs territory of Turkmenistan and the place of their departure from the territory -the same, customs transit shall be allowed in a simplified manner. The carrier or freight forwarder presented only those documents and information that are required at check-in goods and vehicles, and a transit permit issued on the day of presentation of goods and submission of documents and information to the customs authority.

2. If transit goods are overloaded in the location specified in the first part of this article, from the vehicle used in the arrival of the goods on the vehicle used at its departure, transshipment allowed with the permission of the customs authority. That permission shall be given to the carrier or freight forwarder at the presentation of documents and information specified in Article 40 of this Code.

The customs authority may refuse to issue a permit for cargo operations with transit goods only if their implementation would entail the loss of the goods or change its consumer characteristics.

## **Chapter 17. ECONOMIC CUSTOMS REGIMES**

### **§ 1. Processing in the customs territory**

#### **Article 118. Content of customs regulations**

1. Processing in the customs territory - a customs regime in which imported goods are used in the customs territory of Turkmenistan within the prescribed period (the period of the processing of goods) for the purposes of processing with conditional full exemption from customs duties and taxes, on a condition to the export of processed products from the customs territory of Turkmenistan at a certain date.

2. In respect to imported goods placed under the customs regime for processing on customs, the territory shall apply all restrictions and prohibitions established by the legislation of Turkmenistan.

#### **Article 119. Conditions for placing goods under the customs regime**

1. Processing on the customs territory shall be allowed with the permission of the customs authority.

2. Processing on customs territory shall be allowed if the customs authorities can identify the imported goods in the processed products, except when the customs regime ends by the export of processed products resulting from the processing of goods that are equivalent of imported, under Article 131 of this Code.

3. Under the customs regime of processing on the customs, a territory may be placed foreign goods, previously placed under other customs regimes, are subject to the requirements and conditions provided by this Code.

4. The Cabinet of Ministers has the right to determine the cases when processing on the customs territory is not allowed in respect of certain imported goods.

### **Article 120. Identification of the commodities in processed products**

1. For identification of imported goods in the processed products can be used the following methods, if these methods are applicable based on the nature of the goods and the goods processing operations:

1) Presenting by applicant, processor or customs official the stamps, digital or other marking on the imported goods;

2) A detailed description of the imported goods, their photographic images on a scale;

3) comparison of samples research results or models of the imported goods and processed products;

4) the use of serial numbers or other markings of the producer of the imported goods;

5) other identification methods involving the use of modern technologies.

2. Admissibility of the claimed method of identification of imported goods for processing on customs territory in the processed products established by customs authorities concerning goods characteristics and goods processing operations.

3. According to the applicant's request and with the consent of the customs authority, identification for customs purposes may be achieved by analyzing the submitted information about raw materials, materials and components used in manufacturing, as well as the processing production technology or by the execution of the customs control at the time of goods processing operations.

### **Article 121. Goods processing operations**

Operations on processing products under the customs regime for processing on customs territory include:

1) actual refining or processing of goods;

2) manufacture of new products, including installation, assembly or disassembly of the goods;

3) repair of goods, including their restoration, replacement of parts, restoration of their consumer properties;

4) processing of goods that facilitate the production of marketable products or facilitate it, even if these goods are fully or partially consumed in the processing process.

### **Article 122. Period of processing of goods**

1. The period of processing of goods is determined by the applicant in consultation with the customs authority and may not exceed two years.

2. Duration for processing on customs territory of Turkmenistan is determined based on the duration of the goods processing and the time required to dispose of the processed products.

3. If the person obtained the permission for the processing of goods, without violating the requirements and conditions outlined in this paragraph can't complete the customs regime at a certain time for reasons beyond of his the control, initially defined time for processing goods shall be extended by an individual reasoned application who obtained the permit for processing, within the period established in part one of this article.

4. The goods processing period begins on the day they were placed under the processing customs regime in customs territory and during the importation of goods in separate consignments - the day when the first consignment was placed.

### **Article 123. Norm of the output of processed products**

1. The norm of the output of processed products (number or percentage of processed products resulting from processing a certain amount of imported goods) is determined by the applicant in consultation with the customs authorities based on the actual conditions under which the goods are processed.

2. When agreeing with the norms of processed products yield, the customs authorities consider the conclusion of expert organizations (including customs laboratories), based on the specific technological processing process.

3. Description, quality, and quantity of processed products are finally determined after agreement on output norms of processed products.

### **Article 124. Permission for processing of goods in the customs territory**

1. Permission for processing of goods in the customs territory can receive any interested Turkmenistan person, including those who not directly operating on processing products.

2. Permission for processing of goods in the customs territory is issued by the customs authority on the application of the person concerned.

3. Permission for processing on customs territory shall include:

1) description of the quality and quantity of goods intended for processing, and products of the processing;

- 2) operation on processing products and their methods;
- 3) rate of the output of processed products;
- 4) methods of identification of imported goods in the processed products;
- 5) period for processing of goods;
- 6) other information as determined by the authorized state body on customs affairs and necessary for customs purposes.

Permission form for processing on customs territory established by the authorized state body on customs affairs.

4. Permission for processing of goods in the customs territory acts within the prescribed period of goods processing.

5. A person who obtained the permission for the processing of goods in the customs territory within its validity period has the right to pass it to another person Turkmenistan with the written permission of the customs authority, provided that the person undertakes responsibility on compliance with the requirements and conditions outlined in this paragraph. The person who obtained the permit for processing of goods in the customs territory, shall submit to the customs authority a report on the implementation of the requirements and conditions established by this chapter, for the period of goods usage under the customs regime for processing on customs territory and pay customs duties taxes if in this period events occurred that entail the duty for payment under this Code.

The person to whom the permission for processing on customs territory was passed must commit himself obligation for further compliance with the requirements and conditions set by this Chapter, as well as prepare the relevant documents in his name if compliance with the customs regime provided through guarantees. This person shall enjoy the rights and obligations established by this Code in respect of a person who obtained the permission for the processing of goods in the customs territory from the date of the adoption by the customs authorities a decision to transfer the permit for processing of goods on customs territory.

6. Permission for processing of goods in the customs territory may be provided both before and after the importation of goods into the customs territory of Turkmenistan, is subject to fulfill the requirements and conditions by the applicant, outlined in this paragraph.

7. A person who obtained the permit for processing of goods in the customs territory bears the responsibility for payment of customs duties and taxes under the third paragraph of Article 258 of this Code.

### **Article 125. Procedure for issuing permission for the processing of goods**

1. To obtain a permit for processing of goods in the customs territory the applicant submits to the customs authority containing the following information:

- 1) applicant's information;
- 2) on person(s) directly engaged (commit) in operations on processing products;
- 3) on goods intended for processing, processed products, as well as wastes

and residues;

- 4) on goods processing operations, the methods and duration;
- 5) on the location of production facilities, which are used in goods processing operations;
- 6) on the rate of output of processed products;
- 7) on methods of identification of imported goods in the processed products;
- 8) on replacement imported goods with equivalent goods;
- 9) in terms of processing of goods.

2. Application is submitted in the form established by the authorized state body on customs affairs.

The application shall be accompanied by documents confirming the declared information.

3. Customs authority shall consider the application and the documents attached thereto, within one month from the date of their acceptance. During this period the customs authorities shall verify compliance with established requirements and conditions, as well as decide on the harmonization of the stated norms of product output and period for processing of goods.

The customs authority may request from third parties, as well as public bodies documents confirming the information specified in part one of this article. Indicated persons shall, within ten days of receipt of the request submit the requested documents. In this case, the customs authority may extend the period of the application, but not more than two months from the date of its acceptance.

4. Authorized state body on customs affairs has the right to establish in some cases simplified procedure for issuing permission for the processing of goods in the customs territory.

5. Permission for processing on customs territory shall be issued by the customs authorities, specified authorized state body on customs affairs.

6. Customs authority shall refuse to issue a permit for processing of goods in the customs territory if the applicant is not met with the requirements and conditions outlined in this paragraph, as well as in the case of acceptance by the customs authorities the decision on refusal on an agreement in declared norms of outputs of processed products and period of processing of goods.

The refusal by customs authority to issue the permission for processing on customs territory shall be justified and motivated. The applicant shall be notified of the refusal in writing form.

### **Article 126. Revoke the permission on the processing of goods**

1. Permission on the processing of goods could be revoked by the customs authority, if in accordance with the decision of the Cabinet of Ministers adopted based on the fourth paragraph of Article 119 of this Code, the placement of goods under the customs regime for processing on customs territory is not allowed.

2. The decision to revoke valid from the date of its acceptance by the customs authority.

3. If the permission for the processing of goods is revoked, the placement of

goods under the customs regime for processing on customs territory in accordance with the resolution is not allowed and in respect of goods placed under the customs regime for processing on customs territory before revoking permission, allowing the completion of the customs regime under this Paragraph.

**Article 127. Exemption of processing products from export duties.  
Application to processed products prohibitions and restrictions**

1. When exporting processed products from the customs territory of Turkmenistan export customs duties are not paid.

2. Concerning exported processed products apply all restrictions and prohibitions established by the legislation of Turkmenistan.

**Article 128. Waste products**

1. Concerning waste products generated as a result of processing on customs territory, it is subject to customs duties, taxes, as if these wastes were imported into the customs territory of Turkmenistan in that condition, except cases when they are exported from the customs territory of Turkmenistan or recycled in useless condition for its further commercial use in the customs territory of Turkmenistan and cannot be restored to their initial state by a cost-effective method.

Wastes that are subject to customs duties and taxes shall be declared.

2. For customs duties, taxes, wastes are considered as goods imported into the customs territory of Turkmenistan.

**Article 129. Remains (debris)**

1. Remains of goods placed under the customs regime for processing on customs territory may be exported from the customs territory of Turkmenistan without paying export duties or placed under the customs regime for processing on customs territory.

2. Concerning not removed remains the number of import duties and taxes shall be paid, as if they were imported into the customs territory of Turkmenistan in this condition.

Remains, which are payable in respect of customs duties and taxes shall be declared.

The number of customs duties and taxes shall be determined based on the size or value of the remains proportionally to the amount of customs duties and taxes that would be payable if the goods placed under the customs regime for processing on customs territory, on the day of placement under this customs regime were released for free treatment.

**Article 130. Completion of the customs regime**

1. Not later than the expiration of the processing customs regime for processing on customs territory shall be completed by the exportation of processed products from the customs territory of Turkmenistan or by placing the imported goods and products under other customs regimes.

2. If processed products are exported from the customs territory of Turkmenistan by several parties, the final verification of the number of processed products specified in the permission for the processing of goods may be made periodically after exportation of processed products, but not less than once in three months and not later than the date of exportation of the last lot.

If in the result of this verification, the person who obtained the permission on processing in customs territory shall pay customs duties and taxes, on the amounts of these customs payments fine is not charged on the condition that that payment is made no later than ten days after acceptance by the customs authorities the decision in writing form on the necessity to pay these amounts. Customs authority sends to the person who received the permission for the processing of goods, notice on the necessity to pay customs duties and taxes no later than the day following the day the decision was accepted.

3. With the release for the free circulation of imported goods and (or) their products, the payable amounts of customs duties and taxes shall be paid, if the imported goods were declared for release for free circulation on the day of placement of goods under the customs regime for processing in the customs territory.

4. Customs regime for processing in customs territory can also be completed by the exportation of imported goods in an unaltered state (re-export).

### **Article 131. Equivalent compensation**

1. With the permission of the customs authority, the imported goods placed under the customs regime for processing in customs territory may be replaced by other goods, including Turkmen goods if they are identical in the description, quality, and technical characteristics with imported goods (equivalent compensation).

2. Products resulting from the processing of equivalent goods shall be regarded as products of processing of imported goods under the provisions of this chapter.

3. Equivalent goods for customs purposes have the status of imported goods and imported goods - the status of the goods, which were equivalent.

## **§ 2. Recycling for free circulation**

### **Article 132. Content of customs regime**

1. Recycling for free circulation - the customs regime under which imported goods are used in the customs territory of Turkmenistan within the prescribed period (the period of processing of goods) for the purposes of their processing with

conditional full exemption from customs duties and subsequent release of goods for free treatment with payment of customs duties at the rates applicable to the processed products.

2. In respect to imported goods placed under the customs regime of processing for free circulation, apply all restrictions and prohibitions established by the legislation of Turkmenistan.

### **Article 133. Conditions for placing goods under the customs regime**

1. Recycling for free circulation is subject to the permission of the customs authority.

2. Recycling for free circulation is permitted if:

1) the number of customs duties payable in respect of processed products, lower than those which would be payable on the date of placement of imported goods under the customs regime of processing for free circulation, if they have been released for free circulation;

2) The customs authorities can identify the imported goods in the processed products;

3) processed products cannot be cost-effectively restored to their original state.

3. Under the customs regime of processing for free circulation may be placed foreign goods previously placed under other customs regimes, subject to the requirements and conditions provided by this Code.

### **Article 134. Identification of the commodities in processed products**

1. For identification of imported goods in the processed products can be used the following methods if these methods are applied based on the nature of the goods and the goods processing operations:

1) putting by an applicant, a processor, or a customs official the stamps, digital or other marking on the imported goods;

2) A detailed description of the imported goods, their photographic images on a scale;

3) comparison of results or samples of the imported goods and products;

4) the use of serial numbers or other markings made by the producer of the imported goods;

5) other identification methods involving the use of modern technologies.

2. Admissibility of the claimed method for identification of imported goods for free circulation in the processed products established by the customs authorities concerning the characteristics of the goods and operations on the processing of goods.

3. According to the applicant's request and with the consent of the customs authority, identification for customs purposes may be achieved by analyzing the submitted detailed information about raw materials and components used in manufacturing, as well as the production technology or by the implementation of

the customs control during processing operations.

### **Article 135. Goods processing operations**

Operation on processing products under the customs regime of free circulation include:

- 1) actual refining or processing of goods;
- 2) manufacture of new products, including installation, assembly, or disassembly of products.

### **Article 136. Duration of processing of goods**

1. The processing of goods is determined by the applicant in consultation with the customs authority, and cannot exceed one year.

2. The duration of the processing of goods for free circulation is determined based on the duration of the process of goods processing.

3. If the person who obtained the permit for processing, without violating the requirements and conditions outlined in this paragraph can not complete the customs regime at a certain time, for reasons beyond of his control, the initially set period for processing goods shall be extended by a reasoned statement of the person who received permission on processing, within the time limit established in part one of this article.

4. The goods processing period begins on the day they were placed under the customs regime of processing for free circulation, and at the importation of goods in separate consignments - the day when the first consignment was placed.

### **Article 137. Permission for processing of goods for free circulation**

1. Permission for processing of goods for free circulation issued by customs authorities based on the declarant application.

2. The permit shall include:

- 1) description of the quality and quantity of imported goods and products;
- 2) operation of processing products and its methods;
- 3) the rate of output of processed products;
- 4) methods of identification of imported goods in the processed products;
- 5) period for processing of goods;
- 6) other information as determined by the authorized state body on customs affairs business and necessary for customs purposes.

Permission form for processing of goods established by the authorized state body on customs affairs.

3. Permission for processing of goods shall be valid for a set period of processing.

4. Permission for processing of goods shall be issued before the placement of goods under the customs regime of processing for free circulation.

5. Permission for processing of goods for free circulation shall be issued by

the customs authorities, certain authorized state body on customs affairs.

6. Permission is not transferable to another person.

7. A person who obtained permission for the processing of goods is responsible for payment of customs duties and taxes under the third paragraph of Article 258 of this Code.

### **Article 138. Procedure for issuing permission for the processing of goods**

1. To obtain a permit for the processing of goods a statement containing the following information submits to the customs authority:

- 1) Applicant`s information;
- 2) on the person(s) directly engaged (commit) operation on processing products;
- 3) on the goods intended for processing, processed products, as well as wastes and residues;
- 4) on goods processing operations, the methods and duration;
- 5) on the location of production facilities, that use for processing goods;
- 6) rate of output of processed products;
- 7) on identification methods of the imported goods in the processed products;
- 8) period of processing of goods.

2. The application submits in the form established by the authorized state body on customs affairs.

The application shall be accompanied by documents confirming the declared information.

3. Customs authority shall consider the application and the documents attached to it within one month from the date of their adoption. During this period the customs authorities shall verify compliance with established requirements and conditions, as well as decide on the harmonization of the processing period and norms of product output, which is determined according to the rules outlined in Article 123 of this Code.

The customs authority may request from third parties, as well as public bodies documents confirming the information specified in part one of this article. These persons shall, within ten days of receipt of the request to submit the requested documents. The customs authority may extend the period of the application, but not more than two months from the date of its adoption.

4. Customs authority shall refuse the issue permission for the processing of goods if, during applying, an applicant has not complied with the requirements and conditions outlined in this paragraph, as well as in the case of acceptance by the customs authorities of the decision to refuse in agreement the stated information.

The customs authority refusal to issue the permission for the processing of goods shall be justified and motivated. The applicant shall be notified of the refusal for granting permission in writing form.

### **Article 139. Waste and residues**

In respect of waste generated as a result of the processing of goods, as well as remnants of the goods placed under the customs regime of processing for free circulation, is subject to the rules provided for in Articles 128 and 129 of this Code.

#### **Article 140. Completion of the customs regime**

Customs regime of processing for free circulation is completed by the release of goods for free circulation. With the release of goods for free circulation customs duties calculated based on the rates applicable to the processed products. Customs value and quantity of refined products are determined on the date of their application for release for free circulation.

#### **Article 141. Peculiarities of customs duties in respect of processed products**

1. Concerning processed products, is subject to the rates of customs duties in the country of origin of goods imported for processing.

2. When foreign goods from different countries used in the processing, is subject to the rates of customs duties in the country of origin of foreign goods, the customs value of which is bigger.

### **§ 3. Processing out of customs territory**

#### **Article 142. Content of customs regime**

1. Processing out of customs territory - the customs regime under which goods are exported from the customs territory of Turkmenistan for the purposes of their processing within a specified period (period of the processing of goods) with subsequent importation of processed products with a full or partial exemption from import duties and taxes.

2. Goods exported from the customs territory of Turkmenistan under the customs regime of processing outside the customs territory with conditional full exemption from export duties. Exported goods are not subject to prohibitions and restrictions of economic nature stipulated by the legislation of Turkmenistan.

#### **Article 143. Conditions for placing goods under the customs regime**

1. Processing outside the customs territory shall be allowed with the permission of the customs authority.

2. Processing out of custom territory shall be allowed if the customs authorities can identify the exported goods in the processed products, except cases as provided by the replacement of refined products with foreign goods under Article 151 of this Code.

3. For placing goods under the customs regime of processing outside the

customs territory, the good, for customs purposes, shall have the status in free circulation. It is allowed to place under the customs regime of processing outside the customs territory the goods which enjoy preferential customs duties and taxes under Turkmen legislation, in the case if processing operation is the repair of the goods.

4. The Cabinet of Ministers has the right to determine the cases when processing outside the customs territory is not allowed in respect of certain types of goods and also to establish the quantity or value restrictions on the admission of goods to conduct operations on the processing of goods under the customs regime of processing outside the customs territory.

#### **Article 144. Identification of goods in the processed products**

1. To identify the exported goods in processing products uses the following methods if these applied methods based on the nature of the goods and operations on processing the goods:

- 1) Stamping by the applicant or by a customs official stamp, digital or other markings on the exported goods;
- 2) A detailed description of the exported goods, their photographic images on a scale;
- 3) Comparison of the previously taken study's results or taken samples of exported goods and products;
- 4) Use of serial numbers or other producer's markings of exported goods;
- 5) Documentary evidence indicating that exported goods were the subject to processing operations;
- 6) Other identification methods involving the use of modern technologies.

2. Admissibility of the claimed method of identification of exported goods for processing outside the customs territory in the processed products established by customs authorities concerning the nature of goods and the operations on goods processing.

3. On the request of the applicant and with the consent of the customs authority, identification for customs purposes may be achieved by analyzing the submitted detailed information about raw materials and components used in manufacturing, as well as a production technology for refined products.

#### **Article 145. Operations on processing goods**

Operation on processing products under the customs regime of processing outside the customs territory include:

- 1) processing and treatment of the goods;
- 2) manufacture of new products, including installation, assembly or disassembly of the goods;
- 3) repair of goods including their restoration, replacement of components, restoration of consumer properties.

### **Article 146. Duration of processing of goods**

1. The duration of the processing of goods is determined by the declarant in agreement with the customs authority and may not exceed two years.

2. The duration of the processing of goods outside the customs territory shall be determined based on the duration of the processing of the goods and the time required for the transportation of processed products within the time limit established in part one of this article.

3. Upon reasonable request of the person who obtained the permission for the processing of goods, the initially defined time limit for processing could be extended within the time limit established in part one of this article.

4. The goods processing period begins on the day of it placed under the customs regime of processing outside the customs territory and at the export of goods in separate consignments - the day when the first consignment was placed.

### **Article 147. Norm of the output of processed products for customs purposes**

1. Norm of the output of processed products (quantity or percentage of processed products resulting from processing a certain amount of exported goods) is determined by the declarant in coordination with the customs authorities based on the actual conditions under which the goods are processed. Norm of the output of refined products is determined before the import of refined products in the customs territory of Turkmenistan.

2. Harmonization of norms of the output of refined products produced by the customs authority based on documents submitted by the declarant containing information on the technological processing process. In agreeing with norms of output, the customs authorities take into account the report of expert organizations (including customs laboratories) based on the specific technological processing process.

3. The description, quality, and quantity of processed products are finally determined after approval of the norms of the output of processed products.

### **Article 148. Permission for processing of goods**

1. Export of goods for processing outside the customs territory shall be allowed with permission for the processing of goods outside the customs territory.

2. Permit for processing of goods outside the customs territory shall be issued to the declarant.

3. The permit shall include:

1) description of the quality and quantity of goods intended for processing, and products of the processing;

2) operation on processing products and their methods;

3) the rate of output of processed products, if it is established or agreed upon date of issue of the permit;

- 4) methods of identifying exported goods in processed products;
- 5) period for processing of goods;
- 6) other information as determined by the authorized state body on customs affairs and necessary for customs purposes.

Permission form for processing of goods established by the authorized state body on customs affairs.

4. Permission for processing of goods is valid for the determined period of processing.

5. A person who obtained permission for the processing of goods shall be responsible for payment of customs duties and taxes under the third paragraph of Article 258 of this Code.

#### **Article 149. Procedure for issuing permission for the processing of goods**

1. To obtain permission for the processing of goods, the applicant shall submit to the customs authority a statement containing the following information:

- 1) applicant`s information;
- 2) on person(s) directly engaged (commit) operation on processing goods, and it's (their) location;
- 3) on goods intended for processing;
- 4) on goods processing operations, the methods and duration;
- 5) on the rate of output of processed products, if it is defined or if on the date of submitting of application this norm is defined by the declarant;
- 6) on processed products and their estimated number;
- 7) on methods of identification of exported goods in processed products;
- 8) on replacement of the processed products by foreign goods;
- 9) period of processing of goods.

2. Application is submitted in the form established by the authorized state body on customs affairs.

The application shall be accompanied by documents confirming the declared information.

3. Customs authority shall consider the application and the documents attached to it within one month from the date of its acceptance. During this period the customs authorities verify the information provided in the application and decide on the harmonization of the stated norms of the output of refined products and period for processing of goods.

The customs authority may request from third parties as well as public bodies documents confirming the declared information. In this case, the customs authority may extend the period of the application but not more than two months from the date of its acceptance.

4. Authorized state body on customs affairs has the right to establish in some cases a simplified procedure for issuing a permit for processing of goods outside the customs territory.

5. Permission for processing of goods outside the customs territory shall be issued by the customs authorities, defined authorized state body on customs affairs.

6. Customs authority shall refuse to issue a permit for the processing of goods only if at the time of applying the applicant is not met the requirements and conditions outlined in this paragraph as well as in the case of acceptance of the decision to refuse in agreement the norms of the output of refined products and the time limit for processing products by the customs authorities.

The customs authority refusal to issue the permission for the processing of goods shall be justified and motivated. The applicant shall be notified of the refusal for granting permission in writing form.

#### **Article 150. Revoke the permission on the processing of goods**

1. Issued permission on the processing of goods could be revoked by the customs authority, if under the decision of the Cabinet of Ministers adopted based on the fourth paragraph of Article 143 of this Code, the placement of goods under the customs regime for processing on customs territory is not allowed.

2. The decision to revoke is valid from the date of its acceptance by the customs authority.

3. If the permission for the processing of goods is revoked, the placement of goods under the customs regime for processing beyond customs territory under the revoked resolution is not allowed and in respect of goods placed under the customs regime for processing on customs territory before revoking permission, allowing the completion of the customs regime under this paragraph.

#### **Article 151. Replacing processed products with foreign goods**

Replacement of refined products with foreign goods in cases that they coincide in its description, quality and technical characteristics with the processing products is allowed if the operation for processing outside the customs territory is a repair as well as in cases where the customs authorities do not carry out the identification of goods under this Code. If the replacement of refined products with foreign goods allowed, the importation of foreign goods may be realized before the export of Turkmen goods for processing.

#### **Article 152. Application for full or partial exemption from customs duties and taxes for processed products**

1. Complete exemption from customs duties and taxes in respect of processed products is provided if the purpose of recycling was guaranteed (free of charge) repair of exported goods. Concerning processed products previously released for free circulation in the customs territory of Turkmenistan, full exemption from customs duties and taxes are not provided, if the goods are released for free circulation had a defect causing the repair.

2. In other cases, with respect to processed products the partial exemption from customs duties is provided, which is carried out in the following order:

payable amount of customs duties defined as the difference between the

amount of imported customs duty applicable in respect of processed products, and the amount of import customs duty that would be applicable in respect of exported goods as if they were released for free circulation, if to the processed products applied specific customs duty tariffs and operation of processing is not repair or based on the value of operations on goods processing, which in the absence of documents, confirming the cost of these operations may be determined as the difference between the customs value of processed products and the customs value of goods exported for processing goods.

3. Taxes in respect of processed products shall be payable in full amount, except for the case when the goods processing operation is the repair of the exported goods.

4. When importing processed products at the expiration of processing period as well as at non-compliance with other requirements and conditions of this paragraph or disconfirmation of it by the proper way, complete or partial exemption from customs duties and taxes are not provided.

### **Article 153. Completion of the customs regime**

1. Customs regime of processing outside the customs territory is completed by the importation of processed products into the customs territory of Turkmenistan or other way provided by this Article.

2. When processed products are imported into the customs territory of Turkmenistan by several parties, the final verification of the number of processed products specified in the permission on the processing of goods may be made periodically after the importation of processed products but not less than once every three months and not later than one month from the date of entry the last party of processed products. If as the result of this verification, the person who obtained the permission for processing outside the customs territory must pay customs duties and taxes on the amounts of these customs duties, fines are not charged on the condition that payment is made no later than ten days since the acceptance of the decision on payment in writing form by the customs authority. The customs authority shall send to the declarant a notice on customs payment no later than the day following the decision day.

3. Customs regime of processing outside the customs territory may be completed by re-import (re-import) goods exported from the customs territory of Turkmenistan or placing of goods under the customs regime applicable for exported goods in compliance with the requirements and conditions set by this Code. Changes in the customs regime of processing outside the customs territory on the customs regime of export are not allowed if under the legislation of Turkmenistan exported goods or their processed products are subject to mandatory re-importation. Changing the customs regime of processing outside the customs territory on the customs regime applicable to exported goods shall be allowed without the actual presentation of the goods to the customs authority.

If changing the customs regime of processing outside the customs territory on the customs export regime in respect of exported goods is subject to the payment

of a number of export duties if they are introduced.

4. When processed products are placed under the customs regime which does not provide for the release of goods for free circulation, the number of customs duties and taxes in respect of such goods, cannot exceed the amount calculated under the second and third parts of Article 152 of this Code, without penalties, except cases as provided by the fifth part of this article.

5. If processed goods imported in respect of which have been granted privileges to pay customs duties and taxes before their removal under the third paragraph of Article 143 of this Code, with the release of goods for free circulation, along with the amounts of customs duties and taxes payable under Article 152 of this Code, shall be subject to payment of an amount of import customs duties and taxes in respect of which have been granted privileges to export goods for processing.

#### **§ 4. Temporary importation**

##### **Article 154. Content of customs regime**

Temporary importation - customs regime under which foreign goods are used for a certain period (period of temporary import) in the customs territory of Turkmenistan, with complete or partial conditional exemption from customs duties and taxes and without application of prohibitions and restrictions of economic nature, established by the legislation Turkmenistan.

##### **Article 155. Conditions for placing goods under the customs regime**

1. Temporary import is allowed, provided that the goods can be identified by the customs authorities in their re-export (re-export), except in cases where, under international treaties of Turkmenistan, temporarily imported goods are allowed to be replaced by the same type goods.

2. The customs authority may require from the person claiming the temporary import regime, guarantees of the proper performance of the duties prescribed by this Code, including the submission obligation on re-export of temporarily imported goods.

3. Under the customs regime of temporary importation may be placed foreign goods previously placed under other customs regimes, subject to the requirements and conditions provided by this Code

##### **Article 156. Restrictions on the use and disposal of temporarily imported goods**

1. The temporarily imported goods can be used by the person who obtained permission for temporary importation.

2. With the permission of the customs authorities allowed the transfer of temporarily imported goods for use of another person who can act as a declarant

under Article 77 of this Code.

Transfer of temporarily imported goods to another person is permitted by the customs authority if the person commits before customs authorities to observe the conditions of the customs regime of temporary importation. The person who originally obtained the permission for temporary importation must pay customs duties and taxes for the period when the person used the goods under the customs regime of temporary importation if the goods have a conditional partial exemption from customs duties and taxes under the part second paragraph of Article 157 of this Code. In compliance with the customs regime of temporary admission provided guarantees, the person who transferred the temporarily imported goods shall issue the relevant documents on his name. This person shall enjoy the rights and fulfill the obligations established by this Code for the person who obtained the permission for temporary importation from the date of issue permission on transfer temporarily imported goods by the customs authority.

3. Temporarily imported goods shall remain unchanged, except changes as results of natural wear and tear or natural loss under normal conditions of carriage (transportation), storage, and use. Temporarily imported goods are allowed for operations necessary to ensure their safety including repairs (except for major repairs and upgrades), maintenance and other operations necessary to maintain consumer properties of goods and maintain the goods in the condition in which they were on the day of their placement under the customs regime of temporary importation.

4. Disposal of temporarily imported goods in ways not provided for in this Article shall not be permitted.

5. Transfer of goods to another person under the second part of this article shall not suspend or extend the period of temporary importation.

### **Article 157. Application of Customs duties and taxes**

1. The list of goods is temporarily imported with conditional full exemption from customs duties and taxes as well as the conditions of this exemption including deadlines for temporary importation established by the Cabinet of Ministers of Turkmenistan.

Conditional full exemption from customs duties and taxes shall be allowed if the temporary importation of goods does not cause significant economic damage to Turkmenistan, in particular in the following cases:

1) temporary import of pallets, other types of reusable containers and packages;

2) if the temporary importation of goods is carried out in the framework of the development of foreign trade, international relations in the field of science, culture, cinematography, sports, and tourism;

3) if the purpose of the temporary importation is international aid.

2. Concerning other product categories as well as non-compliance with the conditions of full conditional exemption from customs duties and taxes imposed under the first paragraph of the current article, the conditional partial exemption

from customs duties and taxes is applied.

3. Calculation of customs duties and taxes payable for conditional partial exemption is made on the date of acceptance of the customs declaration. Periodicity of payment of customs duties and taxes is determined by the declarant. In this specific deadlines for the payment of customs duties and taxes are determined based on the fact that the payment of these amounts should be made before the beginning of the relevant period.

4. If temporarily imported goods placed under the customs regime of release for free circulation, the amount of customs duties and taxes paid for conditional partial exemption from customs duties and taxes shall be included in the number of customs duties and taxes payable under the customs regime for release free circulation.

5. The total amount of customs duties and taxes levied for the temporary importation with partial conditional exemption from customs duties and taxes shall not exceed the amount of customs duties and taxes that would be payable at the time of placement of goods under the customs regime of temporary importation if the goods were released for free circulation.

6. Goods placed under other customs regimes, the amount of customs duties and taxes paid on a conditional partial exemption from customs duties, and taxes are non-refundable.

7. Responsibility for payment of customs duties and taxes under the third paragraph of Article 258 of this Code shall bear the person who obtained the permission for temporary importation.

### **Article 158. Period for the temporary importation**

1. The period for temporary importation shall be two years.

Period for temporary importation may be established if the goods:

1) Temporarily imported for the conduct of Petroleum Operations under the Law of Turkmenistan "On Hydrocarbon Resources" - for the period set for the conduct of Petroleum Operations;

2) Temporarily imported by foreign persons who under Chapter 23 of this Code enjoy customs advantages, privileges and (or) immunities - for a period determined by such persons;

3) Temporarily imported under the leasing contract concluded in the manner prescribed by Turkmenistan legislation - for the period of validity of the lease agreement;

4) Temporarily imported for the implementation of construction, overhaul, and reconstruction of objects of production and non-production purposes on the decision of the Cabinet of Ministers of Turkmenistan - for the period specified by the decision of the Cabinet of Ministers of Turkmenistan.

Authorized state body on customs affairs in other cases than those specified in paragraphs 1-4 of this Part, in consultation with the Cabinet of Ministers may establish for certain types of goods shorter or longer time limit for temporary import than those provided by the first paragraph of this subsection.

2. Period for temporary importation established by the customs authorities within the period specified in the first part of this article based on the application of the person who applied for permission for temporary importation, taking into account the purpose and circumstances of such import.

3. Upon reasonable request of the person who obtained the permit for temporary importation and in the absence of violations of the terms and conditions provided for in this paragraph, the prescribed period for temporary import goods shall be extended by a decision of the customs authority within the time limits specified in part one of this article.

### **Article 159. Completion and Suspension of the customs regime**

1. Not later than the expiration of the period for temporary importation established by the customs authority, the goods must be exported from the customs territory of Turkmenistan or declared for another customs regime under this Code.

2. A temporary import regime can lead to the release of goods for free circulation.

Upon completion of the customs regime of temporary import, the release of goods for free circulation, the customs value and quantity of goods determined on the date of placement of goods under the customs regime of temporary import and rates of customs duties, taxes - on the day of release for free circulation.

3. The customs regime of temporary importation shall be suspended:

1) Under arrest or seizure of temporarily imported goods under Turkmenistan legislation;

2) During placement temporarily imported goods in a customs warehouse under the third paragraph of Article 168 of this Code;

3) at the request of the person who obtained the permission for temporary importation, when temporarily imported goods in respect of which applied for partial exemption from customs duties and taxes placed under other customs regimes that do not involve the release of goods for free circulation.

4. After the expiration of the suspension of the customs regime of temporary import, its action resumes.

5. Upon expiration of the period of temporary import, the customs authorities, in accordance with Chapter 39 of this Code, dispose of goods in respect of which the customs regime of temporary import has not been completed in the manner established by this Code.

## **§ 5. Temporary export**

### **Article 160. Content of customs regime**

Temporary export - customs regime under which goods are in free circulation in the customs territory of Turkmenistan may be used temporarily outside the customs territory of Turkmenistan with conditional full exemption from export customs duties and without application of prohibitions and restrictions of economic

nature, established by the legislation of Turkmenistan.

### **Article 161. Conditions for placing goods under the customs regime**

Temporary export is permitted provided that the temporarily exported goods can be identified by the customs authorities in their re-importation, except cases where under international treaties of Turkmenistan, temporarily imported goods may be replaced by the same type of goods.

### **Article 162. Restrictions on the use and disposal of temporarily exported goods**

1. Transfer temporarily exported goods to another person before completion of the customs regime of temporary export is allowed, provided that this person undertakes the responsibility of the person who made an application for the temporary export customs regime.

2. Temporarily exported goods shall remain unchanged except changes as a result of normal wear or natural loss under normal conditions of carriage (transportation), storage, or use.

### **Article 163. Application of export customs duties**

1. For the temporary exportation of goods available exemption from export duties.

2. If temporarily exported goods are not returned, the amounts of export customs duties calculated based on the customs value of goods and (or) their quantity when they are exported as well as customs duties, effective on the day the statement of goods under the customs regime of temporary export.

### **Article 164. Period of temporary removal**

1. Period for temporary export established by customs authorities at the request of the declarant, based on the purpose and circumstances of such removal but cannot exceed one year from the date of removal of the goods.

2. Upon a reasoned statement by declarant, the period of temporary removal of goods may be extended by the customs authority.

3. For certain types of goods, re-importation under which temporary removal is mandatory under Turkmenistan legislation, the Cabinet of Ministers may establish other terms of temporary removal.

### **Article 165. Completion of the customs regime**

1. Temporarily exported goods shall be re-imported into the customs territory of Turkmenistan or should be declared for another customs regime not later than the expiration of the stated period for temporary removal.

2. Upon request of the person who placed the goods under the customs regime of temporary export, the customs authority authorizes the change the customs regime of temporary export on the export customs regime under the conditions and requirements of this Code, except cases, when under Turkmenistan legislation temporarily removal goods are subject of mandatory re-import into the customs territory of Turkmenistan.

3. Under changing the customs regime of temporary export on the customs regime of export customs, customs value and quantity of goods determined on the date of placement of goods under the customs regime of temporary export (removal) and customs duties - on the date of acceptance of the customs declaration in accordance with the requirements of the export customs regime.

4. Changing the customs regime of temporary export on the customs regime of export allowed without an actual presentation of goods to customs authorities.

## **§ 6. Customs warehouse**

### **Article 166. Content of customs regime**

Customs warehouse - customs regime under which goods imported into the customs territory of Turkmenistan, stored under customs control without payment of customs duties and taxes and without applying economic prohibitions and restrictions established in the legislation of Turkmenistan and goods intended for removal are stored under customs control under the conditions provided for in this paragraph.

### **Article 167. Customs warehouses**

1. Customs warehouses are specially assigned and equipped for this purpose premises and (or) open sites that meet the requirements of Article 176 of this Code.

Goods placed under the customs regime of customs warehouse stored in customs warehouses except for goods specified in the fourth part of Article 168 of this Code.

2. Customs warehouses are customs control zone.

3. Goods may be placed on any customs warehouse subject to the limitations provided by this Code.

### **Article 168. Conditions for placing goods under the customs regime**

1. Under the customs regime of customs warehouse may be placed any goods, except goods prohibited by the legislation of Turkmenistan for importation into Turkmenistan and exportation from Turkmenistan and other goods, which are subject to limitations prescribed by Turkmenistan legislation, a list of which can

be determined by the Cabinet of Ministers, and goods, the expiration date of which on the day of their declaration to the customs regime of customs warehouse less than period established under the second part of Article 169 of this Code.

2. Goods that may cause harm to other goods or require special storage conditions should be stored in bonded warehouses or separate premises of the customs warehouse, specially adapted for the storage of such products in compliance with the mandatory requirements established by the legislation of Turkmenistan.

3. Under the customs regime of customs, the warehouse may be placed goods previously placed under other customs regimes. At the customs warehouse in the cases provided for by this Code may be placed foreign goods for the suspension of customs regimes that do not involve the release of goods for free circulation.

4. It could be placed under the customs regime of customs warehouse without actual placing in a customs warehouse the goods, which, in respect of its size cannot be placed in a customs warehouse, located within a reasonable distance if you have the permission of the customs authority in writing form. In this case, the person declared the customs regime of customs warehouse shall provide to the customs authorities security of payment of customs duties and taxes that would be payable in the case of the release of goods for free circulation as well as comply with all other requirements and conditions provided for in this paragraph. It is not permitted to transfer goods in the use and disposal of other parties in any way, including its exclusion, while goods under the customs regime of a customs warehouse.

### **Article 169. Period of storage of goods in a customs warehouse**

1. Goods may be stored in a customs warehouse for three years.

2. Goods that have limited expiration date and (or) realization must be declared for another customs regime than warehouse customs regime, and removed from the customs warehouse no later than six months before the expiration of a limited period, except for perishable goods this period may be shortened by the authorized state body on customs affairs.

3. The period of storage of goods is determined by the person placing the goods in the customs warehouse, in the customs declaration within the time limits provided by this Article.

4. Upon reasonable request of the person who placed the goods in a customs warehouse, the customs authorities may extend the period for storage of the goods within the time limits provided in this Article.

### **Article 170. Operations with goods placed in a customs warehouse**

1. Persons having authority in respect of the goods and their representatives have the rights to do with the goods in a customs warehouse usual operations necessary to ensure the safety of goods (in an unaltered state), inspect and measure goods, move them within the customs warehouse, provided that these operations

do not entail changes in the state of goods, violation of their packaging and (or) changes of imposed means of identification.

2. Operations that are not specified in the first part of this article including taking of samples of goods, simple assembly operations, and operations necessary for the preparation of goods for sale and transportation including crushing parties, sorting of shipments, packaging, repackaging, labeling, operation needed to improve the quality, maybe committed by persons who have authority over the goods and their representatives with the permission of the customs authority.

The customs authority may refuse to issue permission for these operations only if their implementation would entail the loss of the goods or change its essential properties.

3. Permitted alienation of goods in a customs warehouse, transfer in their relationship right of ownership, use or disposition, subject to prior notification of the customs authority in writing form, except for goods specified in the fourth part of Article 168 of this Code. The person, who has acquired property rights for goods, presents to the customs authority a commitment, in writing form, on further compliance in respect of these goods requirements and conditions outlined in this paragraph. From the day following the day of receipt of the commitments by the customs authority, the person who has acquired property rights for goods enjoys the rights and obligations established by this Code in respect of a person who placed the goods in a customs warehouse.

4. With the permission of the customs authority, in writing form, allowing the movement of goods from one customs warehouse to another custom warehouse until the deadline specified in Article 169 of this Code. At the same time during the period of storage of goods in customs, the storage shall not be interrupted or suspended.

### **Article 171. Exemption of intended for removal goods from customs duties and taxes paid or refund of customs duties and taxes**

When foreign goods placed in a customs warehouse previously placed under other customs regimes and intended for removal from the customs territory of Turkmenistan, in respect of these goods import duties, taxes are not paid or paid sums of these customs duties and taxes are returned by the customs authorities if such exemption or returns are provided with the actual removal of goods from the customs territory of Turkmenistan. At the non-implementation of removal of goods from the customs territory of Turkmenistan payable amount of import customs duties and taxes in respect of which exemption from taxes was granted or refund of these amounts was made. Calculation of amounts of import customs duties and taxes shall be based on the rules of completion of the previous customs regime and following the terms of placement under the new customs regime determined by the declarant for using the goods in the customs territory of Turkmenistan.

### **Article 172. Unusable, spoiled or damaged goods**

Goods that have become unusable, spoiled, or damaged by accident or force majeure during their storage in a customs warehouse shall be placed under certain customs regime as if they were imported into the customs territory of Turkmenistan in an unsuitable, damaged or defective condition.

### **Article 173. Customs valuation during the release of goods for free circulation**

If for calculation of customs duties and taxes under this Code uses customs value of goods and (or) its quantity after the storage of goods in a customs warehouse, at the release of goods for free circulation, the customs value of goods and (or) its quantity determined on the date of release of goods for free circulation.

### **Article 174. Completion of the customs regime**

1. Not later than the day of the expiration of the goods in the customs warehouse, the goods must be declared for another customs regime with the requirements and conditions outlined in this Code.

Disposal of these goods at the end of that period is carrying out under Chapter 39 of this Code.

2. Any person who can act as a declarant under Article 77 of this Code has the right to make a customs operations necessary to complete the customs regime of customs warehouse under this Code.

3. When releasing the goods from the customs warehouse previously placed under the customs regime of temporary import, for their further use in the customs territory of Turkmenistan under this regime, the realization of the period of temporary importation resumes. With the release of goods for free circulation, the value and quantity of goods as well as customs duties, taxes are determined under Article 159 of this Code.

4. Concerning goods stored in a customs warehouse, the customs regime of destruction may be claimed by the owner of the customs warehouse.

### **Article 175. Types of customs warehouses**

1. Customs warehouses may be open or closed.

Custom warehouses are open warehouses if they are available for the storage of any goods and the use of any persons.

Custom warehouses are closed warehouses if they are intended for the storage of goods of the owner of the customs warehouse.

2. Cabinet of Ministers has the right to determine the types of goods that can be stored in a closed customs warehouse.

3. Open and closed customs warehouses can be used to store certain types of goods required special storage conditions or capable of causing damage to other goods (specialized customs warehouses).

## **Article 176. Requirements of necessary facilities and location of customs warehouses**

1. Premises and (or) open areas intended for use as a customs warehouse must be equipped in a way as to ensure the safety of goods, prevent access by unauthorized persons (persons who are not employees of the warehouse, not having authority concerning goods or not representatives of persons who has authority) as well as to provide an opportunity in respect of those goods to exercise a customs control. The location of customs warehouses shall be determined taking into account the interests of trade organizations and other stakeholders.

2. According to the first part of the current article, the authorized state body on customs affairs establishes mandatory requirements for the provision of necessary facilities and location of premises and (or) open areas intended for use as a bonded warehouse.

## **Article 177. Owner of customs warehouse**

1. A legal entity of Turkmenistan included in the List of owners of a customs warehouse may own a customs warehouse.

The conditions for inclusion in the List of owners of a customs warehouse and the procedure for maintaining this list are established by the authorized state body on customs affairs.

The list of owners of the customs warehouse is maintained by the authorized state body on customs affairs.

2. The owner of a customs warehouse provides storage of goods under customs control, in the cases and under the conditions prescribed by this Code.

3. Relations between the owner of the customs warehouse and persons placing goods into storage in a customs warehouse built on a contractual basis. It is not allowed for the owner of the customs warehouse to refuse to sign an agreement if it has a space for the storage of goods.

4. Owners of customs warehouses may be the customs authorities without being included in the List of owners of temporary storage warehouses.

## **Article 178. Duties and Responsibilities of the owner of the customs warehouse**

1. Owner of the customs warehouse shall:

1) comply with the terms and conditions outlined in this Code concerning the storage of goods in a customs warehouse;

2) keep a record of stored goods and to submit to the customs authorities reports on storage of such goods;

3) to ensure the safety of goods in a customs warehouse;

4) provide security to make it impossible for unauthorized persons to get access to stored goods without the permission of the customs authority;

5) to pay customs duties and taxes under part two of this article, as well as in

the case provided by the first part of Article 55 of this Code if the owner of the customs warehouse received permission for internal customs transit.

2. Custom warehouse owner is responsible for paying duties and taxes on the goods stored in a customs warehouse; in case they are lost or released without permission of the customs authority. The owner of the customs warehouse is not responsible for the payment of customs duties and taxes only if the goods are destroyed or lost due to an accident, force majeure, or natural loss under normal conditions of storage.

#### **Article 179. Actions taken with goods in case of exclusion of the owner of a customs warehouse from the List of owners of a customs warehouse**

If the owner of a customs warehouse is excluded from the List of owners of a customs warehouse, goods stored in his customs warehouse are subject to placement at his expense to another customs warehouse within two months from the day following the day of exclusion from this list. The owner of the customs warehouse is obliged to notify the persons who placed the goods in the customs warehouse within three days from the date of exclusion from the List of owners of the customs warehouse. From the day following the day of exclusion of the owner of a customs warehouse from the List of owners of a customs warehouse, the placement of goods in this customs warehouse is not allowed.

#### **Article 180. Storage of goods in customs warehouses of customs authorities**

1. Customs warehouses of customs authorities are open warehouses and shall meet the requirements of Article 176 of this Code.

2. When storing goods in customs warehouses relationships between customs authorities and persons placing goods on customs warehouses shall be under this Code and the civil legislation of Turkmenistan.

It is not allowed to the customs authority to refuse to sign a contract if it has the possibility for the storage of goods.

Acceptance of goods for storage, customs authority certified by issuing a document in the form determined by the authorized state body on customs affairs to a person who placed goods in a customs warehouse.

3. Rights, duties, and responsibilities of the customs authorities in the implementation of these organizations of storage of goods in customs warehouses arise from an obligation under the general provisions on storage provided by the civil legislation of Turkmenistan, subject to the provisions outlined in this Code.

The customs authority shall be responsible for payment of customs duties and taxes in case of loss of goods stored in a customs warehouse, except if the goods are destroyed or lost due to an accident, force majeure, or natural loss under normal conditions of storage.

4. For storage of goods in the customs warehouse of the customs authority located at the checkpoint across the State Border of Turkmenistan, a customs fee is

levied in accordance with Chapter 32 of this Code.

## **§ 7. Duty-free trade**

### **Article 181. Content of customs regime**

1. Duty-free trade - customs regime under which foreign goods imported into the customs territory of Turkmenistan or Turkmen or goods are sold at retail to individuals leaving the customs territory of Turkmenistan, directly in duty-free shops without paying customs duties, taxes, and without application of prohibitions and restrictions of economic nature established by the legislation of Turkmenistan.

2. Sale of goods specified in the first part of this article, in duty-free shops carried under customs supervision on the customs territory of Turkmenistan at checkpoints across the state border of Turkmenistan.

3. When placed foreign goods under the customs regime of free trade, the return of previously paid import duties and taxes shall be carried out if such a refund is provided at the actual export of goods from the customs territory of Turkmenistan under this Code.

### **Article 182. Conditions for placing goods under the customs regime**

1. Under the customs regime of free trade may be placed any goods, except goods banned from import into Turkmenistan, to export from Turkmenistan, illicit trafficking in Turkmenistan as well as other goods, the list of which is determined by the Cabinet of Ministers of Turkmenistan.

2. The declarant of the goods placed under the customs regime of free trade can be only the owner of a duty-free shop. The owner of a duty-free shop may only be a legal entity of Turkmenistan.

3. Placement of goods under the customs regime of free trade is permitted if:

1) The goods are intended for sale in the duty-free shop which opened under Article 184 of this Code;

2) Provided security for payment of customs duties and taxes under Chapter 29 of this Code.

4. Goods used for the operation of the duty-free shop are not subject to place it under the customs regime of free trade.

### **Article 183. Requirements for provision of necessary facilities for the duty-free shop**

1. Premises for duty-free shops may consist of salesrooms, service areas, warehouses.

These facilities must be equipped to ensure the sale of goods exclusively in the salesrooms of the duty-free shops as well as the safety of goods and the possibility of conducting customs control.

2. Authorized state body on customs affairs establishes mandatory requirements for the arrangement of duty-free shop warehouses if such stores are located outside of checkpoints across the state border of Turkmenistan, concerning the procedure provided in Article 66 of this Code.

3. Duty-free shop trading halls shall be located to prevent the possibility of leaving the goods purchased in a duty-free shop in the customs territory of Turkmenistan, including by transferring them to individuals who remain in the area.

4. Duty-free shop premises are the customs control zones.

#### **Article 184. Opening duty-free shop**

Opening of duty-free shops shall be in accordance with the procedure of establishing a regime at checkpoints across the state border of Turkmenistan at the presence of registration or authorization documents for the retail sale of goods if an obligation to have it provided by the legislation of Turkmenistan.

#### **Article 185. Duties and Responsibilities of the owner of a duty-free shop**

1. The duty-free shop owner shall:

1) comply with the requirements and conditions of the customs regime of free trade;

2) comply with the requirements for the provision of necessary facilities of the duty-free shop;

3) exclude the possibility of use for other purposes the goods supplied to a duty-free shop for sale;

4) keep a record of receipt and sale of goods in duty-free shops and report to the customs authorities;

5) store the goods placed under the customs regime of free trade, only in backrooms and warehouses of a duty-free shop;

6) to pay customs duties and taxes in cases provided for by the second part of this article as well as in the case provided the first part of Article 55 of this Code if the owner of a duty-free shop received permission for internal customs transit;

7) comply with the requirements established by the legislation of Turkmenistan in the sphere of trade and currency regulation with the specifications provided in this Code;

8) in the case of closure of the duty-free shop to notify the customs authority.

2. Owner of the duty-free Shop is responsible for payment of customs duties and taxes in respect of goods placed under the customs regime of free trade, in the case of loss of foreign goods or their use for purposes other than sale at the duty-free shop at retail to individuals leaving for outside the customs territory of Turkmenistan. The owner of the duty-free shop is not responsible for any customs duties, taxes only if the goods are destroyed or lost due to an accident, force majeure, or natural loss under normal conditions of storage and realization.

**Article 186. Duty Free Shop Owners**

A legal entity of Turkmenistan included in the List of Duty Free Shop Owners may own a duty free shop.

The conditions for inclusion in the List of owners of duty-free shops and the procedure for maintaining this list are established by the authorized state body on customs affairs.

The list of owners of a duty-free shop is maintained by the authorized state body on customs affairs.

**Article 187. Actions taken with goods in case of closure of a duty-free shop**

1. In case of closure of the duty-free shop, foreign goods placed under the customs regime of free trade shall be placed under another customs regime within fifteen days from the day following the date of closing of duty-free shops.

2. From the day following the date of closing of duty-free shops, the goods placed under the customs regime of free trade are treated for customs purposes as goods placed in temporary storage. The sales of such goods, as well as the placement of other goods in duty-free shops, are not allowed.

3. Closure of duty-free shop does not release the owner of the duty-free shop from the compliance and fulfillment of obligations established by this Code.

**Chapter 18. FINAL CUSTOMS PROCEDURES****§ 1. Re-import****Article 188. Content of customs regulations**

1. Re-import - customs regime under which goods previously removed from the customs territory of Turkmenistan, are imported into the customs territory of Turkmenistan promptly without payment of customs duties and taxes and application of prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

2. Goods placed under the customs regime of re-import are considered for customs purposes as released for free circulation.

**Article 189. Conditions for placing goods under the customs regime**

1. Placement of goods under the customs regime of re-importation is permitted if:

1) when removal from the customs territory of Turkmenistan the goods that have the status of goods in free circulation or the products are processed from foreign goods;

2) goods declared for the customs regime of re-import within three years from

the day following the day of crossing the customs border when they are removed from the customs territory of Turkmenistan. Upon reasonable request of the person concerned, the authorized state body on customs affairs shall extend the period in respect of the equipment used for construction, manufacturing, mining, and other similar purposes, is subject to all other provisions of this paragraph;

3) goods are in the same condition in which they were removed from the customs territory of Turkmenistan except for the changes that have occurred due to normal wear or natural loss under normal conditions of transportation, storage or use;

4) paid the amount of import customs duties and taxes to be returned to the State Budget of Turkmenistan at the re-importation of goods.

2. Use of goods outside the customs territory of Turkmenistan, for-profit as well as committing to them the actions necessary to ensure their safety including repairs (except for major repairs and upgrades), maintenance and other operations that are necessary to preserve consumer properties of goods and maintain the goods in the condition in which they were on the day of their removal from the customs territory of Turkmenistan, not prevent the placement of goods under the customs regime of re-import, except in cases where repair operations have resulted in an increase in the good cost compared to their value on the day of removal.

3. Under the customs regime of re-import may be placed goods earlier placed under other customs regimes.

### **Article 190. Refund of import duties and taxes at re-importation of goods**

1. During the re-import of goods, the number of import duties and taxes shall be returned to the State Budget of Turkmenistan, if in connection with the removal of goods from the customs territory of Turkmenistan amount of such duties and taxes are not levied or have been returned.

2. Amounts of import customs duties and taxes are calculated according to the rules established by the third part of Article 130 of this Code for determination the payable customs duties and taxes during the release of processed products for free circulation.

3. The amount of customs duties and taxes provided for in this article are charged by customs authorities in the manner prescribed by this Code for the collection of customs duties.

### **Article 191. Documents and information required for placing goods under the customs regime of re-import**

1. To obtain permission to place the goods under the customs regime of re-import the declarant provides to the customs authority information about the circumstances of the removal of goods from the customs territory of Turkmenistan as well as information about operations to repair the goods if such operations are conducted with the goods outside the customs territory of Turkmenistan.

2. To confirm the information specified in part one of this article, the

declarant shall submit to the customs authorities the customs declaration accepted at the removal of goods from the customs territory of Turkmenistan, documents that prove the date of crossing the customs border when they are removed, proof of compliance with the requirements of Article 190 of this Code as well as other documents confirming the declared information.

### **Article 192. Refund of export customs duties on re-importation of goods**

1. Refund of payments of export customs duties made if the goods are imported into the customs territory of Turkmenistan under the customs regime of re-import not later than six months from the day following the day of crossing the customs border when they are removed from the customs territory of Turkmenistan.

2. Refund of payments of export duties by customs authorities exercises under this Code.

## **§ 2. Re-export**

### **Article 193. Content of customs regime**

Re-export - customs regime under which goods previously imported into the customs territory of Turkmenistan are removed from this territory without payment or refund of customs duties and taxes and application of prohibitions and restrictions of economic nature established by the legislation of Turkmenistan.

### **Article 194. Conditions for placing goods under the customs regime**

1. The foreign goods are placed under the customs regime of re-export including those imported into the customs territory of Turkmenistan with violations under the law on import bans.

Goods released for free circulation may be placed under the customs regime of re-export subject to the conditions provided for in Article 196 of this Code.

2. Under the customs regime of re-export may be placed the goods previously placed under another customs regime, to complete actions such customs regime in the manner prescribed by this Code.

3. Turkmen legislation and (or) international treaties of Turkmenistan may set additional conditions for placing goods under the customs regime of re-export.

### **Article 195. Application of customs duties and taxes at re-exportation of goods**

1. At re-exportation of goods, exemption from import duties and taxes shall be granted or refund of amounts is made if such exemption or refund provided upon completion of the customs regime under which goods are in the customs territory of Turkmenistan.

2. When removing exported goods, export customs duties not paid.

### **Article 196. Application of the customs regime of re-export to goods released for free circulation**

1. Goods released for free circulation in respect of which established the fact that on the day of crossing the customs border of Turkmenistan they were defective or not otherwise comply with the terms of foreign trade transactions in quantity, quality, description or packaging and for these reasons they are returned to the supplier or other person specified by him, may be placed under the customs regime of re-export, if these goods:

- 1) is not used or repaired in Turkmenistan, except in cases where the use of the goods was necessary to detect defects or other circumstances which led to the return of the goods;

- 2) can be identified by the customs authorities;

- 3) released within six months from the date of their release for free circulation.

Upon reasonable request of the declarant, the period specified in this paragraph may be extended by the customs authority in accordance with the terms of foreign trade transactions.

2. During the re-exportation of goods under the first part of this article, the refund of customs duties and taxes shall be made under Article 296 of this Code.

## **§ 3. Destruction**

### **Article 197. Content of customs regime**

Destruction - the customs regime under which foreign goods are destroyed under customs control without payment of customs duties and taxes, and without application of prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

### **Article 198. Conditions for placing goods under the customs regime**

1. Destruction of goods is allowed if the goods are subjected to destruction, cannot be restored to their original state in a cost-effective manner.

2. Not permitted to destroy the following product categories:

- 1) cultural values;

- 2) animal and plant species, endangered species, their parts, and derivatives, except cases when their destruction is required to prevent epidemics and epizootics;

- 3) goods took by the customs authorities as collateral for the termination of collateral relations;

- 4) seized goods or goods that are seized under the law;

5) other goods, a list of which is set by the Cabinet of Ministers of Turkmenistan.

3. Destruction of goods is permitted if:

- 1) it may cause significant harm to the environment or pose an immediate or potential danger to life and health;
- 2) produced by the consumption of goods following their common purpose;
- 3) may result in costs for the public authorities of Turkmenistan.

#### **Article 199. Date and place of destruction**

1. Period of the destruction of goods established by customs authorities based on the application of the declarant based on the time reasonably necessary to carry out operations to eradicate this kind of goods by claimed method, and the time required for transporting goods from their location in the place of destruction.

2. The place of the destruction of goods is determined by the declarant to meet the requirements of the legislation of Turkmenistan on Environmental Protection.

#### **Article 200. Application for the customs regime of destruction in respect of goods destroyed by accident or force majeure**

1. Customs regime of destruction can be applied to goods that have been destroyed, lost, or damaged due to an accident or force majeure.

2. When placing the destroyed or damaged goods under the customs regime of destruction applying the provisions of the first paragraph of Article 198 and Article 201 of this Code.

#### **Article 201. Waste**

1. For waste generated as a result of the destruction of foreign goods is subject to customs duties, taxes, as if these wastes were imported into the customs territory of Turkmenistan in that condition, except in cases when these wastes are removed from the customs territory of Turkmenistan or recycled in unsuitable for further commercial use in the customs territory of Turkmenistan, and cannot be restored to their original state in a cost-effective manner.

Wastes that are subject to customs duties and taxes shall be declared.

2. To levy customs duties and taxes, wastes are considered as goods imported into the customs territory of Turkmenistan.

3. Responsibility for payment of customs duties and taxes in respect of waste carries a declarant.

### **§ 4. Refusal in favor of the state**

#### **Article 202. Content of customs regulations**

Refusal in favor of the state - the customs regime under which goods are transferred to the state ownership free of charge without payment of customs duties and taxes, and without application of prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

#### **Article 203. Conditions for placing goods under the customs regime**

1. Refusal from the goods in favor of the state should not lead to any expense for public authorities of Turkmenistan that cannot be compensating by proceeds from the sale of goods.

2. At the customs regime of denial in favor of the state cannot be placed goods turnover of which is prohibited under the law.

#### **Article 204. Status of goods which the person has waived in favor of the state**

1. Goods placed under the customs regime of refusal in favor of the state become the property of the State under this Code.

2. Since the transfer of goods which the person has waived in favor of the state to the customs authorities they have a status being in free circulation in the customs territory of Turkmenistan.

#### **Article 205. Responsibility for the application of the customs regime**

Responsibility for the legality of disposal of goods by placing them under the customs regime for refusal in favor of the state shall be the declarant. Customs authorities shall not reimburse any property claims of persons having authority in respect of goods which the declarant refused in favor of the state.

### **Chapter 19. SPECIAL CUSTOMS PROCEDURES**

#### **§ 1. Moving supplies**

#### **Article 206. Content of customs regime**

Moving supplies - a customs regime under which goods intended for use on the sea (river) vessels, aircraft and trains used for the international carriage of passengers and (or) services, as well as goods intended for sale to crew members and passengers of such ships (river), aircraft, crossing the customs border without paying customs duties, taxes, and without application of the prohibitions and restrictions of economic nature stipulated by the legislation of Turkmenistan.

#### **Article 207. Conditions for placing goods under the customs regime**

1. Under the customs regime of movement of supplies allowed the placement

of goods (hereinafter in this chapter - supplies):

1) necessary for the proper operation and maintenance of sea (river) vessels, aircraft and trains en route or stop points or parking (including fuel and lubricants);

2) intended for use by passengers and crew members on board the sea (river) vessels, aircraft or passengers and crew aboard the train, whether these provisions sold or not;

3) intended for sale to passengers and crew members of sea (river) vessels, aircraft without a purpose of consumption on board these ships.

2. Supplies shall be placed under the customs regime of moving supplies, regardless of the country of registration or nationality sea (river) vessels, aircraft or trains.

3. Under the customs regime of movement of supplies are not allowed placement of spare parts and equipment necessary for the proper operation and maintenance of sea (river) vessels, aircraft, and trains en route or stop points or parking.

4. Customs regime of movement of supplies applies to supplies by using sea (river) vessels for commercial navigation, aircraft civil and state aircraft, except the use of vehicles by individuals for personal use.

#### **Article 208. Conditions for exemption from customs duties and taxes**

1. When imported into the customs territory of Turkmenistan supplies aboard the sea (river), aircraft, import duties, taxes are not paid on the condition that those supplies remain on board of the ships during their stay in the customs territory of Turkmenistan.

2. Supplies importing into the customs territory of Turkmenistan in trains and necessary to ensure the normal operation and maintenance of trains and also intended for use by passengers and crew aboard the train, import duties, taxes are not paid on the condition that those supplies remain in trains during their stay in the customs territory of Turkmenistan.

3. When foreign goods intended for sale to passengers and crew members of the sea (river), aircraft without their consumption on board these vessels, under the customs regime of movement of supplies exempt from customs duties and taxes shall be granted subject to sale of goods outside the customs territory of Turkmenistan, taking into account the provisions of the third paragraph of Article 209 of this Code.

4. Removal supplies from the customs territory of Turkmenistan placed aboard sea (river), aircraft and export duties are not paid if these supplies are exported in an amount corresponding to the number of passengers and crew members, flight duration and sufficient to ensure the normal operation and maintenance of these ships, taking into account the supplies carried on board these ships.

5. At the removal supplies from the customs territory of Turkmenistan, necessary for the proper operation and maintenance of trains and supplies intended for use by passengers and crew aboard the train, export duties are not payable if

these supplies are removed in an amount sufficient to provide normal operation and maintenance of trains and required for use by passengers and crew aboard the train during the journey, taking into account the supplies available on these trains.

6. With the permission of the customs authority supplies may temporarily be unloaded and transferred respectively to other vessels or other trains involved in the international transport of passengers and goods, if the conditions provided for in this paragraph.

### **Article 209. Use supplies**

1. Supplies that are intended for use by passengers and crew members of sea (river) vessels, and supplies necessary for the proper operation and maintenance of these vessels can be consumed and used on these ships during their stay in the customs territory of Turkmenistan in the amount corresponding to a number of passengers and crew members, as well as the duration of staying, including during the repair sea (river) vessels if at that time the crews do not leave the vessel.

2. At making a planned landing by aircraft at the airport or one of several airports that are in the customs territory of Turkmenistan, supplies intended for the proper operation and maintenance of these ships, and supplies intended for consumption by the crew and passengers at the time when the aircraft in the point of landing and during a flight between them, can be used in while the aircraft in landing points and during the flight between them.

3. Supplies that are intended for sale to passengers and crew members of aircraft without their consumption on board of these ships may be sold during staying of the aircraft in the customs territory of Turkmenistan, provided that they are sold on board of these ships.

4. Supplies that are intended for use by passengers and crew aboard the train, and the supplies necessary for the proper operation and maintenance of these trains can be consumed and used in these trains on their way or stop points or parking in the customs territory of Turkmenistan in an amount corresponding to the number of passengers and crews of workers, as well as the duration of parking and travel time.

5. Customs authorities may oblige the carrier to take the measures necessary to ensure compliance with the use of supplies provided for in this paragraph while staying the sea (river) vessels, aircraft or trains in the customs territory of Turkmenistan. By decision of the customs authority on the premises may be imposed customs seals and stamps at which supplies are stored.

## **§ 2. Other special customs regimes**

### **Article 210. Other special customs regimes**

Other special customs regimes established in respect of the following goods transported across the customs border of Turkmenistan:

1) goods removed from the customs territory of Turkmenistan and designed to

ensure the functioning of embassies, consulates, missions at international organizations and other official representatives of Turkmenistan abroad;

2) goods transported across the customs border for prevention and elimination of natural disasters and other emergencies, including products intended for free distribution to people affected by emergencies and products needed to carry out rescue and other emergency work and life rescue units;

3) Turkmen goods moved between the customs authorities through the territory of a foreign state;

4) other types of goods, determined by the Cabinet of Ministers of Turkmenistan.

### **Article 211. Contents of special customs regimes, the procedure, and conditions for placing goods under special customs regimes**

1. Special customs regimes provide full exemption from customs duties and taxes, as well as non-use for them economic prohibitions and restrictions established by the legislation of Turkmenistan.

2. Refund of the number of customs duties and taxes at placing goods under special customs procedures not performed, except cases when chosen a special customs regime changed to the export customs regime.

3. The Cabinet of Ministers may determine other requirements and conditions for placing goods under special customs regimes.

### **Subsection 3. SPECIAL CUSTOMS PROCEDURES**

## **Chapter 20. MOVEMENT OF VEHICLES**

### **Article 212. Customs regimes applicable to vehicles**

Vehicles crossing the customs border of Turkmenistan in accordance with the customs regime of temporary import or temporary export in the order prescribed by this chapter.

### **Article 213. Temporary importation of vehicles**

1. Temporary importation of vehicles into the customs territory of Turkmenistan with full exemption from customs duties and taxes shall be allowed in the following cases:

1) The vehicle is registered in a foreign entity and (or) on the territory of a foreign state;

2) The vehicle is being imported into the customs territory of Turkmenistan and is used by a foreign person, except when the vehicle is used by the Turkmen person is duly authorized to that by a foreign person;

3) Vehicle in the customs territory of Turkmenistan is not used in internal transportation;

4) If the vehicle after importation into the customs territory of Turkmenistan is not leased (if the vehicle is imported as a leased - sublease), except cases when the lease (sublease) is made to complete the transport operation by immediate removal of the vehicle.

2. Cabinet of Ministers may establish cases of temporary importation of vehicles into the customs territory of Turkmenistan with full exemption from customs duties and taxes, if temporarily imported vehicle used by Turkmenistan person or registered on Turkmenistan person, and if the other conditions provided for in paragraphs 1 - 4 of this Article do not comply, provided that during the period of temporary import, ownership of the vehicle does not transfer to the Turkmenistan person.

3. In cases where a full exemption from customs duties and taxes are not applied under the first and second parts of this Article, and if not complied with the conditions under which is used full exemption from customs duties and taxes in respect of vehicles used partial exemption from customs duties and taxes in accordance with the procedure established by this Code for the temporarily imported goods.

4. The temporary import regime for vehicles completed their re-exportation within the period provided for in Article 214 of this Code. With the permission of the customs authority of the temporary import regime in respect of temporarily imported vehicles may also be completed according to the rules outlined in Article 159 of this Code to complete the customs regime of temporary import of goods.

### **Article 214. Periods for the temporary importation of vehicles**

1. Re-export of temporarily imported vehicles should be carried out immediately after the completion of the transport operation for which it was committed temporarily imported.

2. Exceptionally, for the implementation of customs control, the customs authority may specify the period of temporary importation of the vehicle based on the application of the carrier and taking into account all circumstances relating to the implementation of the proposed transport operation.

Upon reasonable request of the person concerned, the customs authorities may extend the original terms of the temporary importation.

### **Article 215. Operations with temporarily imported vehicles**

With temporarily imported vehicles allowed to carry out common operations on their maintenance or repair, which required on their way to the customs territory of Turkmenistan or use in that territory.

### **Article 216. Temporary export of vehicles**

1. Temporary exportation of the vehicle shall be allowed provided that the vehicle is in free circulation in the customs territory of Turkmenistan and registered on Turkmenistan person, except cases as provided in the third part of this article.

2. Duties, taxes are not levied at temporary export vehicles.

3. It is allowed temporary export vehicles previously temporarily imported into the customs territory of Turkmenistan with a partial exemption from customs duties and taxes if the temporary removal carries out by Turkmenistan person to whom the vehicle does not belong the right of ownership, regardless of whether the vehicle is registered on Turkmenistan person or not. At the same customs regime of temporary import with respect to these vehicles used partial payment of customs duties and taxes before completion of this regime by the rules established by Article 159 of this Code.

4. Temporary removal of the vehicle is allowed no matter who and for what purposes it will be used outside the customs territory of Turkmenistan.

### **Article 217. Dates of temporary export of vehicles**

The terms of temporary export vehicles are not limited.

### **Article 218. Re-import temporarily exported vehicles**

1. During re-import into the customs territory of Turkmenistan temporarily exported vehicles (vehicles), duties, taxes are not paid, if the vehicle is not exposed outside the customs territory of Turkmenistan processing operations, except for:

1) Repair operations, maintenance and other similar operations necessary to

ensure its safety and exploitation, as well as keeping it in the condition in which it was stationed on the date as it placed under the customs regime of temporary export;

2) Repair operations, including major repairs undertaken to recover the vehicle after his accident or force majeure, which took place outside the customs territory of Turkmenistan.

2. If the vehicle in respect of which the operations were performed for repair and (or) other operations outside the customs territory of Turkmenistan shall not be released from the payment of duties and taxes under the first paragraph, in respect of this vehicle is subject to a partial exemption from payment of customs duties and taxes concerning the procedure provided for in Article 152 of this Code concerning the collection of customs duties and taxes on import of processed products under the customs regime of processing outside the customs territory.

When determining the cost of processing operations, the costs of moving the vehicle to a place of processing and back do not count unless such transfer is linked to the implementation of the international transport of goods or passengers.

### **Article 219. Changing the customs regime of temporary export**

1. Concerning vehicles temporarily removed allowed the changes of customs regime of temporary export on the customs regime of the export or other customs regime with the requirements and conditions set by this Code.

2. In the case of transfer to a foreign person the ownership of temporarily removed vehicles, a person who placed the vehicle under the customs regime of temporary export is obliged to change the customs regime of temporary removal on the export customs regime.

3. Changing the customs regime of temporary export is permitted without the actual presentation of the vehicle to the customs authority.

### **Article 220. Temporary import and export of equipment and spare parts**

1. Temporarily imported vehicle with special equipment for loading, unloading, handling, and protection of goods, regardless of whether it can be used separately from the vehicle or not, is subject to the full conditional exemption from customs duties and taxes.

2. Temporarily imported spare parts and equipment are intended for repair, maintenance, or operation of the vehicle, subject to conditional full exemption from customs duties and taxes.

3. Temporarily removed spare parts intended for use in the repair or maintenance of vehicles temporarily removed for replacement parts and equipment that are built into the temporarily exported vehiclesation at their temporary removal from the customs territory of Turkmenistan subject to conditional complete liberation from export duties.

4. Import into the customs territory of Turkmenistan replaced parts and equipment is allowed with full exemption from import duties and taxes applicable

to the customs regime of re-importation.

### **Article 221. Customs clearance of vehicles, spare parts, and equipment**

1. Customs clearance of vehicles, spare parts, and equipment produced in a simplified manner in the place of their arrival on the customs territory of Turkmenistan or place of departure from the territory.

Customs clearance of vehicles produced in the places of customs authorities and during its working hours.

2. During the customs clearance of vehicles, customs authority accepts as respectively import or export declaration the standard documents of carrier provided by international treaties of Turkmenistan if they contain information about the vehicle, its route, cargo, supplies, the crew, and the passengers, information on the purpose of import (export) of the vehicle and (or) the name of spare parts and equipment that are moved to repair or exploitation of the vehicle.

If the submitted standard documents of the carrier do not contain all the required information, missing information communicated to the customs authorities by submitting respectively import or export declaration in the form determined by the authorized state body on customs affairs. When these standard documents are submitted, the carrier is considered an integral part respectively entry and exit declaration.

The customs authority may not require the submission of other information.

Import or export declaration shall be submitted by the carrier to the customs office respectively at the entrance of the vehicle into the customs territory of Turkmenistan or the exit of this the territory.

3. Putting vehicles under the customs regime of temporary import or temporary export in cases stipulated by part one of Article 213, Article 216, and the first part of Article 218 of this Code, provided upon presentation respectively entry and exit declaration.

In other cases, declaration of vehicles produced under rules established by Chapter 11 of this Code.

If spare parts and equipment crossing the customs border of Turkmenistan simultaneously with the vehicle, thus under Article 220 of this Code, allowed declaring information on it in the entry and exit declaration submitted concerning this vehicle.

4. If the requirements for documents submitted to the customs authorities at entering or leaving of vehicles, defined by international treaties of Turkmenistan, for customs purposes used documents provided by these treaties of Turkmenistan.

5. If the vehicle has not been reported to any customs regime as the goods for customs purposes since the customs clearance of the vehicle, it is considered as placed under the customs regime respectively temporary import or temporary export, which entails the obligation to abide by the terms of these individual customs regimes.

6. Customs clearance for replaced spare parts and equipment which are imported into the customs territory of Turkmenistan, produced under rules of the

customs clearance of goods imported under the customs regime of re-importation.

7. Replaced and re-exported from the customs territory of Turkmenistan spare parts and equipment shall be released for free circulation or placed under another customs regime with the requirements and conditions set by this Code.

**Article 222. Navigating through the customs border of Turkmenistan sea (river) vessels and aircraft that are not used for international transport of goods and passengers**

1. Sea (river) boats, except military, temporarily removed from the customs territory of Turkmenistan to use them for fishing aquatic biological resources, exploration and development of mineral and other non-living resources of the seabed and its subsoil, pilotage, search, rescue and towing operations of lifting sunken property at sea, hydraulic, underwater engineering and other similar works, sanitary, quarantine and other control, protection and preservation of the marine environment, conducting marine scientific research for educational, sporting and cultural purposes, and other purposes related with merchant shipping, moved across the customs border of Turkmenistan during their temporary export and re-import under the rules established by this chapter, except for the sea or river vehicles transported by individuals for personal, family, and other purposes not related to business activities.

2. Aircraft, except military aircraft, are not used for international transportation of goods and passengers, crossing the customs border of Turkmenistan during their temporary export and re-import under the rules established by this Chapter.

**Chapter 21. MOVEMENT OF GOODS BY INDIVIDUALS**

**Article 223. Moving goods by individuals for personal use**

1. Goods intended for personal, family and other non-business activities, the needs of individuals (hereinafter - for personal use), move by the specified persons through the customs border of Turkmenistan under the provisions of this chapter and to the extent if not regulated by this chapter - under the general procedure established by this Code.

2. The purpose of the goods is determined by the customs authorities based on the statements of individuals on goods crossing the customs border of Turkmenistan, the nature of the goods and their quantity as well as the frequency of the movement of goods across the customs border of Turkmenistan.

3. The procedure of movement of goods for personal use by individuals through the customs border of Turkmenistan includes:

- 1) full exemption from customs duties and taxes;
- 2) application of customs duties and taxes;
- 3) simplified customs clearance;
- 4) non-application of prohibitions and restrictions of economic nature,

established by the legislation of Turkmenistan;

5) not use condition of mandatory confirmation (certification) of conformity of the goods, unless otherwise stipulated by the legislation of Turkmenistan.

4. For the purposes of this Chapter, vehicles are the vehicles and trailers, sea (river) vessels, and aircraft along with spare parts to them and their normal accessories and equipment imported or exported by individuals for personal use only.

#### **Article 224. Import and export of goods and vehicles for personal use and application of customs duties and taxes in respect of such goods and vehicles**

1. Complete exemption from customs duties and taxes shall be granted if the cost and (or) the quantity of goods imported into the customs territory of Turkmenistan, except vehicles, does not exceed the cost and (or) the quantitative limits established by the legislation of Turkmenistan.

In respect of goods, the cost and (or) quantity of which exceeds the limit, in terms of the excess, as well as for vehicles apply customs duties and taxes under Turkmenistan legislation.

2. Cabinet of Ministers has the right to determine the cases when a full exemption from customs duties and taxes on goods imported by individuals during their migration for permanent residence, goods imported by refugees and IDPs, as well as in respect of the inherit estate shall apply.

3. Goods imported into the customs territory of Turkmenistan and exported from that territory under this Article shall be considered for customs purposes as released for free circulation or exported under the export customs regime.

4. Provisions of this Article shall not apply to goods that are temporarily imported (exported) and re-exported (imported) by individuals.

#### **Article 225. Temporary importation of goods by individuals**

1. In respect of goods temporarily imported into the customs territory of Turkmenistan by foreign individuals allow full exemption from customs duties and taxes, if these goods are imported by persons for their personal use for a period of temporary residence in the customs territory of Turkmenistan.

2. Exemption from customs duties and taxes, provided for the first part of this article applies to foreign-owned or leased or taken them for temporary use or by other means the vehicles that are imported into the customs territory of Turkmenistan simultaneously with the entry of a foreign person, either before or after this entry.

Vehicles are transported by individuals for transportation of persons for payment or industrial or commercial transportation of goods, crossing the customs border under the rules set out in Chapter 20 of this Code.

3. In the cases, when the temporarily imported goods shall be declared in writing form under the second part of Article 228 of this Code, the period of temporary importation established by the customs authorities based on statements

of a foreign individual, taking into account the duration of his stay in Turkmenistan and the deadline set by the Cabinet of Ministers of Turkmenistan under the fourth part of this article.

Upon reasonable request of a foreign individual, an established period of temporary import by the customs authorities may be extended with the time frame set by the Cabinet of Ministers under the fourth part of this article.

4. The Cabinet of Ministers may establish deadlines for the temporary importation for certain types of goods, including vehicles temporarily imported by foreign individuals on the customs territory of Turkmenistan.

5. Temporarily imported goods, including vehicles, may be re-exported from the customs territory of Turkmenistan through any customs authority. During re-export of temporarily imported goods, customs duties, taxes are not collected, the prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan do not apply.

6. Goods, including vehicles temporarily imported by foreign physical persons referred to in Chapter 23 of this Code, may be alienated by them in the territory of Turkmenistan. The obligation to declare and pay the amounts of export customs duties and taxes for alienated transferred temporarily imported goods, including vehicles, if the number of such duties and taxes are not levied at their temporary importation, imposed on the acquirer.

7. Re-export of temporarily imported goods, including vehicles, cannot be carried out in cases where they are:

- 1) severely damaged due to an accident or force majeure;
- 2) alienated in the territory of Turkmenistan under the sixth part of this article.

8. Individuals can temporarily import vehicles, provided that these vehicles are registered in a foreign country, and the aggregate period of temporary admission shall not exceed six months in one calendar year with respect for each vehicle imported temporarily.

#### **Article 226. Temporary removal of goods by individuals**

1. Individuals of Turkmenistan may temporarily export from the customs territory of Turkmenistan goods, including vehicles for personal use for a period of their temporary stay in a foreign country and bring them back to full exemption from customs duties and taxes.

2. On the application of individual, the customs authority shall identify temporarily exported goods if such identification will contribute to their re-importation with full exemption from import duties and taxes. Identification of the goods specified in the customs declaration, one copy of which returns to individual. The absence of such identification does not prevent the re-importation of goods by individuals with full exemption from import duties and taxes.

#### **Article 227. Customs clearance of goods transported by individuals for personal use**

1. Customs clearance of goods transported by individuals for personal use, produce in the order established by the Cabinet of Ministers under this Code.

2. Goods, including vehicles transported by individuals for personal use, shall be placed in temporary storage in the following cases:

1) at the request of the persons;

2) if the immediate customs clearance and (or) the payment of customs duties and taxes are not possible for reasons beyond the control of the customs authorities.

3. The temporary storage of goods conducts as provided for in Chapter 10 of this Code and for the expense of the person whose goods are placed in temporary storage areas.

### **Article 228. Declaration of goods by individuals**

1. Declaration of goods transported by individuals in hand baggage and accompanied baggage conducts when crossing the State border of Turkmenistan.

2. Written declaration shall be subject to the goods, including vehicles:

1) transported by individuals in unaccompanied baggage;

2) sent to individuals for personal use, except for items sent by international mail;

3) the importation of which is restricted under Turkmenistan legislation or the cost and (or) the number of which exceeds the limits established for moving through customs border of Turkmenistan with full exemption from customs duties and taxes;

4) export of which is restricted under the law;

5) mandatory declaration in writing form provides for export by Turkmenistan legislation;

6) vehicles.

3. In cases not mentioned in the second part of this article, the goods are declared by verbal form.

An individual has the right at will declare in writing, the goods conveyed across the customs border, and are not subject to mandatory declaration in writing form.

4. In the cases and order determined by the authorized state body on customs affairs, declaration of goods is subject to declaration verbally made by performing actions that demonstrate that in hand baggage and accompanied baggage of an individual do not contain goods are subject to declaration in writing form (declaration in a tacit form). With this purpose in checkpoints building spaces for passage of individuals are specially marked so that the person can choose the form of declaration of goods. Individuals passing through a specially designated place for the passage of persons who have not in hand luggage or accompanied baggage the goods subject to declaration in writing form, to be considered as a statement to the customs authority on the absence of goods, subject to declare in writing form.

5. Goods belong to under the age of sixteen shall be declared by one of his parents, adoptive parents or guardians accompanying him at organized exit

(entrance) and return entrance (exit) and a group of minors unaccompanied by parents, adoptive parents or guardians - leader of the group.

6. In respect of goods transported across the customs border with unaccompanied baggage, the customs declaration must be filed with the importation of goods into the customs territory of Turkmenistan within the period specified in Article 79 of this Code, when exported - simultaneously with the presentation of goods to customs authorities.

Goods moved across the customs border in unaccompanied baggage may be declared by the person transporting the goods or other person acting under a power of attorney of the person transporting the goods.

Items in unaccompanied baggage of minors under the age of sixteen years to be declared by one of the parents, adoptive parents or guardians, or persons acting under a power of attorney of these persons.

### **Article 229. Payment of customs duties and taxes by individuals**

Customs duties and taxes paid in writing form by individuals on the declaration of goods, including vehicles.

### **Article 230. Customs value of goods transported by individuals**

1. Customs value of goods shall be declared by an individual moving the goods at the declaration process. To confirm the declared value, an individual shall bring checks, invoices, and other documents confirming the purchase of the declared goods and its value.

2. When individuals are imported goods into the customs territory of Turkmenistan, the customs value shall not include the costs of delivery to the place of their arrival in the customs territory of Turkmenistan.

3. In the absence of documents and information confirming the correctness of the determination of the customs value declared by the individual, the customs authority may independently determine the customs value of goods based on the price information available at the customs authority.

### **Article 231. Spare parts and fuel for vehicles transported by individuals**

1. Spare parts needed to repair vehicles temporarily imported by individuals into the customs territory of Turkmenistan may be temporarily imported with full exemption from customs duties and taxes for a period not exceeding the period of temporary import vehicle.

2. Fuel for vehicles in the tanks provided for the structure of vehicles crossing the customs border of Turkmenistan by individuals may be imported into the customs territory of Turkmenistan or exported from the territory without payment of customs duties and taxes.

## **Chapter 22. MOVEMENT OF GOODS IN INTERNATIONAL MAIL**

**Article 232. International mail**

1. For this chapter, international mail postage understood as the mail accepted for dispatch outside the customs territory of Turkmenistan, coming into the customs territory of Turkmenistan or transiting through the territory. International mails include:

- 1) letters (ordinary, registered, insured);
- 2) postcards (ordinary, registered);
- 3) parcels and special "M" bags (ordinary, registered);
- 4) secograms (ordinary, registered) aerogram;
- 5) small packets (registered);
- 6) parcels (ordinary, insured).

2. International mail cannot be issued by enterprises of postal services to recipients or sent outside the customs territory of Turkmenistan without the permission of the customs authority.

3. Internal customs transit procedure applies to international mail in the order determined by the authorized state body on customs affairs in coordination with the authorized state body in the field of communication based on the requirements and restrictions set by this Code.

**Article 233. Prohibitions and restrictions when goods are sent by international mail**

1. In international mail package shall not send goods:

- 1) Prohibited for importation into the customs territory of Turkmenistan or export from that territory under Turkmenistan legislation;
- 2) Prohibited for transfer under the acts of the Universal Postal Union.

2. For goods restricted for import into the customs territory of Turkmenistan or export from that territory under Turkmen legislation or international treaties of Turkmenistan, senders or recipients of goods or persons acting on their behalf, must submit a customs clearance procedure, necessary permits, licenses, certificates and other documents confirming compliance with these restrictions.

3. In respect of goods sent by international mail do not apply the prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan, in the following cases:

- 1) if the cost and (or) the number of such goods does not exceed the limits set by the legislation of Turkmenistan;
- 2) if the goods are sent to individuals and are intended for personal use;
- 3) in other cases determined by the Cabinet of Ministers of Turkmenistan.

4. Withdrawal of goods prohibited and (or) limited to send by international mail, as well as disposal of the customs authorities are made under this Code, and in part not regulated by them - in the order determined by the Cabinet of Ministers of Turkmenistan.

**Article 234. Customs clearance of goods sent by international mail**

1. Customs clearance of goods sent by international mail, accompanied by the documents specified by the Universal Postal Union, produced under this Code with the specifications provided in this chapter.

2. Customs clearance of goods sent by international mail produces in priority order and in a short period which may not exceed three days.

3. Customs clearance of goods sent by international mail, conduct by the customs authorities in the area of activity of which located a point of international postal exchange.

4. If all the information required by the customs authorities for customs purposes is contained in the documents provided by the Universal Postal Union and accompanying international mail, submission of a separate customs declaration is not required, except in cases provided for in the fifth part of this article.

5. Declaration of goods by filing a separate customs declaration is required if:

1) concerning goods are subject to restrictions prescribed by Turkmenistan legislation, except in cases where the goods are intended for personal, family, household and other non-entrepreneurial activities needs, are sent to individuals;

2) Imported into the customs territory of Turkmenistan goods are intended to be placed under the customs regime does not provide for the release of goods for free circulation;

3) International mail sent by a legal entity from the customs territory of Turkmenistan or to the address of the legal entity on the customs territory of Turkmenistan;

4) Goods are intended for industrial and other businesses and that sent by individuals from the customs territory of Turkmenistan or to an individual on the customs territory of Turkmenistan.

6. Customs clearance of goods in respect of which shall be filed separate customs declaration under the fifth part of this article may be carried out by the customs authorities in the area of operations of which located senders or recipients, in the order determined by the authorized state body on customs affairs in coordination with state authority in the field of communication.

7. Customs clearance of goods exported from the customs territory of Turkmenistan in international postal dispatch in respect of which shall be filed separate customs declaration under the fifth part of this Article produce by the senders or by persons acting on their behalf, before delivery of the goods to postal services for shipping.

**Article 235. Visual inspection and customs inspection of international mail**

1. Enterprises of postal service by the request of customs authorities are obliged to present international mails for visual inspection and customs inspection. The order of presentation of goods for visual inspection and customs inspection of international mail is determined by the authorized state body on customs affairs.

2. Customs authorities do not require presentation of the following types of imported postal items:

- 1) postcards and letters;
- 2) literature for the blind.

If there is sufficient reason to believe that these mailings contained goods which are prohibited or restricted for import into the customs territory of Turkmenistan, as well as at the visual inspection and customs inspection based on selective or random checking, customs authorities may require the presentation of these mails.

3. During the visual inspection and customs inspection, maximum use of technical means of control is used.

### **Article 236. Customs duties and taxes applicable to the goods sent by international mail**

1. Customs duties and taxes on goods sent by international mail shall not be paid if the cost and (or) the number of such goods does not exceed the standards set by the legislation of Turkmenistan.

2. Customs duties and taxes on the goods in respect of which do not require submission of separate customs declaration, calculated and charged by customs authorities of customs clearance at the international postal exchange. Calculation of customs duties and taxes shall be made based on information on the value of the goods specified in the documents provided by the Universal Postal Union and used for customs purposes. For international mail with declared value amount of customs duties and taxes are calculated based on this declared value only if it exceeds the value specified in the documents used for customs purposes.

International mail containing goods on which the customs authority charged customs duties and taxes shall be issued to recipients at international postal exchange only after receiving by postal service full amount of customs duties and taxes. Collection of customs duties and taxes produce based on the postal money transfer blank drawn up by the customs official. Paid amount of customs duties and taxes are transferred to the customs authority, calculated it after issuance international mail to the recipient. Payment for mail conducts at the expense of the person who pays customs duties and taxes. Blanks on transferring money provided by the customs authorities for free.

3. Upon the loss of international mail, it is delivery to the recipient without permission of the customs authority, responsibility for the payment of customs duties and taxes bear mail service that loss or delivered these mailings.

4. Calculation of customs duties, taxes, and their payment in respect of goods specified in the fifth part of Article 234 of this Code shall be made in the manner prescribed by Section III of this Code.

### **Article 237. Transit of international mail**

Customs clearance of international mail transiting through the territory of

Turkmenistan shall not be produced.

## **Chapter 23. MOVEMENT OF GOODS OF CERTAIN CATEGORIES BELONG TO FOREIGN PERSONS**

### **Article 238. Scope of this Chapter**

The provisions of this Chapter shall apply in respect of goods transported across the customs border of Turkmenistan by diplomatic missions, consular offices and other official representatives of foreign states, international organizations, a staff of these offices, institutions, and organizations as well as in respect of goods intended for personal and family use of certain categories of foreign persons benefiting from the privileges and (or) immunities in the customs territory of Turkmenistan under international treaties of Turkmenistan.

### **Article 239. Moving goods by diplomatic missions of foreign states**

Foreign Diplomatic Missions located on the territory of Turkmenistan may import into the customs territory of Turkmenistan and export from it for official use by missions, goods with exemption from customs duties and taxes, and without application to the goods prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

### **Article 240. Moving goods by the head of the diplomatic missions of foreign states and members of the diplomatic staff of the mission of foreign state, their families**

1. Head of the diplomatic missions of foreign states and members of the diplomatic staff of the mission of foreign state as well as living with the members of their families can import into the customs territory of Turkmenistan goods intended for their personal and family use including products for the first installation and export from the customs territory of Turkmenistan goods intended for their personal and family use, with exemption from customs duties and taxes and without application of prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

2. Personal baggage of heads of diplomatic missions of foreign states, members of the diplomatic staff of the mission of foreign state as well as living together members of their family shall be exempt from customs inspection unless there are serious grounds to believe that it contains items that are not intended for personal and family use or goods which import into Turkmenistan or export from Turkmenistan are prohibited by the legislation of Turkmenistan, Turkmenistan's international agreements or controlled by quarantine regulations.

In the presence of the above grounds, customs inspection must be carried out only in the presence of these persons indicated in this article or their authorized representatives.

**Article 241. Moving of goods by the administrative and technical staff of diplomatic missions of foreign states**

Members of the administrative and technical staff of diplomatic missions of foreign states and residing with them members of their families may import into the customs territory of Turkmenistan intended for initial furnishing goods with exemption from customs duties and taxes and without application of economic prohibitions and restrictions established in legislation Turkmenistan.

**Article 242. Distribution of customs privileges granted to members of the diplomatic staff of the mission of foreign state, to members of the administrative, technical and service staff**

Based on a special agreement with foreign country customs benefits provided by this Code, to members of the diplomatic staff of the mission of foreign state can be extended to members of the administrative, technical and service staff of diplomatic missions as well as their families that are not permanently residing in Turkmenistan and non-Turkmen citizens based on the principle of reciprocity concerning each foreign country.

**Article 243. Moving goods by consular institutions of foreign states and members of their staff**

1. Consular institutions of foreign states, consular officials of foreign countries, including the head of the consular offices of foreign countries and foreign countries consular employees and members of their families shall be granted customs privileges stipulated by this Code for the diplomatic missions of foreign states or relevant staff of diplomatic missions of foreign states.

2. Based on a special agreement with a foreign state to members of the service staff of the consular offices of foreign countries as well as their family members not living in Turkmenistan and who are not citizens of Turkmenistan, based on reciprocity concerning each foreign country can apply the shared customs benefits provided by this Code to relevant staff members of diplomatic missions of foreign states.

**Article 244. Moving diplomatic mail and consular valise of foreign states through the customs border of Turkmenistan**

1. Diplomatic mail and consular valise of foreign states moving through the customs border of Turkmenistan shall be neither opened nor detained. If there are serious grounds to believe that the consular bag contains documents and (or) items not listed in the fifth part of this article, the customs authority may require that the consular bag shall be opened by authorized persons of a represented foreign state in the presence of a customs officer. In case of refusal to open the consular bag it is returned to the place of origin.

2. Places constituting the diplomatic mail and consular bag shall bear visible external marks indicating the character of these places.

3. Diplomatic mail and consular valise may be entrusted to the captain of the sea (river) of the vessel or aircraft commander, bound for a port or airport of arrival. Captain of the sea (river) of the vessel or aircraft commander must be provided with an official document indicating the number of packages constituting the diplomatic mail and consular valise, while it is not considered a diplomatic or consular courier. The diplomatic mission or consular body may send one of its members to take diplomatic mail and consular valise directly and freely from the captain of the sea (river) of the vessel or aircraft commander.

4. If the diplomatic mail or consular valise is delivered by a motor vehicle of foreign state directly to the diplomatic mission or consular office, the diplomatic mail and consular valise registered by the border customs authority.

5. Diplomatic mail may contain only diplomatic documents and goods intended for official use and consular valise - only official correspondence and documents or articles intended exclusively for official use.

#### **Article 245. Customs privileges for foreign diplomatic and consular couriers**

Foreign diplomatic and consular couriers may import into the customs territory of Turkmenistan and export from these territory goods intended for their personal and family use, based on the principle of reciprocity concerning each foreign country with exemption from customs inspection, payment of customs duties and taxes and without application to goods prohibitions and restrictions of economic nature, established by the legislation of Turkmenistan.

#### **Article 246. Customs privileges for representatives and members of foreign delegations**

Representatives of foreign states, members of parliamentary and governmental delegations as well as based on reciprocity to members of foreign delegations who come to Turkmenistan to participate in international negotiations, international conferences and meetings or other official missions could be granted customs privileges stipulated by this Code for members of the diplomatic personnel of the foreign state. The same privileges are granted to family members accompanying these individuals.

#### **Article 247. Moving of Goods by diplomatic staff, consular officials and members of foreign delegations travel by transit through the territory of Turkmenistan**

Members of the diplomatic staff of the mission of foreign state and consular officials of the consular offices of foreign countries, members of their families, persons referred to in Article 246 of this Code, following by transit through the

territory of Turkmenistan are granted customs privileges stipulated by this Code for members of the diplomatic staff of the mission.

**Article 248. Customs privileges for international, interstate and intergovernmental organizations, representatives of foreign countries with them as well as for the staff of these organizations and missions**

Customs privileges for international inter-governmental and inter-governmental organizations, representatives of foreign countries with them as well as for the staff of these organizations and missions and their family members defined by the appropriate international treaties of Turkmenistan.

**Chapter 24. MOVING GOODS BY PIPELINES AND ELECTRIC POWER LINES**

**Article 249. Scope of this Chapter**

Movement of goods across the customs border of Turkmenistan by pipelines and power transmission lines carry out in accordance with the provisions of this chapter and to the extent not regulated by this chapter - in accordance with the general procedure established by this Code.

**Article 250. Import and export of goods transported by pipelines**

1. Importation into the customs territory of Turkmenistan and export from the territory of goods transported by pipelines are allowed after acceptance of the customs declaration and release of the goods by the customs authorities in accordance with the terms of customs regime that declared.

2. When submitting the customs declaration the actual presentation of the goods is not required.

3. When importing into the customs territory of Turkmenistan or exported from the territory of goods transported by pipelines, it is allowed mixing of goods as well as changes in the quantity and condition (quality) of the goods due to technological features of transportation and specific characteristics of the goods in accordance with the technical regulations and national standards operating in Turkmenistan.

4. Customs procedure for temporary storage in respect of goods transported by pipelines is not applicable.

**Article 251. The procedure of declaration of goods transported by pipelines**

1. When moving goods across the customs border of Turkmenistan by pipeline it is allowed periodic temporary declaration by the rules outlined in

Article 88 of this Code, with the specifications provided in this Article.

A periodic temporary declaration is made by filing a temporary customs declaration.

A temporary customs declaration may include information based on the intentions of importation or exportation of the indicative amount of goods for a certain period not exceeding the duration of the foreign trade contract, conditional customs value (valuation) determined according to the number of goods that planned to move across the customs border of Turkmenistan and (or) the conditions stipulated by the foreign trade contract procedure of determining prices of goods.

Submission of one temporary customs declaration for goods imported or exported by the same person who conveying the goods in accordance with the terms of one customs regime with its obligations under several foreign trade agreements (including the various terms of delivery, pricing, and payment).

2. Temporary customs declaration shall be submitted by the declarant for a period not exceeding one quarter and not later than the 20<sup>th</sup> day of the month proceeding that period.

3. A declarant shall submit one or more properly completed full customs declarations on goods, imported, or exported for each calendar month of delivery. Full customs declaration must be filed no later than the 20<sup>th</sup> day of the month following the calendar month of delivery of the goods. On the reasoned application of the declarant, the customs authorities may extend the deadline for submission of full customs declaration on exported goods but not more than ninety days. Extending the deadline for submission of full customs declaration does not extend the time limit for payment of customs duties owed amounts.

4. If during a calendar month, goods declared for import or export under temporary customs declaration are not imported or not removed, the declarant shall notify the customs authority in writing form before the deadline for submitting the full customs declaration.

### **Article 252. Application of prohibitions and restrictions established by the legislation of Turkmenistan**

When moving goods by pipelines the prohibitions and restrictions prescribed by law shall apply on the date of the acceptance of the temporary customs declaration.

### **Article 253. Features of movement of goods on the transmission lines and its declaration**

1. Moving goods by electric power lines across the customs border of Turkmenistan is not allowed without prior permission of the customs authority, subject to subsequent declaration and payment of customs duties under the rules established by this Article.

2. Customs procedures for temporary storage and internal customs transit for

goods transported by electric power lines do not apply.

3. Declaring moved across the customs border of Turkmenistan electrical energy is produced by applying a customs declaration not later than the 20th day of the month following each calendar month of the actual delivery of goods. On the reasoned application of the declarant, the customs authorities may extend the deadline for submission of the customs declaration but not more than ten days.

4. The actual amount of electrical energy which established based on meter readings installed in a technologically driven place and fixing the movement of electrical energy is subject to declaration.

The amount of electrical energy moved between the two states is defined as the overflow balance (algebraic sum of electric energy flows in opposite directions located in the interstate transmission lines of all voltage classes) for each calendar month.

The calculated value of overflow balance is adjusted by the value of energy loss in electric power networks during moving the electric energy.

A declaration is made based on acts of actual delivery of electricity under the relevant foreign trade contract.

5. Customs payments are paid no later than the date of submission of the customs declaration for the goods moving through the customs border within one calendar month.

#### **Article 254. Nin-use requirements for the identification of goods transported by pipelines and electric power lines**

Identification of goods transported by pipelines and electric power lines is not carried out that does not preclude to the establishment by the customs authorities, for customs purposes, the quantity, quality, and other characteristics of the goods with use of the information contained in the documents, counters and other measuring devices.

#### **Article 255. Movement of Turkmen goods between two points in the customs territory of Turkmenistan, through the territory of a foreign state**

Moving Turkmen goods by pipelines and power transmission lines between two points in the customs territory of Turkmenistan through a foreign country is conducted by rules established by paragraph 2 of Chapter 19 of this Code in respect of the special customs regime of moving Turkmen goods between the customs authorities through the territory of a foreign state.

### **SECTION III. CUSTOMS PAYMENTS**

#### **Chapter 25. GENERAL PROVISIONS**

##### **Article 256. Types of customs duties**

1. Customs payments include:

- 1) Import customs duties;
- 2) Export customs duties;
- 3) Taxes;
- 4) Customs fees.

2. Customs duties levied if they are established by the legislation of Turkmenistan.

**Article 257. Origin and termination of the obligation to pay customs duties and taxes. Cases where customs duties and taxes are not paid**

1. When moving goods across the customs border of Turkmenistan obligation to pay customs duties and taxes are arisen:

1) During the importation of goods - from the moment of crossing the customs border;

2) During the export of goods - from the date of the submission of the customs declaration or action directly aimed at the export of goods from the customs territory of Turkmenistan.

2. Customs duties and taxes are not paid in the following cases:

1) in accordance with this Code and other normative legal acts of Turkmenistan and Turkmenistan's international agreements:

a) goods are exempted from customs duties and taxes;

b) in respect of goods are granted conditional full exemption from customs duties and taxes –for the period of such exemption and subject to compliance with the conditions on which the exemption is granted;

2) before the release of the goods for free circulation and persons in the absence of violations of the requirements and conditions established by this Code, foreign goods are destroyed or lost by accident or force majeure;

3) goods become the property of the State under this Code and other normative legal acts of Turkmenistan;

4) cost and (or) the number of goods transported across the customs border of Turkmenistan do not exceed cost and (or) the quantitative limits established by the legislation of Turkmenistan.

3. Concerning goods released for free circulation in the customs territory of Turkmenistan or removed from this territory, the obligation to pay customs duties and taxes shall be terminated in cases stipulated by the tax legislation of Turkmenistan.

**Article 258. Persons responsible for payment of customs duties and taxes**

1. A person responsible for payment of customs duties and taxes is the declarant.

2. If a declaration is made by the customs broker (representative), he is responsible for the payment of customs duties and taxes under the second part of Article 97 of this Code.

3. Failure to comply with the Code of the use and disposal of goods or other

requirements and conditions established by this Code for the application of customs procedures and customs regimes, providing a full or partial exemption from customs duties and taxes, persons responsible for the payment of customs duties and taxes in the cases expressly provided by this Code are the owner of a temporary storage warehouse, the owner of the customs warehouse, the carrier, the person on whom entrusted the duty to comply with customs regime.

4. On evasion of customs duties and taxes, including in terms of their wrong calculation and (or) late payment, responsibility before the customs authorities shall bear the person responsible for the payment of customs duties and taxes.

5. On illegal movement of goods and vehicles across the customs border of Turkmenistan responsibility for payment of customs duties and taxes are bear the persons illegally moving goods and vehicles, persons involved in the illegal movement, if they knew or should have known of the illegality of such a move, and when importing - persons who acquired ownership or possession of illegally imported goods and vehicles if at the time of purchase they knew or should have known the illegality of entry that properly validated under the legislation of Turkmenistan. These persons shall bear the same responsibility for the payment of customs duties and taxes as if they acted as a declarant illegally exported or smuggled goods.

## **Chapter 26. CALCULATION OF CUSTOMS DUTIES AND TAXES**

### **Article 259. An object of levying of customs duties and taxes**

The object of customs duties and taxes are the goods, moving through the customs border of Turkmenistan. The basis for calculating customs duties and taxes are the customs value of goods and (or) their number.

### **Article 260. Procedure for determination and application of the customs value of goods**

1. Customs value of goods is determined by declarant according to the method of valuation of customs value established by this Code and declared to the customs authorities at the declaration of goods.

2. Declared by declarant the customs value of goods and provided information that is relevant to its determination should be based on accurate and documented information.

3. Customs authority based on documents and information submitted by the declarant and based on available information at its disposal used in determining the customs value of goods shall decide on agreement with the declarant chosen method of determining the customs value of the goods and the correctness of the declared customs value of the declarant's products.

4. If the documents submitted by the declarant and information are not sufficient to decide in respect of the declared customs value of the goods, the customs authority in writing form requests from the declarant additional

documents and information and set a deadline for its submission, which should be sufficient for this.

To confirm the declared customs value of the goods, the declarant shall upon request of the customs authority provide the necessary additional documents and information or to give a written explanation of the reasons for which the customs authority requested documents and information cannot be submitted. The declarant has the right to prove the validity of using their chosen method of determining the customs value of the goods and the accuracy of information presented by him.

5. On the absence of data confirming the correctness of the declared customs value of the goods by the declarant, or when evidence of the fact that the documents submitted by the declarant and information are not reliable and (or) sufficient, the customs authority may decide on disagreement with using the selected method of determining the customs value products and offers to the declarant to determine the customs value of the goods using a different method. In this case, between the customs authority and the declarant may be held consultations on the choice of the method of determining the customs value of goods.

6. If at the time of removal of goods procedure to determine the customs value of goods has not been completed, removal shall be subject to payment of customs duties and taxes that may be additionally charged. The customs authority shall notify in writing form to the declarant the required size of payment of customs duties and taxes.

7. In the cases where the declarant is not presented, within the time limits established by the customs authority, additional documents and information or the customs officers found signs that the information provided by the declarant may not be reliable and (or) sufficient, and the declarant refused to determine the customs value of goods based on a different method on the proposal of the customs authority, the customs authority shall independently determine the customs value of goods, consistently applying the methods of determining the customs value of goods. Customs authority shall notify the declarant on the decision in writing form not later than the day following the date of such decision. In the case when the customs authority shall determine the customs value of the goods after the release of the goods, the customs authority requests an advance payment of customs duties, if required additional payment of customs duties and taxes. Payment of calculated additional amounts of customs duties and taxes shall be made within ten days of receipt of the request. Fines on an additional amount of customs duties and taxes paid within a specified period are not charged.

### **Article 261. Methods of determining the customs value of goods**

1. Customs value of goods imported into the customs territory of Turkmenistan is produced by applying the following methods:

- 1) on transaction value of imported goods;
- 2) on transaction value of identical goods;
- 3) on transaction value of similar goods;

- 4) reducing the cost;
- 5) adding the costs;
- 6) reserve.

The basic method for determining the customs value of imported goods is the transaction value method of imported goods.

If you cannot use the basic method consistently applied each of the methods listed in the first part of this article. Each successive method is used, if the customs value of goods cannot be determined using the previous method. Methods of deduction and adding value at the request of the declarant may be used in any order.

2. Customs value of goods exported removed the customs territory of Turkmenistan is determined on the transaction value of the exported goods.

When exporting goods without the trade deal, the customs value of these goods can be defined on the transaction value of identical goods or the transaction value of similar goods as well as based on receipts, invoices, and other documents confirming the purchase of exported goods and their cost.

### **Article 262. Method of determining the customs value of the goods on the transaction value of imported goods**

1. Customs value of imported into the customs territory of Turkmenistan goods is the transaction price paid or payable for the imported goods during its shipment to Turkmenistan.

2. On the determination of the customs value of goods, additionally shall be made to the contract price the following expenses if they were not included in it:

1) costs of delivery of the goods to the place of their importation into the customs territory of Turkmenistan:

- a) cost of transportation;
- b) costs of loading, unloading, handling of goods;
- c) insured sum;

2) expenses incurred by the purchaser:

a) commissions and brokerage, except buying commissions;

b) cost of reusable containers, if in accordance with the Commodity nomenclature of foreign economic activity they are considered as a single unit with the goods being valued;

c) cost of packing of goods including the cost of packaging materials and packaging operations;

3) Corresponding part of the cost of the following goods and services that directly or indirectly were provided to the buyer for free of charge or at a reduced cost for use in connection with the production or sale for export of the goods being valued:

a) Raw materials, components, semi-finished products, and other components that are part of the goods being valued;

b) Tools, stamps, forms and other similar items used in the production of the goods being valued;

c) Materials consumed in the production of the goods being valued (lubricants, fuels and other);

g) engineering, development, design, product design, artwork, sketches and drawings and other similar work performed outside the customs territory of Turkmenistan and necessary for the production of the goods being valued;

4) License and other payments for use of intellectual property, which the buyer must directly or indirectly conduct as a condition to carry out the sale of the goods being valued;

5) The relevant part of the direct or indirect income of the seller from any subsequent resale, disposal or use of the goods being valued on the territory of Turkmenistan.

3. Method of determining the customs value of the goods on the transaction value cannot be used to determine the customs value of the goods if:

1) There are restrictions on the rights of the buyer on disposal of the goods being valued except for the restrictions established by the legislation of Turkmenistan;

2) Sale or price of the transaction depends on compliance with the conditions that influence the price of the transaction which cannot be determined;

3) Data used by the declarant to declare the customs value of the goods is not documented or are not quantifiable and reliable;

4) The parties of the transaction are interdependent and the transaction price is not acceptable as a basis for determining the customs value under the requirements of this article. At the same time under interdependent persons considered the persons who correspond to at least one of the following:

a) One participant of the transaction (individual) or officer of one of the parties of the transaction is both an official of another party;

b) Participants in the transaction are co-owners of the enterprise;

c) The parties of the transaction have associated labor relations;

g) Participants of the transaction have associated leases relations;

d) One of the parties of the transaction is the owner of the deposit (share) or the owner of the voting shares in the share capital of another party, constituting not less than five percent of the share capital;

e) Both members of the transaction are under the direct or indirect control of a third party;

g) Participants in the transaction directly or indirectly jointly control a third person;

h) One of the parties of the transaction is under the direct or indirect control of another party;

i) Participants of the transaction and their officials are relatives.

4. When determining the customs value of the transaction value the following expenses deducted if they were included in this price:

1) Cost of installation, assembly, commissioning of equipment or technical assistance after the importation of equipment into the customs territory of Turkmenistan;

2) Cost of transportation of goods after their importation into the customs

territory of Turkmenistan;

3) Cost of insurance for goods after their importation into the customs territory of Turkmenistan.

### **Article 263. Method of determining the customs value of the goods on the transaction value of identical goods**

1. When using the method of determining the customs value of the goods on the transaction value of identical goods as a basis for determining the customs value of goods shall be the transaction price of identical goods under the conditions specified in this article.

2. Identical means goods are identical in all respects to the goods being valued, including the following features:

- 1) physical characteristics;
- 2) quality and reputation in the market;
- 3) country of origin;
- 4) manufacturer.

3. Insignificant differences in appearance cannot be grounds for a refusal to consider the goods as identical if the rest of such products comply with the requirements of this Section.

4. The transaction value of identical goods shall be accepted as the basis for determining the customs value if these products:

- 1) sold for import into the territory of Turkmenistan;
- 2) imported simultaneously with imported goods being valued or not earlier than ninety days before import the goods being valued;
- 3) imported approximately the same amount and at the same commercial level (wholesale or retail).

5. If there are no cases of import of goods in the same amount and at the same commercial level (wholesale or retail), can be used value of identical goods imported in a different quantity and at a different commercial level (wholesale or retail) with adjusted value to reflect these differences.

6. If the value of the expenditure referred to in paragraph 1 of the third part of Article 265 of this Code for identical goods is significantly different from the cost of such expenses for the goods to be valued because of the difference in distance and modes of transport, the customs value determined on the transaction value of identical goods must be appropriately adjusted.

7. Adjustments referred to in paragraphs five and six of this article shall be made based on reliable and documented information.

8. When using this method:

- 1) goods are not considered identical with those needed to be estimated if they were not produced in the same country as the goods being valued;
- 2) goods valued by the person not manufactured of the goods taken into account only if there are no identical goods produced by the manufacturer of the goods being valued.

9. If at the application of this method detected more than one transaction

value of identical goods, to determine the customs value of imported goods is used the lowest one.

**Article 264. Method of determining the customs value of the goods on the transaction value of similar goods**

1. When using the estimation method on the transaction value of similar goods as a basis for determining the customs value of goods shall be the transaction price on goods, the homogeneous with imported, subject to the conditions specified in this article.

2. Homogeneous is the goods which, although not identical in all respects, have similar characteristics and consist of similar components that allow them to perform the same functions as the goods being valued and to be commercially interchangeable. In determining the similarity of goods the following features are considered:

- 1) quality of a trademark and reputation in the market;
- 2) country of origin;
- 3) manufacturer.

3. When using the method of determining the customs value of the goods on the transaction value of similar goods, the provisions of part four - ninth of Article 263 of this Code are considered.

**Article 265. Method of determining the customs value of the goods based on the deductive value**

1. Customs value of goods according to the method of reducing the cost is made in the case if assessing identical or similar goods will be sold in the territory of Turkmenistan without changing its original condition.

2. When using the method of reducing the cost as the basis for determining the customs value of goods shall be the unit price at which the assessing identical or similar goods are sold in the greatest party in the territory of Turkmenistan (not later than ninety days from the date of importation of the goods being valued) to transaction participant who is not interdependent with the seller.

3. From the unit price of goods are deducted:

1) cost of paying commissions usually paid (or agreed to be paid), or ordinary profit allowance and general expenses in connection with the sale on the customs territory of Turkmenistan of imported goods of the same class or kind;

2) amount of import customs duties, taxes and customs fees payable in Turkmenistan in connection with the importation or sale of the goods;

3) ordinary expenses incurred in Turkmenistan for transportation, insurance, loading, and unloading operations.

4. Absence of cases of sale assessed, identical or similar goods in the same condition as they were at the time of importation, at the request of the declarant

may be used a processed unit price that adjusted for value-added tax.

**Article 266. Method of determining the customs value of goods based on adding value**

When using the added value method as the basis for determining the customs value of goods, accepted the price calculated by adding:

- 1) cost of materials and expenses incurred in connection with the manufacturer during the production of valued goods;
- 2) total costs, typical for sale in Turkmenistan from the country of export goods that are the same kind, including transportation, loading and unloading services, insurance to the place of crossing the customs border of Turkmenistan;
- 3) profits, usually obtained by the exporter as a result of the delivery of such goods to Turkmenistan.

**Article 267. Reserve method of determining the customs value of goods**

1. In the cases, if the customs value of goods cannot be determined by the declarant as a result of consistent application of the methods of determining the customs value of the goods referred to in Articles 262 - 266 of this Code or the customs authorities reasonably believes that these methods of determining the customs value cannot be used, the customs value of the valued goods is determined by applying the general principles set out in Articles 262 - 266 of this Code, the methods of determining the customs value of goods and based on data held by the customs authorities of Turkmenistan.

2. On the basis for determining the customs value of the goods by the reserve method, cannot be used:

- 1) price of goods on the domestic market of Turkmenistan;
- 2) minimum customs value;
- 3) price of goods supplied from the country of export to third countries;
- 4) arbitrarily set or not reliably confirmed the price of the goods.

**Article 268. Valuation of customs value of goods on the transaction value price of the exported goods**

1. Customs value of goods exported outside the customs territory of Turkmenistan is the transaction price paid or payable for the goods at its exportation.

2. When determining the customs value of the goods, in the transaction price, the following expenses are added if they are not included:

- 1) costs of delivery of the goods to the place of export of goods from the customs territory of Turkmenistan:
  - a) cost of transportation;
  - b) costs of loading, unloading, and reloading of goods;
- 2) cost of insurance;

- 3) costs incurred by the seller:
  - a) commissions and brokerage rewards;
  - b) cost of reusable containers, if in accordance with the Commodity nomenclature of foreign economic activity, they are considered as a whole with the goods being valued;
  - c) cost of packing of goods, including the cost of packaging materials and labor on their packaging;
3. When determining the customs value of the goods from the transaction costs to be excluded from the following expenses, provided that they are included in the price of the transaction and can be documented:
  - 1) cost of installation, assembly, commissioning of equipment or technical assistance after the removal of equipment from the customs territory of Turkmenistan;
  - 2) cost of transporting goods after their removal from the customs territory of Turkmenistan;
  - 3) cost of insurance for goods after their removal from the customs territory of Turkmenistan.

#### **Article 269. Procedure for calculating customs duties and taxes**

1. Customs duties and taxes are calculated by the declarant or other persons responsible for the payment of customs duties and taxes on their own, except in cases provided for by the second part of Article 236 and the second part of this article.
2. When a claim on payment of customs duties under Article 290 of this Code, calculation of paying customs duties and taxes produced by the customs authority.
3. Calculation of customs duties and taxes shall be made in the national currency of Turkmenistan unless otherwise provided by the legislation of Turkmenistan.
4. In the cases where to calculate the amount of customs duties and taxes, the exchange of foreign currency is needed, the Central Bank of Turkmenistan exchange rate on the day of acceptance of the customs declaration is used.

#### **Article 270. Application of rates of customs duties and taxes**

1. To calculate customs duties and taxes apply the rates effective on the date of acceptance of the customs declaration by the customs authority, except as provided for by the first and second paragraph of Article 271 of this Code.
2. To calculate customs duties and taxes apply the rates established by the legislation of Turkmenistan, corresponding to the title and classification of goods under the nomenclature of foreign economic activity.

#### **Article 271. Calculation of customs duties and taxes at the wrong-doing in the field of customs**

1. Concerning goods imported into the customs territory of Turkmenistan with violations of the requirements and conditions established by this Code and in respect of which customs duties and taxes are not paid, the amount payable customs duties and taxes shall be calculated based on the rates of customs duties and taxes applicable to the day crossing the customs border of Turkmenistan and if such day is impossible to establish - on the day of detection by Customs authorities the day of smuggling of the goods into the customs territory of Turkmenistan. In case of loss, non-delivery or release without permission of the customs authorities of goods transported or stored under customs procedures, respectively internal customs transit or temporary storage, the amount payable customs duties and taxes shall be calculated based on the rates that active on the date of placement of goods under the relevant customs procedure.

2. On the illegal export of goods from the customs territory of Turkmenistan payable amount of customs duties calculated based on the rates of customs duties applicable on the day of crossing the customs border of Turkmenistan and if such day is impossible to establish - on the day of detection by Customs authorities the fact of illegal removal of such goods from the customs territory of Turkmenistan.

3. When conditionally released goods are used for other purposes other than those for which it was granted a full or partial exemption from customs duties and taxes, apply the rates of customs duties and taxes that active on the date of acceptance of the customs declaration by the customs authority.

4. Customs value of goods its quantity or other characteristics used to determine the base for calculation of duties and taxes under this Article shall be determined on the day of application of customs duties and taxes.

## **Chapter 27. TERMS AND ORDER OF PAYMENT OF CUSTOMS DUTIES AND TAXES**

### **Article 272. Payers of customs duties and taxes**

1. Payers of customs duties and taxes are the persons to whom this Code lays obligation to pay customs duties and taxes.

2. Any person has the right to pay customs duties and taxes for the payer.

### **Article 273. Deadlines for payment of customs duties and taxes**

1. Customs duties and taxes shall be paid not later than the date of submission of the customs declaration under Article 79 of this Code unless otherwise provided in this Code.

2. When changing the customs regime of customs duties and taxes shall be paid not later than the date established by this Code for the termination of the action variable customs regime.

3. When conditionally released goods used for purposes other than those for which they were granted customs privileges, to calculate fine, for the period of

payment of customs duties and taxes shall be the first-day violation restrictions on the use and disposal of goods by the person. If such day is impossible to establish the deadline for payment of customs duties and taxes shall be the day of acceptance of the customs declaration by the customs authority on these goods.

4. In violation of the requirements and conditions of customs procedures, which under this Code implies an obligation to pay customs duties and taxes, the deadline for payment of customs duties and taxes to calculate fine considered the day of its violation. If such day is impossible to establish the deadline for payment of customs duties and taxes shall be the first day of action of the relevant customs procedure.

#### **Article 274. Advance payments**

1. Advance payments are cash resources deposited to the account of the customs authority in the account of forthcoming customs payments that are not established by the payer as specific types and amounts of customs duties.

2. Funds received by the customs authority as advance payments are property of the person who made advance payments and cannot be regarded as customs duties as long as the person does not make this order to the customs authority or customs authority turn a penalty on advance payments under Article 293 of this Code. As an order of individual who made advance payments, considered submitting by him or on his behalf of the customs declaration or other actions indicating of intent to use his money as customs duties.

3. Upon request of payer customs authority conducting a joint verification of spending cash by the payer. The results of this verification is the act in the form determined by the authorized state body on customs affairs. The act is made in two copies, signed by the head (or authorized officer) of the customs authority and the payer. One copy of the report when it is signed shall be handed to the payer.

4. A refund of advance payments (balance) is performed according to the rules specified in this Code for the refund of customs duties and taxes if the application for their return was filed within three years from the date of their entry to the customs authority.

#### **Article 275. Procedure and forms of payment of customs duties and taxes**

1. Customs duties and taxes shall be paid to the state budget of Turkmenistan.

2. Customs duties and taxes shall be paid in the national currency of Turkmenistan unless otherwise provided by the legislation of Turkmenistan.

3. Customs duties and taxes may be paid in any form under the law.

4. Upon payer request, the customs authorities are required to issue a confirmation of payment of customs duties and taxes in writing form.

#### **Article 276. Execution of the obligation to pay customs duties and taxes**

The obligation to pay customs duties and taxes shall be executed with the

specifications established by this Code:

- 1) from the date of the charge-off the funds of the payer account in the bank;
- 2) from the day of the deposit of cash in the bank office;
- 3) since the offset of the payment of customs duties and taxes overpaid or overcharged amounts of customs duties, taxes and if such offset is initiated by the payer - from the moment of acceptance of the application of the offset;
- 4) since the offset of the payment of customs duties and taxes, advance payments and if such an offset is initiated by the payer - from the moment of receipt of the order on offset by the customs authority;
- 5) since the offset of the payment of customs duties and taxes, the money paid by the bank or insurance organization under a bank guarantee or insurance contract as well as by the guarantor under the guarantee agreement;
- 6) after a charging order on goods in respect of which customs duties, taxes are not paid or on the pledge or other assets of the payer,

If the amounts of the above-mentioned funds are not less than the amount of debt to pay customs duties and taxes.

## **Chapter 28. RESCHEDULING THE PERIOD OF PAYMENT CUSTOMS DUTIES AND TAXES**

### **Article 277. General conditions of rescheduling of the period of the payment of customs duties and taxes**

1. At the presence of the basis specified in Article 278 of this Code, the authorized state body on customs affairs or determined by the customs authorities, at the request of the payer of customs duties and taxes in writing form, can change the deadline for payment of customs duties and taxes.

2. Changing the term of payment of customs duties is made in the form of deferred or installment payment for the period from one to three months.

Changing the term of the period of the payment taxes is made in the deferred form for not more than thirty days.

3. A decision on granting deferral or installment payment of customs duties and taxes is taken within a period not exceeding ten days from the date of filing an application.

4. Deferral or installment payment of customs duties and taxes may be granted in respect of the entire amount of customs duties and taxes should be paid or its part.

Penalties during the period of deferral or installment payment are not charged on the number of customs duties and taxes, on which such deferral or installment payment is granted, except in the case of the fourth part of Article 280 of this Code.

5. Deferral or installment payment of customs duties and taxes shall be granted in the cases of security of the payment of customs duties and taxes under the procedure provided for in Chapter 29 of this Code.

6. A decision on granting deferral or installment payment of customs duties,

taxes, or refusal to provide such information in writing form, communicated to the payer who applied for such a request. The decision shall specify the period of deferral or installment payment of customs duties and taxes and in case of refusal to grant a deferral or installment payment of customs duties and taxes - the reasons for this decision.

7. Cabinet of Ministers has the right to make decisions on granting deferral or installments on payment of customs duties and taxes for longer periods.

### **Article 278. The basis for granting deferral or installment payment of customs duties and taxes**

Deferral or installment payment of customs duties and taxes shall be granted to the payer of customs duties and taxes in the presence of at least one of the following reasons:

- 1) causing damage to the person as a result of natural disasters, technological disasters or other force majeure events;
- 2) goods moved across the customs border of Turkmenistan are perishable goods;
- 3) implementation of shipment on intergovernmental agreements;
- 4) other basis stipulated by the tax legislation of Turkmenistan.

### **Article 279. Circumstances excluding the provision of deferral or installment payment of customs duties and taxes**

Deferral or installment payment of customs duties and taxes shall not be granted if in respect of the payer of customs duties and taxes:

- 1) criminal case brought to the court on the grounds of crimes associated with violations of the customs legislation of Turkmenistan;
- 2) bankruptcy proceedings;
- 3) other circumstances are stipulated by the tax legislation of Turkmenistan.

### **Article 280. Termination of deferral or installments payment of customs duties and taxes**

1. Action on deferral or installment payment of customs duties and taxes shall be terminated upon the expiry of the relevant decision or may be terminated prematurely before the expiration of such period in the cases provided for in this Article.

2. Action on deferral or installments on payment of customs duties and taxes shall be terminated early in the event of payment of all debt amounts by the payer before the deadline.

3. A decision on deferral or installment payment of customs duties and taxes in identifying the payer circumstances specified in Article 279 of this Code shall be repealed.

4. Violation of the terms of deferral or installments on payment of customs duties and taxes by payer, its action shall be early terminated by the decision of the

customs authority.

In these cases, the payer shall, within five days after receipt of the relevant decision to pay off not paid amount of customs duties and taxes on the day of the acceptance of the decision.

5. A decision on early termination of the deferral or installments payment of customs duties and taxes shall be notified in writing form by the customs authority to the payer within three days from the date of acceptance of the decision.

## **Chapter 29. ENSURING OF PAYMENT OF CUSTOMS DUTIES AND TAXES**

### **Article 281. General conditions of payment of customs duties and taxes**

1. Execution of the obligation to pay customs duties and taxes provided in the following cases:

- 1) granting a deferral or installment payment of customs duties and taxes;
- 2) conditional release of goods;
- 3) transportation and (or) storage of foreign goods;
- 4) implementation of activities in the field of customs affairs.

2. Ensuring the payment of customs duties and taxes shall produce by the person responsible for its payment or any other person for the benefit of the person responsible for the payment of customs duties and taxes.

3. Refund of customs duties and taxes shall be no later than three days after the customs authority is certified in the performance of the secured obligations or after the termination of activities with the condition is to ensure the payment of customs duties and taxes.

### **Article 282. Amount of secured payment of customs duties and taxes**

1. Size of secured payment of customs duties and taxes is determined by the customs authorities based on the number of customs duties and taxes, payable when goods are released for free circulation or removal under the customs regime of exports and cannot be less than the amount of payable payment of customs duties and taxes.

2. When determining the number of customs duties and taxes is impossible to accurately determine the payable amount of customs duties and taxes, in the case of failure of submission to the customs authority the precise information on the nature of the goods, their name, quantity, country of origin and customs value, this amount of secured payment is determined based on the largest amount of customs duties and taxes, the cost of goods and (or) their quantity which can be determined based on available information.

3. In the case provided for in the third part of Article 92 of this Code, the amount of secured payment of customs duties and taxes is determined by the customs authority as the difference between the sum of customs duties and taxes

which may be additionally charged with the requirements established by the first and second parts of this Article and paid a sum of customs duties and taxes.

4. Authorized state body on customs affairs shall be entitled to set a fixed amount of secured payment of customs duties and taxes on certain types of goods that are subject to the requirements established by the first and second parts of this article.

### **Article 283. Methods of secured payment of customs duties and taxes**

1. Payment of customs duties and taxes provided in the following ways:

- 1) pledge of goods and other property;
- 2) bank guarantee;
- 3) guarantee;
- 4) insurance contract.

2. A person responsible for payment of customs duties and taxes has the right to use one or multiple methods of secured payment of customs duties and taxes mentioned in part one of this article.

### **Article 284. Pledge of goods and other property**

1. The subject of the pledge may be goods imported into the customs territory of Turkmenistan, as well as other assets that can be pledged under the civil legislation of Turkmenistan.

2. Pledge executed by contract between the customs authority and the pledger. Pledger may be the person responsible for the payment of customs duties and taxes or any other person.

3. Default the obligations before the customs authorities that secured by pledge, the outstanding amount to pay customs duties and taxes are transferred by the customs authorities to the State Budget of Turkmenistan at the expense of the pledged property.

4. If the pledged goods are under customs control and transmitted to the customs authorities, satisfying the requirements of customs authorities by these products is carried out without recourse to the courts in the manner provided for in Chapter 39 of this Code. Penalty on the other pledged property is addressed in the order prescribed by Turkmenistan legislation governing the legal relations arising in connection to the pledged property.

5. Upon pledge property, the subject of pledge remains at the pledger, if the customs authority does not have other decision.

Pledger shall not be entitled to dispose of the subject of the pledge before fulfillment of the obligation secured by the chattel mortgage.

### **Article 285. Bank Guarantee**

Customs authorities as security for payment of customs duties and taxes shall accept bank guarantees issued under the law.

### **Article 286. Guarantee**

1. A guarantee is issued under the civil legislation of Turkmenistan through a contract between the customs authority and guarantor.

2. As a guarantor could be customs brokers, owners of temporary storage warehouses, customs warehouses, duty-free shops, and other persons.

3. If the payer has not fulfilled with the obligation to pay customs duties and taxes that by the power of the guarantee obligation to pay within the prescribed period due amounts of customs duties, taxes the payment concluded by guarantor instead of the payer.

### **Article 287. Application of the insurance contract as security for payment of customs duties and taxes**

Customs authorities as security for payment of customs duties and taxes take insurance contracts concluded under Turkmenistan legislation.

## **Chapter 30. COLLECTION OF CUSTOMS DUTIES AND TAXES**

### **Article 288. General rules for forced levy of customs duties and taxes**

1. In the case of non-payment or partial payment of customs duties and taxes promptly, the customs authorities in the order specified in this Chapter collect customs duties and taxes by force except in cases specified in part five of this article.

2. Before the application of measures for forced levy of customs duties, taxes, customs authority under the provisions of Article 290 of this Code, submit the claim for payment of customs duties to the payer, except cases provided for by the second part of Article 292 of this Code.

3. Forced levy of customs duties and taxes from legal entities and individual entrepreneurs is produced by:

1) collection of customs duties and taxes at the expense of the funds available on the payer's bank accounts;

2) collection of customs duties and taxes from a bank, insurer or guarantor in the manner provided in the second and third parts of paragraph 1 of this Article in cases when the customs authorities have the bank guarantee, insurance or guarantee;

3) collection of customs duties and taxes at the expense of other property of the payer;

4) collection of customs duties and taxes juridically.

4. Forced levy of customs duties and taxes on individuals, except for individual entrepreneurs, produced juridically.

5. Forced levy of customs duties and taxes shall not be performed if:

1) request for payment of customs duties is not submitted to the payer within

three years from the expiry date of payment of customs duties and taxes or from the date of an event entailing the obligation to pay the individual customs duties and taxes under this Code;

2) amount of the cost of the customs authority on the application of specific measures of Forced levy exceeds the amount of levied customs duties and taxes.

### **Article 289. Fines**

1. At non-payment of customs duties and taxes at a stated date, the fines are calculated and subject to payment.

2. Fines are charged at a rate of 0.03 percent of the unpaid customs duties and taxes for each day of delay in payment of customs duties and taxes from the day following the day of expiry of the period of payment of customs duties and taxes till the day of the execution of the obligation on payment of customs duties, taxes inclusively.

3. In case of violation of the deadline for submission of the customs declaration when the goods in temporary storage during the period of temporary storage, established by Chapter 10 of this Code, penalties are not charged.

4. Fines paid simultaneously with the payment of customs duties, taxes, or after the payment of such amounts but not later than ten days after issuing a claim for payment of customs duties.

5. Payment of customs duties and taxes are not exempt from the obligation to pay imposed fines and payment of imposed fines - from the obligation to pay unpaid customs duties and taxes.

6. Payment, collection, and reimbursement fines are carried out in the manner prescribed by this Code concerning the payment, collection, and refund of customs duties and taxes.

### **Article 290. Claim for payment of customs duties**

1. Claim for payment of customs duties is a notification of the customs authority in writing form on the unpaid amount of customs duties and taxes at the due date as well as an obligation to pay within the prescribed period the amount of unpaid customs duties, taxes, and levied fines.

2. Claim for payment of customs duties shall include information on the amount of paying customs duties and taxes and the number of fines calculated on the day of putting a claim for payment of customs duties, term of payment of customs duties, taxes, penalties under this Code, the term of performance requirements for payment of customs duties, as well as measures on the forced levy of customs duties, taxes and ensure its collection, which is used in case of non-performance of requirements for payments of customs duties by the payer and the rationale of putting a claim for payment of customs duties. Requirements form of customs payments approved by the authorized state body on customs affairs.

3. A requirement for customs payments should be sent to the payer not later than ten days from the date of discovery of non-payment fact or partial payment of

customs duties and taxes. The claim for payment of customs duties may be delivered to the payer personally by signing or otherwise confirming the fact and date of receipt. If the payer evades from receipt of such request, it shall be sent by registered mail. The claim for payment of customs duties is deemed received after six days from the day of sending a registered letter.

4. Claim for customs payments shall be sent to the payer regardless of its arraignment to administrative or criminal liability.

5. Period of performance of requirements for customs payments shall in total be not more than ten days following the date of receipt of the request for payment of customs duties by the payer.

6. In the case of non-performance of a requirement for payment of customs duties, customs authorities shall take measures on forced levy of customs duties and taxes under this chapter.

### **Article 291. Collection of customs duties and taxes from the funds in the accounts of the payer's bank (incontestable penalty)**

1. At default claim for payment of customs duties in a given period customs authority decides on collection in incontestable form amounts of customs duties and taxes from the funds at the expense of funds in accounts of the payer's bank (hereinafter - the decision on incontestable penalty).

Form of solutions of incontestable penalty approved by the authorized state body on customs affairs.

2. A decision on an incontestable penalty is the basis for the submission to the bank, in which the payer has an account, the collection letter on the charge - off from the payer account, and transfer to an account of the customs authority levied funds.

3. An incontestable penalty of customs duties and taxes shall be made from the bank accounts of the payer, except for loan and budgetary accounts unless otherwise provided by the legislation of Turkmenistan. Collection of customs duties and taxes from the bank accounts in foreign currency produced in an amount equivalent to the amount payable customs duties and taxes in the national currency of Turkmenistan at the exchange rate of the Central Bank of Turkmenistan on the date of actual collection.

In collecting the funds held in bank accounts opened in foreign currency, the head of the customs authority or his deputy, together with the collection letter submitting an order to the bank to sell payer funds kept in foreign currency.

4. Customs authority collection letter executed by the bank in the order and within the timeframe established by the legislation of Turkmenistan.

5. The incontestable penalty is not performed in the absence of data required for issuing a decision on indisputable collection at the customs authority.

### **Article 292. Collection of customs duties and taxes at the expense of the goods in respect of which customs duties and taxes are not paid**

1. In cases stipulated by this Code, as well as in the case of lack of funds in the accounts of the payer or lack of information on the payer's account, customs authorities are entitled to collect customs duties and taxes at the expense of goods in respect of which customs duties and taxes are not paid, if the goods not released for free circulation in accordance with the procedure established by this Code.

2. Claim to property on the goods in respect of which customs duties and taxes are not paid, without sending a claim for payment of customs duties is allowed in cases if:

1) The deadline for storage of goods in temporary storage or customs warehouse has expired;

2) A person responsible for the payment of customs duties and taxes is not identified by the customs authorities.

3. Claim to property on the goods in payment of customs duties and taxes produced based on a court decision, except in cases where such goods are passed to the customs authorities as pledge as well as penalty directed to the goods, a maximum storage period of which the temporary storage or customs warehouse are expired.

4. Claim to property made only for those goods in respect of which have not been paid or not fully paid customs duties and taxes in order and the terms provided by this Code.

5. Claim to property on goods in payment of customs duties and taxes produce regardless of who owns such goods.

6. Regulation of the proceeds from the sale of goods is carried out under Article 354 of this Code.

### **Article 293. Collection of customs duties and taxes at the expense of other property of the payer**

1. At default claim for payment of customs duties and the lack or absence of fund in the accounts of the payer or the absence of information on the accounts of the payer customs authorities have the right to levy payable customs duties and taxes from the balance of unclaimed amounts of advance payments or other property of the payer including through cash.

2. Claim to property on the number of advance payments produce during the storage life of these funds in the account of the customs authority, at the head of the customs authority or his deputy, if the payer warned about this in the request of payment of customs duties. On the collection of customs duties and taxes at expense of advance payments, the customs authority shall inform in writing from the person who has transferred these funds to the account of the customs authority, within one day after collection.

3. Claim for the property on other property of the payer in payment of customs duties and taxes produce under the tax legislation of Turkmenistan.

### **Article 294. Obligations of banks for enforcement of indisputable collection**

1. Banks are required to comply with the decisions of the indisputable collection.

2. A decision on indisputable collection is executed by the bank within one business day following the day of receipt of such a decision.

3. When funds are available on the payer's banks, banks are not entitled to delay enforcement of the indisputable collection.

4. For failure or improper performance of duties stipulated in this article, banks are bear responsibility under Turkmenistan legislation.

## **Chapter 31. REFUND OF CUSTOMS DUTIES AND TAXES**

### **Article 295. Refund of overpaid or overcharged customs duties and taxes**

1. Overpaid or overcharged amounts (hereinafter - the overpaid amount) of customs duties and taxes is the amount of actually paid or collected as customs duties and taxes funds that exceed the amount payable under this Code and other regulations acts of Turkmenistan.

2. Overpaid customs duties and taxes shall be returned by the customs authority at the request of the payer. Payer statement shall be submitted to the customs authority on account of which overpaid amount of customs duties and taxes was made, not later than five years from the date of receipt of overpaid customs duties, taxes and customs authority shall consider it within ten days from the date of submission of the payer customs declaration to the customs authority.

3. A refund of the overpaid amounts of customs duties and taxes based on the conclusion of the customs authority is made by authorized state financial authority within twenty days of the receipt of such a conclusion.

4. A refund of the overpaid amounts of customs duties and taxes on the payer's request can be made in the form offset in the performance of other obligations to pay customs duties, fines, penalties. An offset of overpaid customs duties and taxes shall be made under this Article concerning the order of return concerning the provisions of the sixth paragraph of this article.

5. Upon return of overpaid customs duties and taxes are also subject to return the sums of fines paid from the amount of returned customs duties and taxes, except for reimbursement of customs duties and taxes under Article 296 of this Code.

6. Refund of overpaid amounts of customs duties and taxes are not produced:

1) If the payer has arrears on payment of customs duties and taxes in the amount of overpaid customs duties and taxes to be repayable. In this case, it may produce offset overpaid of customs duties and taxes;

2) In the case of submitting an application for refund of customs duties and taxes by the deadline.

7. When there is a debt to pay customs duties and taxes, the customs authority may make its repayment at expense of overpaid customs duties and taxes amount. The customs authority shall inform the payer on produced offset no later than the

next day after producing this offset.

8. Upon return of customs duties and taxes, its amounts are not indexed.

### **Article 296. Other cases of refund of customs duties and taxes**

1. Refund of customs duties and taxes shall be made in the following cases:

1) if the customs authorities received the customs declaration that considered as not in compliance with this Code;

2) withdrawal of the customs declaration;

3) provision of tariff benefits in the form of refund in the amount of paid customs duties;

4) restore MFN or preferential tariff preferences;

5) if this Code provides for refund of customs duties and taxes at the exportation of foreign good from the customs territory of Turkmenistan or its destruction or refusal in favor of the state, or re-importation of goods;

6) changes with the permission of the customs authority previously declared customs regime if the amount of customs duties and taxes payable upon placing goods under the new customs regime is less than the number of customs duties and taxes paid on the initial customs regime except in the case provided for in the seventh part article 157 of this Code.

2. Refund of customs duties and taxes in the cases specified in part one of this Article shall be made in applying on this not later than one year from the day following the date of the occurrence that entailing the refund of customs duties and taxes under Article 295 of this Code for the return of overpaid customs duties and taxes. The provisions of the fifth paragraph of Article 295 of this Code shall not apply.

## **Chapter 32. CUSTOMS FEES**

### **Article 297. Types of customs fees**

Customs fees include:

1) Fees for customs clearance;

2) Fees for customs escort;

3) Storage fees.

### **Article 298. Persons responsible for customs fees payment**

1. The persons responsible for the payment of customs fees for customs clearance are persons defined by the first and second parts of Article 258 of this Code.

2. Persons responsible for the payment of customs fees for customs escort are persons who have received permission for internal customs transit or customs transit.

3. Persons responsible for paying the customs fees for storage are the persons

who have placed the goods in the temporary storage warehouse or in the customs warehouse of the customs authority located at the checkpoint across the State Border of Turkmenistan, and in the cases specified in part three of Article 170 of this Code, the persons who have acquired property rights to goods stored at the customs warehouse of the customs authority located at the checkpoint across the State border of Turkmenistan.

4. Obligation to pay customs fees by the persons responsible for the payment of customs fees performed according to the rules specified in this Code for the obligation on payment the customs duties and taxes.

#### **Article 299. Procedure for calculation of customs fees**

1. Customs fees are calculated by the persons responsible for the payment of customs fees on their own, as well as the customs authorities during submission a claim on payment of customs duties under Article 290 of this Code.

2. Calculation of the payable customs fees amounts produced in the national currency of Turkmenistan unless other is provided by the legislation of Turkmenistan. In cases where to calculate the number of customs fees required to make foreign currency recalculation, this recalculation shall be performed under the fourth part of Article 269 of this Code.

#### **Article 300. Application of rates of customs fees**

1. To calculate the amount of customs fees for customs clearance, apply the rates effective on the date of acceptance of the customs declaration by the customs authorities.

2. To calculate the amount of customs fees for customs escort apply the rate effective on the day of acceptance of the transit declaration by the customs authority.

3. For purposes of calculating the amount of customs fee for the storage apply the rate effective for the period of storage of goods in the temporary storage warehouse or the customs warehouse of the customs authority.

#### **Article 301. Payers of customs fees**

1. Payers of customs fees are declarants and other persons who are obliged to pay customs fees by this Code.

2. Any person who has the right to pay customs fees.

#### **Article 302. Deadlines for payment of customs fees**

1. Customs fee for customs clearance must be paid before the submission of the customs declaration or simultaneously with the customs declaration.

2. Customs fee for customs escort shall be paid before the actual implementation of the customs escort.

3. Customs fee for storage must be paid before the actual release of the goods from the warehouse of temporary storage or the customs warehouse.

### **Article 303. Procedure and forms of payment of customs fees**

1. Customs fees are paid:

1) For customs clearance – at the declaration of goods;  
2) For customs escort - at the customs escort of vehicles that carrying goods in accordance with the domestic customs transit procedure or the customs regime of customs transit;

3) For storage - when storing goods in a temporary storage warehouse and in the customs warehouse of the customs authority located at checkpoints across the State border of Turkmenistan.

2. Payment of customs fees provided for in the rules and forms established by this Code concerning the payment of customs duties and taxes.

### **Article 304. Recovery and refund of customs fees**

Recovery and refund of customs fees are carried out under the procedure specified in this Code for the recovery (collection) and refund of customs duties and taxes.

In cases specified in paragraphs, 1 and 2 of Article 296 of this Code, a refund of the amount of customs fees for customs clearance is not performed.

### **Article 305. Exemption from customs fees**

Individuals may be exempted from the payment of customs fees under the law and international treaties of Turkmenistan.

### **Article 306. Rates of customs fees**

Rates of customs fees established by the Cabinet of Ministers of Turkmenistan.

## **SECTION IV. CUSTOMS CONTROL**

### **Chapter 33. GENERAL PROVISIONS RELATING TO CUSTOMS CONTROL**

#### **Article 307. Customs Control Conducting Principles**

1. When carrying out customs control, customs authorities shall proceed from the principle of selection and use those forms of customs control which are sufficient to ensure compliance with the customs legislation of Turkmenistan.

2. When choosing forms of customs control is used as the risk management system. At the same time, risk means the probability of failure of the customs legislation of Turkmenistan.

The risk management system is based on the efficient use of resources of customs authorities to prevent violations of the customs legislation of Turkmenistan:

- 1) having sustained character;
- 2) related to the evasion from paying the customs duties and taxes in significant amounts;
- 3) undermine the competitiveness of domestic producers;
- 4) affecting other important interests of the state, to ensure compliance with which entrusted to the customs authorities.

3. Customs authorities apply the methods of risk analysis to identify the goods, vehicles, documents, and persons to be examined and the level of such verification.

4. Authorized state body on customs affairs determines the strategy of customs control based on measures of the system of risk assessment.

5. Customs control shall be limited to the customs authorities under this Code.

### **Article 308. Period for verification of the customs declaration and other documents and goods at the customs clearance**

1. During the customs clearance of goods, verification of the customs declaration and other documents submitted to the customs authorities as well as checking the goods to establish compliance with the information specified in the customs declaration and other documents to the name, the origin, the quantity and the value of goods must be completed no later than three days from the date of acceptance the customs declaration by the customs authorities and submission of documents and presentation of goods except in cases where this Code established a shorter time.

2. Customs authority has the right to extend the examination of the goods, if the goods presented for inspection are not divided for packing places as individual types and (or) titles of goods and (or) information on packing and labeling are not listed in the commercial and (or) on the transport documents on the products. Extension of inspection of goods shall be provided that these circumstances do not allow the customs authorities to make the necessary operations to identify the conformity of these goods with the information on them. The period of the examination of the goods shall be extended to the time required by a person having authority in respect of goods to separate consignment on individual goods.

### **Article 309. Goods and vehicles under customs control**

1. Goods and vehicles imported into the customs territory of Turkmenistan are considered to be under customs control from the moment of crossing the customs border on their arrival on the customs territory of Turkmenistan and until:

- 1) release for free circulation;
- 2) destruction;
- 3) refusal in favor of the state or transfer to the state ownership or disposal by other means under Chapter 39 of this Code;
- 4) actual export of goods and vehicles outside the customs territory of Turkmenistan.

The use and disposal of the imported goods and vehicles under customs control shall be allowed on terms and conditions specified by this Code.

2. Turkmen goods and vehicles are considered to be under customs control when they are exported from the customs territory of Turkmenistan since the adoption of the customs declaration or action directly aimed at the export of goods from the customs territory of Turkmenistan and before crossing the customs border of Turkmenistan.

3. Customs authorities exercise customs control over the execution of personal obligations on re-import previously exported from the customs territory of Turkmenistan Turkmen goods and vehicles or on the re-importation of processed products of these products in accordance with the terms of customs regimes in the order prescribed by this section if such goods (processed products) are subject to mandatory re-importation under the law.

### **Article 310. Customs control after the release of the goods and the vehicles**

1. Customs authorities have the right to exercise customs control after the release of goods and vehicles.

2. Cases and procedures for such control established by the authorized state body on customs affairs.

### **Article 311. Customs Control Zones**

1. Customs control zones were established for the purposes of customs control in the form of visual inspection and customs inspection of goods and vehicles, its storage, and movement under customs control.

Customs control zones may be created along the customs border of Turkmenistan in the places of conducting customs clearance, customs operations, in transshipment places, its visual inspection, and examination, in temporary storage, parking of vehicles carrying goods under customs control and other locations designated by this Code.

2. Customs control zones may be permanent in cases of regular location in its goods are subject to customs control or temporary.

Temporary customs control zone can be created:

1) for the customs clearance of goods and vehicles outside the places of customs operations - at the time its execution, if such transactions are required to determine the customs control zone based on the need to ensure the smooth implementation of functions by the customs authorities;

2) if necessary, implementation of the visual inspection or examination of goods and vehicles discovered by the customs authority outside the permanent customs control zones.

The decision to establish a temporary customs control zone was made in writing form by the head of the customs authority or his deputy.

3. Order of establishment and designation of customs control zones, as well as its requirements, are established by the authorized state body on customs affairs except for the creation of customs control zones along the customs border of Turkmenistan.

Along the customs border of Turkmenistan and checkpoints over the state border of Turkmenistan, customs control zone was established under the procedure established by the Cabinet of Ministers of Turkmenistan.

4. Implementation of production and other commercial activities, movement of goods, vehicles, and persons, including officials of other government agencies across the borders and customs control zones and within them allowed with the permission of the customs authorities and under their supervision, except in cases prescribed by this Code and other normative legal acts of Turkmenistan. In these cases, access to the customs control zone is allowed with prior notification of the customs authorities.

5. The examination of goods can only be made in the areas of customs control.

#### **Article 312. Submission of documents and information required for customs control**

1. Persons transporting the goods and vehicles across the customs border of Turkmenistan, customs brokers (representatives), owners of temporary storage warehouses, and owners of customs warehouses are required to submit, for customs control to the customs authorities, the documents and information prescribed by this Code.

2. For conducting the customs control, customs authorities are entitled to receive from banks and other credit organizations references associated with foreign economic activity and on payment of customs duties and operations of persons referred to in Article 9 of this Code as well as on customs brokers, on owners of temporary storage warehouses and owners of customs warehouses.

3. For the purpose of verification of information after releasing of goods, customs authorities have the right to request and obtain business records, accounting and reporting documents, and other information including in the form of electronic documents relating to foreign economic operations with these products, and in respect of goods imported into the customs territory of Turkmenistan - also to its subsequent operations with these goods from the declarant or other person relating to the transactions with the goods.

4. Customs authorities are entitled to receive from the authorities in charge of registration of legal entities and other bodies, information necessary for them to carry out customs control.

5. Documents required for customs control shall be kept by persons not less

than three calendar years following the year during which the goods lose their status under customs control. Customs brokers (representatives), owners of temporary storage warehouses, and owners of customs warehouses should keep records for five calendar years following the year during which the customs operations were carried out.

### **Article 313. Reporting for the purposes of customs control**

Customs brokers (representatives), owners of temporary storage and owners of customs warehouses, persons using special simplified procedures, as well as persons who use and (or) owning conditionally released goods, by the request of the customs authorities shall submit to the customs authorities reports on stored, transported, sold, processed and (or) used goods in the forms established by the authorized state body on customs affairs.

### **Article 314. Inadmissibility of causing undue harm (damage) during the customs control**

1. When carrying out customs control is not allowed to cause harm (damage) to the carrier, the declarant, their representatives, owners of temporary storage warehouses, owners of customs warehouses, other interested parties, as well as to goods and vehicles.

2. Losses caused by unlawful decisions, actions (inaction) of customs bodies, or their officials during the customs control shall be fully reimbursed including loss of profit (uncollected income).

3. For causing damages to persons, the customs authorities or their officials bear responsibility stipulated by the legislation of Turkmenistan.

4. Damages caused to persons by lawful decisions, actions of the customs officials will not be refunded.

## **Chapter 34. FORMS AND PROCEDURE OF CUSTOMS CONTROL**

### **Article 315. Forms of Customs Control**

Forms of customs control are the following:

- 1) verification of documents and information;
- 2) oral questioning;
- 3) obtain explanations;
- 4) customs supervision;
- 5) visual inspection of goods and vehicles;
- 6) customs inspection of goods and vehicles;
- 7) personal inspection;
- 8) verification of goods special stamps labeling, availability of these identification marks;
- 9) visual inspection of premises and territories for customs control;

10) customs inspection.

### **Article 316. Verification of documents and information**

1. Customs authorities check the documents and information provided at the time of customs clearance of goods and vehicles under this Code, to establish the authenticity of the documents and information reliability and correctness of their registration.

2. Verification of information submitted to the customs authorities at the customs clearance is carried out by comparing them with information obtained from other sources, analyzing special customs statistics, processing of data using information technology as well as other methods under Turkmenistan legislation.

3. When carrying out customs control, the customs authority may request additional documents and information solely to verify the information contained in the customs declaration and other customs documents. The customs authority requests such documents and information in writing form and set a deadline for the submission which should be sufficient for it.

4. Request additional documents and information and verification do not prevent the release of the goods, unless otherwise expressly not provided by this Code.

### **Article 317. Oral survey**

At the process of customs clearance of goods and vehicles crossing the customs border of Turkmenistan, customs officials may conduct oral questioning of individuals as well as persons who are representatives of enterprises, organizations and institutions that having authority in respect of such goods and vehicles without registration of explanations of these individuals in writing form.

### **Article 318. Obtaining explanations**

1. Obtaining explanations - customs official getting information about the circumstances relevant to the customs control from persons referred to Article 9 of this Code, declarant and other persons related to the movement of goods and vehicles across the customs border of Turkmenistan and have such information.

2. The explanation shall be made in writing form.

### **Article 319. Customs supervision**

Customs supervision - purposeful, regular, or single, direct or indirect (using hardware) visual inspection by authorized officials of customs authorities on the movement of goods and vehicles under customs control and making with them cargo and other operations.

### **Article 320. Visual inspection of goods and vehicles**

1. Visual inspection of goods and vehicles - inspection of goods, individuals luggage, vehicles, trucks, containers, customs seals, stamps, other means of identification of goods visually for customs controls conducted by authorized officials of the customs authority and not associated with the opening of the vehicle or its cargo spaces and violation of the packaging of goods.

2. In the customs zone, visual inspection of goods and vehicles can be made in the absence of the declarant or other persons having authority in respect of goods and vehicles and their representatives, except in cases when these persons are willing to be present at the visual inspection.

3. When during a visual inspection of goods and vehicles found the fact of the incorrect statement of the number of goods at the declaration, the customs authority independently determines the number of goods for customs purposes.

4. According to the results of the visual inspection of goods and vehicles, the customs officials can make an action in the form approved by the authorized state body on customs affairs, if the results of these inspections may be needed in the future. At the request of the person with the authority in respect of goods and (or) vehicles, the customs officers are obliged to draw up a statement or put a mark on the fact of the visual inspection on transport (transportation) documents and (or) customs declaration that the person has. The second copy of the act on visual inspection shall be given to the person having authority in respect of goods and (or) vehicles.

### **Article 321. Customs inspection of goods and vehicles**

1. Customs inspection - conducted by authorized customs officials inspection of the goods and vehicles associated with the removal of seals, stamps, and other means of identification of goods, unpacking of goods or cargo space vehicles or tanks and other places where goods are placed or may be placed.

Customs inspection of goods is carried out after acceptance of the customs declaration of goods. Before submission of the customs declaration for goods imported into the customs territory of Turkmenistan, customs inspection can be carried out to identify the goods for customs purposes or if there is information concerning the violation of the customs legislation of Turkmenistan to check it as well as conducting the customs control based on selective checking.

2. Authorized customs officer decided to hold a customs inspection to notify the declarant or other person having the authority in respect of goods and (or) vehicles if he is known. During a customs inspection of goods and vehicles may attend and at the request of the authorized customs official must attend mentioned persons or their representatives. In the absence of a representative specifically authorized by the carrier, it could be a physical person who drives the vehicle.

3. Customs authority may conduct customs inspection of goods and vehicles in the absence of the declarant or other persons having authority in respect of goods and (or) vehicles and their representatives in the following cases:

1) Absence of mentioned persons within the period specified in Section 79 of

this Code;

2) Existence of threats to national security, public order, human life and health, animals, plants, environment, preservation of cultural values and other circumstances of urgency (including if signs are indicating that the products are flammable substances, explosive ordnance, explosive, toxic, hazardous chemical, and biological substances, narcotic drugs, psychotropic, strong poisonous, toxic, radioactive substances, nuclear materials, and other similar goods if the goods are spreading the stench);

3) Delivery of goods by international mail;

4) Leaving on the customs territory of Turkmenistan, goods, and vehicles in violation of the customs regime providing for the export of goods and vehicles with the territory.

Customs inspection of goods and vehicles in these cases is conducted in the presence of witnesses.

4. If the customs inspection was subjected to some of the goods specified in the customs declaration as products of one denomination, the results of such examination shall be extended to all such kind goods specified in the customs declaration. The declarant or other person having authority concerning goods, entitled to require additional customs inspection of remained part of the goods if considered that the results of the examination cannot be extended to all products.

5. When established the fact on the wrong indication of the number of goods at the declaration, during customs inspection of goods and vehicles, the customs authority independently determines the number of goods for customs purposes.

6. According to the results of customs inspection shall be drawn up an act in two copies. The act of carrying out customs inspection shall have:

1) Information of the officials of the customs authority conducted customs inspection and persons present during its implementation;

2) Reasons for customs inspection in the absence of the declarant or other person having authority in respect of goods and (or) vehicles;

3) Results of customs inspection.

Form of the act approved by the authorized state body on customs affairs.

The second copy shall be given to the person having authority in respect of goods and (or) vehicles or his representative if this person is identified.

### **Article 322. Personal inspection**

1. Personal inspection as an exclusive form of customs control can be carried out by a written decision of the head of the customs authority or his deputy, if there is reason to believe that an individual crossing the state border of Turkmenistan and located in the area of customs control or airport transit zone that open for international communication, hides and voluntarily not give out goods prohibited for importation into the customs territory of Turkmenistan and export from this territory or transported in violation of the procedure established by this Code.

The decision to conduct a personal inspection made by the head of the customs authority or his deputy in writing form by the endorsement of resolution in

the report by a customs officer or by issue a separate act.

2. Before the personal inspection, customs officer shall declare to an individual, the decision on personal inspection, familiarize the individual with his or her rights and responsibilities during this examination, and to offer voluntarily give out the concealed goods.

The fact of the acquaintance of an individual with the decision to conduct a personal inspection shall be certified by an appropriate sign on the decision to carry out the inspection. In case of refusal of such actions, special note writes on the decision to conduct a personal inspection, certified by the signature of the customs official, who announced the decision to conduct a personal inspection.

3. Personal inspection is carried out by the customs office of the same sex with the inspected person in the presence of two witnesses of the same sex in an isolated room that meets hygiene requirements.

Examination of the body of the person under inspection shall be conducted only by a health specialist who is not entitled to avoid the execution of the decision made by the head of the customs authority or his deputy on conduction the personal inspection.

At the personal inspection of the underage or incapacitated individual may attend his legal representatives (parents, adoptive parent, guardian, trustee) or a person accompanying him.

Access to an inspection room for other individuals and the opportunity to observe the conduct of personal examination should be excluded.

4. Personal inspection should be carried out correctly, eliminating the humiliation of dignity and causing undue harm (damage) to the health and property of the inspected person, in the limits that necessary to detect items hidden by the individual.

5. Suspected person (his legal representative) during a personal search is required to fulfill the legitimate demands of the customs officer conducting personal searches and has the right to:

- 1) demand the announcement of the decision of the head of the customs authority or his deputy to conduct a personal inspection;
- 2) to know his rights and responsibilities;
- 3) to give explanations and declare the motion;
- 4) to review the act of personal examination at the end of its preparation and make statements to be included in the act;
- 5) use his language and use the service of an interpreter;
- 6) appeal under Turkmenistan legislation, the actions of customs officials at the end of the personal inspection, if the person believes that his rights and interests have been infringed during the personal examination.

6. On conducting the personal examination is drawn up an act in two copies in the form determined by the authorized state body on customs affairs.

Act shall be signed by a customs officer who conducted a personal inspection and by an individual in respect of whom search was carried out (his legal representative), witnesses, and during the inspection of the body - a medical professional. The second copy of the act shall be given to the person against whom

search was carried out (his legal representative).

**Article 323. Checking of labeling special stamps on goods, the availability of identification marks on it**

1. Customs authorities shall check whether the goods or its packaging have special stamps, identification marks, or other means of marking goods used to confirm the legality of their importation into the customs territory of Turkmenistan in the cases specified by Turkmenistan legislation.

2. Absence on the goods, specified in the first part of this article, special stamps, identification marks or other means of designations shall be considered as confirmation of the importation of goods into the customs territory of Turkmenistan without customs clearance and release of goods, if the person from whom such goods are found, proves otherwise.

**Article 324. Visual inspection of premises and territories**

1. Visual inspection of premises and territories conducted to confirm the presence of goods and vehicles under customs control, including conditionally released on temporary storage warehouses, customs warehouses, duty-free shop premises as well as at the persons who should keep the goods under the terms of customs procedures or customs regimes provided by this Code.

Visual inspection of premises and territories shall be conducted in the presence of information about the loss of goods and (or) vehicles, their alienation or disposal of them in any other way, or on its use in violation of the terms and conditions set forth by this Code, to verify such information, as well as based on selective verification.

2. The customs authorities may conduct visual inspection of premises and territories at a checkpoint across the State Border of Turkmenistan, in customs control zones created along the customs border, as well as at persons engaged in wholesale or retail trade in imported goods, if there is information about being in the premises or on the territories of these persons of goods and vehicles imported into the customs territory of Turkmenistan in violation of the procedure provided for by this Code to verify such information.

3. Visual inspection of premises and territories conducted upon presentation prescription signed by the head of the customs authority or his deputy and employment certificate.

Form of the prescription determined by the authorized state body on customs affairs.

4. If the legislation of Turkmenistan established a different procedure for access of public officials to individual objects, customs officials shall have the access to these objects in the order determined by the relevant regulatory legal acts of Turkmenistan.

5. In case of refusal to provide access of customs officials to the premises and territory, they are entitled to enter on the premises and the territory with the

suppression of resistance and opening locked premises in the presence of two witnesses, except in cases where the legislation of Turkmenistan established different procedure of access government officials bodies to individual objects.

6. All cases of entering the premises and the territory with the suppression of resistance and opening locked premises customs authorities shall notify the prosecutor within twenty-four hours.

7. Visual inspection of premises and territories should be carried out in the shortest time necessary to carry out and cannot last more than one day.

8. On the results of the inspection, the act shall be drawn up in a form approved by the authorized state body on customs affairs, with two duplicates. The second copy of the act shall be given to the person whose premises or area was inspected.

### **Article 325. Customs audit**

1. Customs authorities may carry out a customs audit - check the fact of the release of the goods as well as reliability of the information specified in the customs declaration and other documents submitted for customs clearance by comparing this information with accounting and reporting information, with accounts and other information of persons mentioned in this article.

Customs audit will be conducted in the general and special forms.

2. General customs audits can be carried out by the customs authorities at the declarant or other persons referred to in Article 9 of this Code and are not acting as the declarant.

3. General customs audit was conducted on the decision of the head of the customs authority or his deputy. Before the beginning of the audit, a copy of such decision shall be given to the person, at whom audit should be conducted.

During conducting the audit, customs authorities are entitled to access, within its competence, to databases and data bank of automated information systems of the audited person, under Turkmenistan legislation.

The inspection must be carried out in the shortest time necessary for its implementation and cannot last more than three days. The examination should not prevent the implementation of the activities of the audited person.

Repeating of general customs audit in respect of the same goods is not allowed.

4. Special customs audit can be carried out by the customs authorities:

1) at persons referred to in the second part of this article - in cases where the results of a general customs audit or the use of other forms of customs control provided in this chapter, detected the data which may indicate the unreliability of the information presented at the customs clearance or on the use and disposal of goods in violation of the requirements and restrictions set forth by this Code;

2) at customs brokers (representatives), owners of temporary storage warehouses and owners of customs warehouses –detection data which may indicate violations of the record of goods transporting across the customs border of Turkmenistan and reporting on it or of non-compliance with other requirements

and conditions of the relevant activity established by this Code;

3) at persons engaged in the wholesale or retail sale of imported goods - detection data which may indicate that the goods imported into the customs territory with violation of the requirements and conditions established by this Code which resulted in the violation of the order for payment of customs duties, taxes or non-compliance with prohibitions and restrictions established by the legislation of Turkmenistan.

Special customs audits shall be approved by the head of the customs authority in consultation with the authorized state body on customs affairs. The decision to hold a special customs audit shall be in writing form. Before carrying out a special customs audit copy of the decision shall be given to the person at whom the audit should be conducted.

5. During the special customs audit customs authorities may:

1) require the submission of unpaid information of any documentation and information (including banking information) including in the form of electronic documents relating to the conduct industrial, commercial or other operations with goods imported into the customs territory of Turkmenistan and get acquainted with it;

2) conduct visual inspect the premises and territory of the audited person as well as inspection and examination of goods under this Code in the presence of authorized representatives of the audited person and the case of customs audit at an individual entrepreneur - in the presence of two witnesses;

3) conduct an inventory of the goods under Turkmenistan legislation;

4) to seizure goods or to impose a prohibition on the dissolution of goods under Article 326 of this Code.

6. Special Customs audit should be performed in the minimum time required for its implementation and cannot last more than two months after the decision to hold the special customs audit. This period shall not include the period between the submission to the personal requirement for submission of documents and information and submitting these documents and information. In exceptional cases, the authorized state body on customs affairs can extend the audit period for another month.

Repeating of special customs audit in respect of the same goods is not allowed.

7. Conducting customs audits (both general and special) is allowed only concerning legal entities and individual entrepreneurs.

8. For the purposes of customs audit (both general and special), customs authorities may use the results of the inventory held by a person responsible for the goods or performing storage of such goods or regulatory bodies, use the auditor's reports as well as acts and conclusions of the state bodies.

9. Results of customs audits (both general and special) are documented in the form determined by the authorized state body on customs affairs. This act prepared:

1) on the day following the date of completion of the general customs audits;

2) within ten days from the day of the end of the special customs audit.

The second copy shall be submitted to the audited person.

10. Upon detection, during customs audit (both general and special), the signs of a crime or administrative violation in the field of customs, audit end in respect of detected objects. In this case, the report on the results of a customs audit draws up immediately. Further actions are performed by the customs authority under the criminal procedure legislation of Turkmenistan or Turkmenistan legislation on Administrative Violations.

### **Article 326. Ban on disposal of goods or seizure of goods during a special customs audit**

1. Ban on disposal of goods during a special customs audit produced in the following cases:

1) detection of the goods that have not special stamps, identification marks or other means of marking products, application of which is provided by this Code and other normative legal acts of Turkmenistan to confirm the legality of the importation of goods into the customs territory of Turkmenistan or goods with counterfeit trademarks or signs;

2) absence in the commercial documents of the audited person information on the release of the goods by the customs authorities if under the legislation of Turkmenistan, an indication of such information in commercial documents is obligatory during circulation of the goods in the territory of Turkmenistan as well as detection the unreliability of the information or absence commercial documents in which such information should be specified;

3) detection of the facts of use and (or) disposal of conditionally released goods for purposes other than those for which a full or partial exemption from import duties and taxes was granted.

2. Goods that are banned from disposal shall be transferred for storage to the owner or other person having authority in respect of these goods. Storage of these goods is declared as a customs control zone. The use of goods that are banned from disposal may be allowed by the head of the customs authority that assigns a special customs audit or by a person authorized by him. In this case, the transfer of goods which are prohibited for disposal, to other persons, embezzlement of goods, their alienation or disposal by other methods is not allowed.

3. If the goods are banned from import into Turkmenistan or circulation under Turkmenistan legislation and if there are sufficient grounds to believe that a ban on disposal of the goods is not sufficient to ensure its safety, the customs authorities shall seize the goods.

Seized goods are placed on the temporary storage of customs authority or in another place belong to the customs control zone.

4. Withdrawal of goods and ban on the disposal of the goods cannot be made if the person from whom it was discovered, provides security for payment of customs duties and taxes that may be levied, except in cases where the goods are banned for import into Turkmenistan or circulation in the territory under Turkmenistan legislation or concerning goods quantitative restrictions was

established when they move across the customs border of Turkmenistan. Calculation of customs duties and taxes to determine the amounts to ensure their payment is produced under Article 271 of this Code.

5. Withdrawal of goods and a ban on the disposal of the goods produced by a reasoned decision of the customs officer conducting a special audit, in the presence of the person from whom the goods are discovered or his representative and at least two witnesses.

Where necessary for withdrawal or ban on disposal of the goods under Article 332 of this Code may involve relevant experts.

Before the beginning of the withdrawal of goods or ban on disposal of goods, customs officer shall present the decision on withdrawal of products or imposing a ban on disposal to the person from whom the withdrawal of goods is conducting or goods for which ban on disposal is setting.

6. On withdrawal of the goods or imposition of a ban on the disposal of goods, a protocol is drawn up. The protocol or annexed to seized goods inventories or goods that are banned from the disposal are described in detail along with their name, quantity, and individual characteristics. This protocol shall be signed by a customs officer who carried out the withdrawal or a ban on the disposal of goods by a person at whom withdrawal goods were found or goods that are banned from disposal or his representative as well as witnesses. Copy of the protocol is given to the person at whom the goods are discovered or his representative.

7. Return of seized goods and the removal of the ban on the disposal of the goods produced not later than the end day of the special customs audit except in cases where it may be confiscated, required as evidence or they may be levied to pay customs duties and taxes. The temporary storage of seized goods was realized at the expense of the person from whom the goods were seized.

8. Disposal of seized goods and goods that are prohibited from disposal specified in the act reflecting the results of the special customs audit.

9. Disposal of unclaimed seized goods after two months from the end of the special customs audit performed under the procedure provided for in Chapter 39 of this Code.

## **Chapter 35. EXAMINATION AND RESEARCH DURING IMPLEMENTATION OF CUSTOMS CONTROL**

### **Article 327. Appointment of expertise at the implementation of customs control**

1. Examination of goods, vehicles, or documents containing information about goods and vehicles or on carrying out operations (actions) concerning it, assigned in the cases if the implementation of customs control to clarify emerging issues requiring special knowledge.

2. The examination was conducted by experts from the customs laboratories as well as other relevant organizations or other experts appointed by the customs authorities. An expert may be assigned any person having the required specialized

knowledge to prepare a conclusion. To carry out the expert examination, an expert could be assigned on a contractual basis. When an examination appointment is made at the initiative of the declarant or other concerned person, these persons may submit a proposal on the expert candidacy to the customs authorities.

3. On the appointment of the examination, customs officer of the customs authority with the consent of the head of this body or his deputy issues a decision stating the grounds for the examination, surname, name, and patronymic of the expert, the name of an organization in which the examination must be carried out, questions posed to the expert, the list of materials and documents available to the expert and the duration of the examination and presentation of the conclusion to the customs authority.

4. Period for examination shall not exceed:

1) period for temporary storage if the release of goods is not realized until the results of the examination;

2) six months if the examination is carried out in respect of vehicles;

3) one year - in other cases.

5. Customs officer is obliged to inform the declarant or other person having authority in respect of goods and (or) vehicles, if it is known, with the decision on the assignment of expertise and explain his rights under Article 330 of this Code, on which writes a note in the act, certified by this person or his representative.

### **Article 328. Expert's conclusion**

1. Based on the carried out research and taking into account the results of the research, an expert on its behalf shall make a conclusion in writing form.

2. Expert's conclusion should have the time and place of the study, by whom and on what basis the studies were done, the questions posed before the expert, research objects, materials, and documents provided for the expert, content, and results of studies with the indication of applied methods, evaluation of research results, conclusions on the issues raised and its rationale.

Materials and documents illustrating the expert conclusion or several experts shall be attached to the conclusion and considered as an integral part.

If the expert during the examination discovers essential at the examination circumstances over which he had not been informed in questions, he is entitled to include the circumstances into his conclusion.

3. If the examination was conducted with the participation of several experts report shall be signed by all experts. If there is a disagreement between the experts, each expert shall make it a conclusion separately.

4. Customs authority that appointed an expert, presents a copy of the expert's conclusion to the declarant or other person having authority in respect of goods and (or) vehicles if the person is known.

5. During making a decision, customs authorities consider expert opinions on the results of examinations, including held on the initiative of the declarant or other concerned person.

### **Article 329. Rights and responsibilities of the expert**

1. Expert has the right:
  - 1) to examine the materials relating to the subject of examination;
  - 2) with the consent of the customs authority invite other experts to the expertise;
  - 3) request additional materials required for the examination;
  - 4) with the permission of the customs authority to participate in the implementation of specific actions in the implementation of customs control.
2. Obtained, by the expert during the examination or at the preparation for its conduct, the information constituting commercial, banking or other secrets protected by law as well as other confidential information shall not be disclosed, used for other purposes or disclosed to third parties, except as provided by the legislation of Turkmenistan.

### **Article 330. Rights of a declarant, another person having authority in respect of goods and (or) vehicles and their representatives in the appointment and examination**

1. At the appointment and the examination, the declarant, other person having authority in respect of goods and (or) vehicles and their representatives have the rights:
  - 1) motivated to file a challenge to the expert;
  - 2) submit an application for the appointment of a concrete expert;
  - 3) submit requests on additional questions to the expert to receive conclusions on them;
  - 4) to attend with the permission of the customs authority, which appointed the examination, at the examination and give explanations to the expert;
  - 5) take samples of goods;
  - 6) familiarize with the conclusions of the expert and obtain a copy of the conclusion;
  - 7) to apply for an additional or re-examination.
2. With the satisfaction of the request of the declarant or other person having authority in respect of goods and (or) vehicles or their representative, the customs official that appointed an expert in making an appropriate resolution.  
If the customs officer dismisses the request, he should motivate it in writing form, notify the person who submitted the request.

### **Article 331. Tests and samples**

1. Official customs officer during the customs control has the right to take tests and samples of goods required for the research. On taking, samples shall be drawn up an act in the form determined by the authorized state body on customs affairs. The second copy of the act shall be given to the person having authority over the goods, if he established, or his representative.

Where necessary, the tests and samples shall be made with the participation of an expert or specialist.

2. Tests and samples of goods under customs control may take declarants, persons having authority in respect of the goods, their representatives, the persons referred to the Section 345 of this Code and employees of other state agencies with the written permission of the customs authority.

3. Tests and samples shall be taken in minimal quantities, enabling carry out research.

Permission for taking tests and samples of goods issued to the persons specified in the second part of this article, if such taking:

1) is not hampering to carry out customs control;

2) does not alter the characteristics of the products;

3) does not entail the evasion from payment of customs duties, taxes, or non-compliance with prohibitions and restrictions established by the legislation of Turkmenistan.

4. When taking tests and samples by the declarant, a separate customs declaration for tests and samples is not submitted on the condition that it will be listed in the customs declaration on the goods.

The declarant has the right to reduce the customs value of the goods declared on the customs value of the tests and samples if such tests and samples have been collected by the customs authority and not returned on time.

5. Declarants, persons having authority in respect of goods and their representatives may be present at the process of taking tests and samples of goods by customs officials and employees of other state agencies.

6. Customs officials may be present during the taking tests and samples of goods, by personal of other state bodies as well as other persons specified in the second part of this article.

7. Declarants and their representatives are obliged to assist customs officials during the process of taking tests and samples of goods, including carrying out at their expense cargo and other necessary operations with the goods.

8. Customs officials are entitled to take tests and samples of goods in the absence of declarants and their representatives in the cases envisaged in the third paragraph of Article 321 of this Code. Taking tests and samples of goods in these cases is conducted in the presence of at least two witnesses.

9. Procedure for taking tests and samples of goods as well as its research is established by the authorized state body on customs affairs under this Code and other normative legal acts of Turkmenistan.

10. Upon completion of the research, the tests and samples of the goods returned to their owner, except when such tests and samples shall be destroyed or utilized under Turkmenistan legislation as well as the cost of return the tests and samples that exceed their cost.

### **Article 332. Participation of specialist during the customs control**

1. Where necessary for participation in the commission of specific actions

during the customs control may be involved non-interested specialists in the outcome of such action with expertise and skills necessary to assist the customs authorities, including in the use of technical means.

2. The involvement of the person as a specialist is realized on a contractual basis.

3. Specialist may:

1) familiarize with the materials relating to the subject of actions committing with his participation;

2) with the permission of the customs officer to ask questions relating to the subject of appropriate actions and the participants of such actions;

3) examine documents formalized on the results of taking actions during the customs control in which he took part and to make statements or comments about his actions that shall be included in such documents.

4. Specialist shall:

1) participate in the commission of acts that require special knowledge, give explanations about his actions;

2) verify by his signature the fact of committing such actions, their contents, and results.

5. obtained information by a specialist during his involvement in actions on customs control that constitute commercial, banking, or other secrets protected by law as well as other confidential information shall not be disclosed, used for other purposes, disclosed to third parties, except in cases provided by legislation Turkmenistan.

### **Article 333. Involving experts from other government agencies to assist in the implementation of customs control**

The customs authorities have the right to involve under Turkmenistan legislation enforcement professionals or regulatory bodies to assist in carrying out customs control.

## **Chapter 36. ADDITIONAL PROVISIONS RELATING TO CUSTOMS CONTROL**

### **Article 334. Exemption from certain forms of customs control**

1. Exemption from the use of certain forms of customs control by the customs authorities is established exclusively by this Code.

2. Customs inspection is not subject to the personal baggage of the President of Turkmenistan including to those terminated its authority and following his family members.

3. Personal baggage of the deputies of the Mejlis of Turkmenistan, the Ombudsman and his deputy, judges, whose immunity is guaranteed by law, is not subject to customs inspection if these persons cross the State border of Turkmenistan in connection with the performance of their deputy or official duties.

4. Exempt from customs inspection has foreign military ships (vessels), combat aircraft, and military equipment following its course unless otherwise provided by the legislation of Turkmenistan.

5. Exempt from certain forms of customs control under international treaties of Turkmenistan is carried out after the procedures specified by Turkmenistan legislation for the entering its treaties into force.

6. Cabinet of Ministers has the right to exempt certain persons and certain goods vehicles from certain forms of customs control in cases connected with the safety of Turkmenistan.

### **Article 335. Use of technical means during the customs control**

1. In order to reduce the time of customs control and increase its efficiency, the customs authorities can use technical means.

These technical means should be safe for human health and life.

2. Metrological control and supervision during customs operations using technical means are carried out in the manner prescribed by the legislation of Turkmenistan.

### **Article 336. Cargo and other operations with goods and vehicles necessary for customs control**

1. Upon request of the customs authority, the declarant, owner of a temporary storage warehouse, the owner of the customs warehouse, the customs broker or other person having authority in respect of goods obliged to carry out transportation, weigh or other determination of the number of goods, loading, unloading, reloading, fix damaged packaging, unpacking, packing or repacking of goods under the customs control as well as open premises, containers and other places where or maybe these goods.

2. Carrier is obliged to facilitate cargo and other operations with goods and (or) with the vehiclesation, that transporting across the customs border of Turkmenistan.

### **Article 337. Identification of goods and vehicles**

1. For the identification of goods and vehicles under customs, control may be used seals, stamps, letters and other marking, identification badges, transport (shipping), commercial and other documents, put a stamp, taken samples of the goods, produced a detailed description of the goods and vehicles, made up drawings, made large-scale images, photographs, illustrations, as well as other means of identification.

2. Means of identification may be destroyed or changed (replaced) only by the customs authorities or with their permission, except if there is a real danger of destruction, loss, or damage of goods and vehicles. Customs authority shall be immediately notified of the change, removal, destruction, or damage of means of

identification and presented evidence for the existence of such threat. The modification, removal, destruction, or replacement of means of identification by the customs authority is drawn up an act in the form approved by the authorized state body on customs affairs.

3. Provisions of this section apply to cases whereas means of identification for customs purposes are used seals, stamps, or other means of identification imposed by the customs authorities of foreign countries.

4. At the request of the declarant, the customs authorities shall identify Turkmen goods declared for export from the customs territory of Turkmenistan, in the place of its declaration.

### **Article 338. Additional authority of customs authorities in the detection of goods illegally imported into the customs territory of Turkmenistan**

1. If at the detection by the customs authorities the goods illegally moved across the customs border of Turkmenistan, which led to non-payment of customs duties, taxes or non-compliance with prohibitions and restrictions established by the legislation of Turkmenistan, to individuals who purchased goods in the customs territory of Turkmenistan in connection with business activities on such goods apply prohibits on the disposal of the goods or goods are subject to seizure and placed in temporary storage in the order provided by Article 326 of this Code for the seizure of goods and imposition of the prohibition on disposal of goods under a customs audit. These goods for customs purposes to be considered as being under customs control.

2. Persons mentioned in the first part of this article shall be entitled to pay customs duties and taxes under Article 271 of this Code and fulfill other requirements and conditions of the customs clearance of goods under the simplified procedure established by the authorized state body on customs affairs. In this case, the goods are not withdrawn if persons pay customs duties and taxes not later than five days after the discovery of their products or provide payment under Chapter 29 of this Code. Fines on these amounts of customs duties and taxes are not charged.

3. Provisions of part second of this Section in respect of the provision of the rights to pay customs duties, taxes and make customs clearance of goods smuggled into the customs territory of Turkmenistan shall not apply to goods which are prohibited for importation into Turkmenistan, goods in respect of which apply prohibition at its transportation across the customs border under Turkmenistan legislation.

4. Upon payment of customs duties, taxes and customs clearance by persons mentioned in the first part of this article, goods are considered for customs purposes as released for free circulation that does not preclude the customs authorities to take necessary steps to identify the persons involved in the illegal movement of goods through customs border.

5. In case of refusal by persons who purchased goods illegally imported into the customs territory of Turkmenistan, from payment of customs duties, taxes, and

customs operations, disposal of such goods shall be made under Article 292 of this Code.

The products described in the third part of this article, convert to state ownership based on a court decision at the request of the customs authorities.

### **Article 339. Using the results of customs control in cases of administrative violations of civil and criminal cases**

The results of customs controls, designed in accordance with the provisions of this section may be considered as evidence in criminal and civil cases and cases of administrative violations and should be assessed by the court or an officer in the consideration of these cases, appeals against decisions, actions (inaction) of customs bodies and their officials or cases of economic disputes along with other evidence under the legislation of Turkmenistan.

## **Chapter 37. ACTIONS TAKEN BY CUSTOMS AUTHORITIES FOR CERTAIN GOODS**

### **Article 340. Grounds for suspension of the release of goods**

1. Customs authorities in the order prescribed by this chapter shall take measures to suspend the release of goods based on the application of the owner of exclusive rights (intellectual property) on the objects of copyright and related rights, trademarks, service marks, and holder of the right to use the appellation of origin (hereinafter - rightholder). Provided by this Chapter measures shall be taken when moving goods across the customs border or performing other actions with goods under customs control.

2. Measures taken by the customs authorities under this chapter shall not prevent the rightholder to resort any means to protect his rights under the legislation of Turkmenistan.

### **Article 341. Submission of the application by the rightholder and the procedure for its consideration**

1. A rightholder who has reasonable grounds to believe that may have a case of violation of his rights under Turkmenistan legislation on intellectual property in connection with the movement across the customs border of Turkmenistan the goods that are, in his opinion, counterfeit or during performing other actions with goods under customs control, may apply to the authorized state body on customs affairs on taking measures to suspend the release of goods. An application may be filed on behalf of the rightholder by his representative.

2. Statement on taking measures to suspend the release of goods shall contain the following information:

1) on rightholder and if the application is submitted by a representative - also on the representative;

- 2) about the object of intellectual property;
- 3) on goods that are in the opinion of the rightholder are counterfeit, in sufficient detail for the customs authorities to identify such goods;
- 4) During the period during which the customs authorities will take action under this Chapter.

The application for the adoption of measures to suspend the release of goods attached documents confirming the rights on the intellectual property (certificate, contract, including a license, the transfer of exclusive rights, the other documents which the rightholder may submit in support of his rights on objects of intellectual property) and if the application is submitted by the representative that power of attorney issued by the rightholder to this person shall be attached to the application.

The rightholder (or his representative) may attach to the application examples of products that may serve as confirmation of the existing, in his opinion, a violation of his rights.

3. Obligation attached to the application of the rightholder in writing form on the compensation of property damage which could be done to the declarant, owner, recipient of the goods or the person specified in Article 9 of this Code, in connection with the suspension of the release of goods.

4. Authorized state body on customs affairs shall review the application within a period not exceeding one month from the date of receipt of the application and decides to take action under this chapter or refuse to take such measures.

To the validity check the information submitted by the rightholder (or his representative) the authorized state body on customs affairs has the right to request from third parties as well as public bodies documents confirming the declared information. Such persons shall within ten days of receipt of the request to submit the requested documents. The authorized state body on customs affairs has the right to extend the term of consideration of the application but not more than two months.

The decision to refuse to take action under this chapter is taken in the case of submission by the rightholder (or his representative) false information as well as non-compliance with the requirements specified in Paragraph two of Article 342 of this Code.

On the accepted decision, the rightholder (or his representative) shall be notified in writing form within three days of the acceptance of the decision.

5. In the case of change, the information specified in the application or the documents attached thereto, the rightholder (or his representative) shall promptly notify the authorized state body on customs affairs.

### **Article 342. Customs registry of Intellectual Property**

1. Objects of the intellectual property in respect of which the authorized state body on customs affairs decided to take action under this chapter shall be made in the Customs Registry of the objects of Intellectual Property Rights (hereinafter in this chapter - the Registry). Inclusion in the register is free of charge.

Authorized state body on customs affairs conducts Registry in the order determined by this body.

2. Objects of the intellectual property included in the registry provided that the rightholder provides the fulfillment of the obligation specified in the third part of Article 341 of this Code, under the civil legislation of Turkmenistan.

3. Objects of the intellectual property shall be excluded from the registry in the following cases:

1) at the request of the rightholder (or his representative);

2) if the rightholder is not complying with the conditions stipulated by the second part of this article;

3) upon expiration of the period of the legal protection of intellectual property;

4) if the rightholder within the period of suspension of the release of the goods is not addressed to the authorized body under Turkmen legislation, to protect his rights.

### **Article 343. The period during which the customs authorities shall take measures to suspend the release of goods**

The period during which the customs authorities shall take measures to suspend the release of goods is established based on the application of the rightholder (or his representative) but not more than five years from the day of entry of the intellectual property object to the registry. The time limit may be extended upon application made by the right owner (or his representative) subject to the requirements of Article 341 and the second part of Article 342 of this Code. The period during which the customs authorities shall take measures to suspend the release of goods, cannot be longer than the period of the legal protection of intellectual property.

### **Article 344. Suspension of the release of goods**

1. When at the performance of customs clearance and customs control the customs authority identifies the goods specified by the rightholder (his representative) as counterfeit, the release of such goods shall be suspended for ten days. On a reasoned written request of the rightholder (or his representative), the time limit may be extended by no more than another ten days if he turned to the body authorized under Turkmenistan legislation to protect his rights.

The decision to suspend the release of goods and extend the period of suspension of the release of goods is made by the head of the customs authority or his deputy in writing form.

2. Customs authority no later than the day following the suspension of the release of the goods notifies the declarant and right owner (or his representative) on suspension the release of goods, reasons, and timing of the suspension as well as inform the declarant, the name (surname, first name) and address of the rightholder (his representative) and to the rightholder (or his representative) – the

name (surname, first name) and address of the declarant.

3. Rightholder under the civil legislation of Turkmenistan is responsible for property damages caused to the declarant, owner, recipient of the goods or the person specified in Article 9 of this Code as a result of the suspension of the release of goods under this chapter if the procedure established by the legislation of Turkmenistan, was not determined that the goods (including packaging and label) are counterfeit.

#### **Article 345. Provision of information. Testing and Sample**

1. With the written permission of the customs authority, the rightholder and the declarant (or their representatives) under customs supervision can take testing and sample of the goods in respect of which was accepted decision to suspend the release, to conduct research as well as examine, photograph or otherwise fix these goods.

2. Upon request of the rightholder (or his representative), the customs authority may provide additional information that may be needed to the legal owner to prove the violation of his rights, except in cases specified by law.

3. Information obtained by the rightholder (his representative) or by the declarant under this article shall be confidential and shall not be disclosed or transferred to third parties as well as public authorities, except in cases specified by law.

#### **Article 346. Cancellation of the decision on suspension of the release of goods**

1. If before the expiration of the suspension of the release of goods from the authorized authority under Turkmenistan legislation will not be obtained the decision on withdrawal the goods, arrest them or their confiscation, the decision to suspend the release of goods shall be canceled on the day following the day of expiration of the suspension of the release of goods.

2. The decision to suspend the release of goods shall be canceled before the expiration of the suspension period of the release of goods if:

1) rightholder (or his representative) addressed to the customs authorities requesting a cancellation of the decision to suspend the release of goods;

2) the object of intellectual property is excluded from the registry.

3. the decision to suspend the release of goods shall be canceled on the day when it became aware of the presence of the reason prescribed by the second part of this article.

4. Cancellation of suspension of the release of goods performed by the head of the customs authority that made the decision or his deputy in writing form. After the cancellation of this decision, the release of goods is carried out in the order prescribed by this Code.

#### **Article 347. Goods in respect of which the customs authorities do not**

**apply measures to suspend the release of goods**

Measures to suspend the release of goods under this Chapter shall not apply by the customs authorities in respect to goods containing objects of intellectual property and moved across the customs border by individual persons or sent by international mail in small amounts if such goods are intended for personal, family, domestic and other purposes not related to business activities.

**Chapter 38. CONTROLLED DELIVERY OF GOODS****Article 348. Characteristics of the controlled delivery of goods transported across the customs border of Turkmenistan**

1. Controlled delivery of goods transported across the customs border of Turkmenistan is the operational-search activity, in which, with the knowledge and under the supervision of bodies that implement the operative-search activities, is allowed for import into the customs territory of Turkmenistan, removal from the territory or moving on it imported goods.

When moving goods across the customs border controlled delivery is carried out to prevent, detect, deter, and solve crimes related to illegal trafficking of goods.

Controlled delivery of goods carried out in coordination with the customs authorities. The procedure of such agreement is determined by the authorized state body on customs affairs and government agency engaged in the operational-search activity.

2. If a decision to carry out controlled deliveries of goods exported from the customs territory of Turkmenistan based on an international treaty of Turkmenistan or the agreement with the competent authorities of foreign countries the criminal proceedings shall not be instituted in Turkmenistan and on the accepted the decision, the head of the body conducting controlled delivery of goods, immediately notifies the Attorney General of Turkmenistan.

**Article 349. Withdrawal or replacement of goods transported across the customs border of Turkmenistan at the implementation of controlled delivery**

1. When carrying out a controlled delivery of crossing the customs border of Turkmenistan goods, turnover of which is prohibited or restricted under Turkmenistan legislation, these products may be fully or partially removed or replaced in accordance with the procedure established by the Cabinet of Ministers of Turkmenistan.

2. Goods, posing an increased risk to human health, the environment, or serve as the basis for the manufacture of weapons of mass destruction shall be replaced in the order determined by the Cabinet of Ministers of Turkmenistan.

**SECTION V. CONVERSION OF GOODS TO THE STATE  
OWNERSHIP. CUSTOMS STATISTICS**

## **Chapter 39. BASIS AND ORDER TO DISPOSE OF GOODS AND VEHICLES**

### **Article 350. Conversion of goods and vehicles into the state ownership**

1. Goods and vehicles is converted into the state ownership:

1) on the ground of the court decision - from the date of entry into force of the court decision;

2) based on refusal in favor of the state - from the day of passing to the customs authorities the goods or vehicles on the act of acceptance.

2. Disposal of goods and vehicles confiscated in favor of the state on the court decision under the legislation of Turkmenistan.

### **Article 351. Disposal of goods, the period of temporary storage of which or period of storage in a customs warehouse of which have expired**

Disposal of goods, temporary storage, or storage period of which is a customs warehouse have expired, carry out on the basis of an act of the customs authority that checks the expiration period of temporary storage or storage in a customs warehouse. The act is made in two copies in accordance with the form determined by the authorized state body on customs affairs. The second copy of the act shall be issued to the rightful owner of the goods if this person is identified by the customs authority. Copy of the act is given to the owner of a temporary storage warehouse or customs warehouse owner.

### **Article 352. Disposal of goods and vehicles which are material evidence in cases of administrative violation**

1. Customs authorities may dispose of the goods and vehicles that are material evidence in cases of administrative violation, in the cases if the actual storage costs exceed the value of the goods as well as in other cases determined by the legislation of Turkmenistan.

2. When considering a case on the administrative violation, the decision on the confiscation of the goods and vehicles referred to in the first part of this article, the proceeds from the sale of such goods and vehicles transferred to the State Budget of Turkmenistan will be accepted.

3. Disposal of goods and vehicles which are material evidence in cases of administrative violation in respect of which accepted decision on return it to their rightful owners and those that are not claimed by them made within one month from the date of entry into force of the decision on the case of administrative violation, provided under this chapter if its storage was carried out by the customs authorities or under their control.

Disposal of goods and vehicles carried out by an act of the customs authority that registered the fact of expiration for their demand, in the form approved by the

authorized state body on customs affairs.

### **Article 353. Procedure and methods of disposal of goods and vehicles**

1. Disposal of goods and vehicles carry out by the state body authorized by the Cabinet of Ministers of Turkmenistan, through their implementation, destruction or disposal in accordance with the procedure established by the Cabinet of Ministers of Turkmenistan.

2. Customs authority shall not later than fifteen days inform in writing form, the rightful owner or the person referred to in Article 9 of this Code, (if this person is identified by the customs authority) about the upcoming transfer to the authorized state authority, referred to in the first part of this articles, goods, and vehicles.

3. Sales of goods and vehicles produce at prices determined under Turkmenistan legislation.

4. Goods and vehicles to be sold cannot be acquired by customs official employees, employees of the authorized state body as well as members of their families.

5. Unless otherwise provided by international treaties of Turkmenistan, Turkmenistan legislation, goods, and vehicles the turnover of which is prohibited in Turkmenistan as well as goods the costs of storage and sale of which exceed their costs shall be destroyed or utilized under Turkmenistan legislation.

6. Destruction or utilization of the goods and vehicles are carried at expense of person referred to in Article 9 of this Code if the person is not identified - at expense of the rightful owner and if there is not the rightful owner - at the expense of the State budget of Turkmenistan unless otherwise provided by the legislation of Turkmenistan in respect of certain goods.

### **Article 354. Disposal of the proceeds from the sale of goods and vehicles**

1. The proceeds from the sale of goods and vehicles which are not converted in the state property paid to its rightful owner in the order determined by the Cabinet of Ministers of Turkmenistan, within three years from the date of sale. From these amounts deducted the amount of import customs duties and taxes in respect of foreign goods, which were payable, if they were released for free circulation as well as the cost of carriage (transportation), storage of goods and sale (including examination and assessment) that suffer by customs authorities and other parties.

2. If the proceeds from the sale of goods are not sufficient for the collection of customs duties, taxes and cover all expenses of customs authorities and other persons who, under the civil legislation of Turkmenistan have the right to claim a refund of his at the expenses of indicated amounts, its distribution is carried out in the following order:

1) the first place transfers the amounts of customs duties and taxes produce to the State Budget of Turkmenistan;

2) in the second place produce reimbursement for carriage (transportation), storage, and sale of goods.

3. Reimbursement shall be made in chronological order of receipt of documents confirming the right for reimbursement under Turkmenistan legislation, as well as the calculation of such expenses.

4. Upon expiration provided by part one of this article the proceeds from the sale of goods and vehicles transferred to the State Budget of Turkmenistan.

5. Amounts received from the sale of goods and vehicles confiscated in favor of the State transferred to the State Budget of Turkmenistan.

### **Article 355. Right of Authorized state body on customs affairs to donate goods confiscated in favor of the state**

Authorized state body on customs affairs have right on agreement with the Cabinet of Ministers of Turkmenistan pass free of charge confiscated in favor of the state:

1) drugs, perishable foods, baby foods as well as clothing, shoes, and other necessities – to institutions of social welfare, health, education;

2) items of history, science objects and works of art that are not of cultural values – to museums;

3) items of flora and fauna – to zoological parks, reserves, and museums;

4) religious objects – to religious organizations.

5) goods, except for those specified in clauses 1-4 of this article, - to state authorities by belonging.

### **Article 356. The distinction of disposal of certain types of goods**

Disposal of precious metals, precious stones, and their products, cultural values, goods that are subject to marking and other goods, the turnover of which is limited on the territory of Turkmenistan carries out under the legislation of Turkmenistan.

## **Chapter 40. CUSTOMS STATISTICS**

### **Article 357. Customs Statistics on Turkmenistan's foreign trade**

1. To analyze the state of the dynamics and trends of Turkmenistan's foreign trade, control of the flow of customs payments to the State Budget of Turkmenistan, foreign exchange control, the customs authorities are collecting and processing information about the movement of goods across the customs border and present customs statistics on foreign trade of Turkmenistan to the Cabinet of Ministers and other government agencies under Turkmenistan legislation.

2. Authorized state body on customs affairs provides data on customs statistics of foreign trade of Turkmenistan to international organizations under Turkmenistan legislation and international treaties of Turkmenistan.

3. Customs statistics on Turkmenistan's foreign trade is conducted under this Code and other normative legal acts of Turkmenistan.

Customs Statistics on Turkmenistan's foreign trade is conducted by the methodology ensuring comparability of mutual trade data between Turkmenistan and its foreign- trade partners.

### **Article 358. Special Customs Statistics**

1. To ensure the tasks entrusted to the customs authorities, these authorities shall maintain special customs statistics in the order determined by the authorized state body on customs affairs.

2. Special customs statistics data are used exclusively by the customs authorities for customs purposes.

### **Article 359. Information used for customs statistics**

1. For the purposes of customs, statistics used information provided by persons under the provisions of this Code.

2. All information, which by its content or by a method of presentation to the customs authority is confidential, it has the status of official secrecy. The customs authority shall not disclose it without the consent of the holder of the information, except in cases specified by Turkmenistan legislation.

## **SECTION VI. FINAL PROVISION**

### **Article 360. Procedure for calculating periods established by this Code**

1. Determining the date of commencement and date of completion established by this Code, a certain period, or the day of starting of the event produced in the order prescribed by this Code.

2. If this Code does not have specific procedures for computing time limits for determining the date of commencement and the end of the periods, in customs affairs are used the rules established by the Saparmurat Turkmenbashi Civil Code of Turkmenistan, subject to the provisions of the third paragraph of Article 79 of this Code.

\*In the event of any conflict between the English and Turkmen versions, the Turkmen version shall prevail.

В случае каких-либо несоответствий английского и туркменского текстов, преимущество имеет туркменский текст Кодекса.