

Custom law

This Law establishes procedure of formation and use of customs tariff of the Azerbaijan Republic - major means of state control over the foreign trade, to provide efficient relationship between domestic and foreign markets, and also procedure of imposition of duty on commodities being cleared through the customs border of the Azerbaijan Republic.

The following are main objectives of customs tariff:

- improvement of the structure of import into Azerbaijan Republic;
- establishment of efficient ratio of import and export of commodities, foreign currency earnings and expenditures on the territory of the Azerbaijan Republic;
- efficient control over import to the customs territory of the Azerbaijan Republic and export of currency values therefrom
- creation of conditions for progressive changes in the structure of production and consumption of commodities in the Azerbaijan Republic;
- protection of economy of the Azerbaijan Republic from negative impact of foreign competition;
- creation of conditions for effective integration of the economy of the Azerbaijan Republic with world economy.

This Law is applicable on the customs territory of the Azerbaijan Republic.

Chapter I. General

Article 1. General concepts

The following are general concepts used in this Law:

§ customs territory of the Azerbaijan Republic shall mean the territory under the exclusive jurisdiction of the Azerbaijan Republic with regard to customs business:

§ customs border shall mean the border of the customs territory of the Azerbaijan Republic;

§ commodities shall mean any property being transported through the customs border of the Azerbaijan Republic, including heat, electric power and other kinds of power;

§ legal entities and physical persons shall mean all legal entities and physical persons transporting commodities through the customs border of the Azerbaijan Republic;

§ duty shall mean customs duty and also other duties envisaged by this Law. Customs duty is payment taken by customs authorities of the Azerbaijan Republic when importing commodities to the customs territory of the Azerbaijan Republic or exporting commodities from this territory, said payment being an important factor of such import or export;

§ customs cost of commodities is the cost of commodities determined in compliance with this Law and used for the following objectives:

§ imposition of duty on commodities;

§ implementation of measures related to foreign-economic relations and statistical accounting, state control over trade-economic relations, including control over exchange in foreign-economic operations and bank settlements for such operations;

§ declaring person - person who transfers commodities through the customs border, and presents and declares commodities for customs clearing.

Article 2. Customs tariff

1. Customs tariff of the Azerbaijan Republic is summary of rates of customs duties applied to commodities being transported through the customs border of the Azerbaijan Republic and classified in accordance with Nomenclature of commodities in foreign-economic activity (hereinafter - Nomenclature of commodities).

2. Nomenclature of commodities in foreign-economic activity of the Azerbaijan Republic is defined by the Cabinet of Ministers of the Azerbaijan Republic in accordance with world practice of commodities classification.

3. Customs tariffs are applied to the import of commodities to the customs territory of the Azerbaijan Republic or export of commodities from this territory.

Article 3. Rates of customs duties and procedure of their establishment

1. Except cases envisaged by this Law, rates of customs duties shall not depend on specific legal entities and physical persons transporting commodities through the customs border of the Azerbaijan Republic, kinds of deals and other factors.

2. Rates of import customs duties are established by the Cabinet of Ministers of the Azerbaijan Republic. Maximum rates of import customs duties for commodities from those countries which enjoy most favorable treatment in trade with the Azerbaijan Republic are established by National Assembly of the Azerbaijan Republic.

As for the commodities originated from the countries which do not enjoy most favorable treatment in trade, or those with uncertain origin, rates of import custom duties are double, except cases when Azerbaijan Republic grants tariff privileges in accordance with this Law.

3. Rates of export customs duties and list of respective commodities, and also non-tariff measures of foreign-economic control are established by the Cabinet of Ministers of the Azerbaijan Republic. Maximum rates of export customs duties for those countries which enjoy most favorable treatment in trade with the Azerbaijan Republic are established by National Assembly of the Azerbaijan Republic.

Article 4. Kinds of customs duties

The following kinds of customs duties are applied in the Azerbaijan Republic:

§ ad valorem, estimated as percentage to customs cost of goods;

§ specific, estimated against established cost of unit of commodities;

§ combination of the above two kinds.

Chapter II. Seasonal and special duties

Article 5. Seasonal duties

To improve control over the import and export of commodities seasonal duties might be applied to some of them. Whereas, rates of customs duties envisaged by customs tariff are not applied. Term of use of seasonal duties may not exceed six months in a year.

Article 6. Special kinds of duties

To protect economic interests of the Azerbaijan Republic, special duties may be temporarily applied to the imported commodities:

§ special duties

§ antidumping duties

§ compensatory duties.

Procedure of formation and use of special duties is established by legislative acts of the Azerbaijan Republic.

Article 7. Special duties

Special duties are applied:

§ as a protective measure when commodities are imported to the customs territory of the Azerbaijan Republic in volumes and on terms which cause damage or could cause damage to local producers of similar commodities;

§ as a retaliatory measure against discriminatory and other actions of other states and their unions which infringe the interests of the Azerbaijan state.

Article 8. Antidumping duties

Antidumping duties are applied in cases of import of commodities to the customs territory of the Azerbaijan Republic at a price lower than their actual cost in the country- exporter at the moment of such import, if such import causes (or could cause) damage to local producers of similar commodities, interferes with organisation of production or expansion of production of similar commodities in the Azerbaijan Republic.

Article 9. Compensatory duties

Compensatory duties shall apply to imported commodities, when in production of such commodities or on their export direct or indirect subsidies were used, if such import causes (or could cause) damage to local producers of similar commodities, interferes with organisation of production or expansion of production of similar commodities in the Azerbaijan Republic.

Article 10. Procedure of application of special duties

1. Before applying special kinds of duties (special, antidumping, compensatory), investigation should be carried out in accordance with legislation of the Azerbaijan Republic, within 10-day term, initiated by relevant state regulatory bodies of the Azerbaijan Republic.

Decisions made in the course of investigation should be based on quantitative estimates.

2. Rates of duties are established by the Cabinet of Ministers of the Azerbaijan Republic based on results of investigation for each specific case, and their amount should be comparable with the dumping undercharge, subsidies and revealed damage.

Chapter III. Customs cost of commodities

Article 11. System of estimation of customs cost

1. Method of estimate of customs cost(customs estimate) of commodities is based on general principles of customs estimate according to world practice and shall apply to commodities imported to the customs territory of the Azerbaijan Republic or exported from said territory.

2. Procedure of use of the system of customs estimate for commodities imported to the customs territory of the Azerbaijan Republic or exported from said territory is established by the Cabinet of Ministers of the Azerbaijan Republic.

Article 12. Declaration of customs cost of commodities

1. Customs cost is declared by declaring person at the customs of the Azerbaijan Republic when commodities are being transported through the customs border of the Azerbaijan Republic.

2. Procedure and terms of declaring of commodities being imported to the customs territory and exported from said territory, including form of customs declaration, are established by State Customs Committee of the Azerbaijan Republic.

3. Customs cost of commodity is determined by declaring person as specified in this Law.

4. Control over accuracy of estimation of customs cost is accomplished by customs authorities of the Azerbaijan Republic.

Article 13. Confidential information

1. Information given by declaring person in declaration - customs cost of commodity - which is confidential and constitutes commercial secret might be used by customs authorities for customs estimate. This information may not be given to third parties, including other state bodies without permit of declaring person, except situations envisaged by relevant legal acts of the Azerbaijan Republic.

2. According to existing legislation of the Azerbaijan Republic, customs authorities of the Azerbaijan Republic and officials are responsible for disclosure of information which is confidential and constitutes commercial secret.

Article 14. Rights and responsibility of declaring person

1. Customs cost of commodity declared by declaring person, and information related to estimate of such cost shall be based on reliable data (with indication of quantities) and confirmed by relevant documents.

2. Should it be necessary to clarify customs cost of commodity declared by declaring person, the latter will have the right to apply to customs authorities of the Azerbaijan Republic requesting to be given declared commodity for use, against the mortgaged property or guarantee of the authorised bank in accordance with legislation of the Azerbaijan Republic, or he will have to pay customs duty for transported commodities according to customs estimate made by customs authorities of the Azerbaijan Republic.

3. Costs of clarification of declared customs cost or provision of additional information to tax authorities of the Azerbaijan Republic shall be borne by declaring person.

Whereas, prolongation of the term of custom clearing in connection with customs estimation shall not be used by declaring person for deferment of payment of duty.

Article 15. Rights and responsibility of tax authorities

1. When no data confirming accuracy of estimated customs cost of commodity declared by declaring person are available, or if there is some uncertainty in validity of the documents presented by the declaring person, customs authorities of the Azerbaijan Republic may estimate themselves customs cost of declared commodity, applying in succession methods of estimation of customs cost based

on information available (including known prices for identical and similar commodities).

2. At written request of declaring person, customs authorities of the Azerbaijan Republic must provide, within 3-month period, written notice explaining why declared customs cost cannot be accepted as a basis for estimation of duty.

3. Should declaring person disagree with decision of the customs authorities of the Azerbaijan Republic with respect to the customs cost of commodity, said decision may be appealed against in an order specified by the Customs code of the Azerbaijan Republic.

Article 16. Estimation, payment and withdrawal of duty

1. In accordance with Customs code of the Azerbaijan Republic estimation, payment and withdrawal of duty on commodities are done based on customs cost of said commodities.

2. Customs duty is paid to the Republican budget

Chapter IV. Methods of estimation of customs cost and procedure of their use

Article 17. Methods of estimation of customs cost

1. Customs cost of commodities imported to the territory of the Azerbaijan Republic is determined using the following methods:

§ based on a sum of transaction with imported commodities;

§ based on a sum of transaction with identical commodities;

§ based on a sum of transaction with similar commodities;

§ adding costs;

§ deducting costs;

§ using reserve method.

2. Most common method of estimation of customs cost of imported commodities is that based on a sum of transaction with these commodities.

Where this method cannot be used, other methods listed in paragraph 1 of this Article shall apply in succession, each of them being used if customs cost could not be established on a basis of the former.

Methods of deduction and adding of customs cost might be used in any order.

Article 18. Estimation of customs cost of imported commodities based on a sum of transaction

1. Customs cost of commodities imported to the customs territory of the Azerbaijan Republic is cost of transaction actually paid or subject to payment for imported commodity at the moment when said commodity crosses the customs border of the Azerbaijan Republic (to a port or other point of import).

When estimating customs cost, the following expenditures must be included into the sum of transaction if they have not been already included:

a) cost of delivery of commodities to the airport and sea port, or any other point of import of commodities to the customs territory of the Azerbaijan Republic:

§ costs of transportation;

§ costs of loading, unloading, handling and transshipment of commodities;

§ insurance costs;

b) costs borne by the buyer:

§ commission and brokerage fees, except commission for purchase of commodities;

§ cost of containers and reusable tare (if in accordance with Nomenclature of commodities they are regarded as one whole with estimated commodities);

§ cost of packing, including cost of packing materials and labour cost on packing;

c) relevant part of cost of the following commodities and services which, directly or indirectly, were provided by the buyer free of charge or at lower cost, for use in connection with production or export sale of commodities being estimated:

§ raw stock, materials, parts, semi-finished products and other spare parts being integral part of estimated commodities;

§ instruments, dies, models and similar articles used in production of commodities being estimated;

§ materials used in production of commodities being estimated (lubricants, fuel, etc.);

§ engineering work, experimental-design, product styling, preparation of drafts and drawings made outside the territory of the Azerbaijan Republic and required directly for production of the estimated commodities;

d) licensing and other payments for use of intellectual property, to be implemented by the buyer, directly or indirectly;

e) amount of part of direct or indirect profit obtained by the seller as a result of future re-sale, transfer or use of estimated commodities on the territory of the Azerbaijan Republic.

2. This method cannot be used for estimation of the customs cost of commodity, if:

a) limitations of the buyer's right for estimated commodity are envisaged, except:

§ limitations envisaged by legislation of the Azerbaijan Republic;

§ limitations concerning geographical area of potential re-sale of commodities;

§ limitations which have no significant impact on the cost of commodities;

b) if sale and sum of transaction depend on observance of conditions, whose impact cannot be accounted for;

c) if the data used by declaring person when estimating customs cost are not confirmed by documents, or are not based on reliable (with determined quantities), true and unbiased information;

d) if the parties in transaction depend on each other, except situations where their interdependency did not influence the cost of transaction and this fact has been proved by the declaring person.

Whereas, by interdependent parties we shall mean persons (entities) which possess at least one of the following indices:

§ one of participants in transaction (physical person) or official of one of participants is at the same time official of another participant in transaction;

§ participants in transaction are joint proprietors of the enterprise;

§ participants in transaction are related by labour relationships;

§ one of participants in transaction is the owner of the share and possesses voting share stock in the ownership capital of the other participant, which constitutes at least five percent of the ownership capital;

§ both participants in transaction are under direct or indirect control of the third legal entity or physical person;

§ both participants in transaction jointly supervise, directly or indirectly, the third party;

§ one of participants in transaction is under direct or indirect control of the other participant;

§ participants in transaction and their officials are close relatives.

Article 19. Method based on a sum of transaction with identical commodities

1. When using method of estimation of customs cost of commodities based on a cost of transaction with identical commodities, said cost is taken accounting for conditions specified in this article. Whereas, by identical commodities we shall mean those which are not unlike the estimated the estimated ones, including the following parameters:

§ physical characteristics;

§ quality and market standing;

§ country of origin;

§ producer.

Minor differences in outer appearance shall not result in undue refusal to accept commodities as identical if by all other parameters they correspond to requirements of this paragraph.

2. Cost of transaction with identical commodities can be taken as a basis for estimation of customs cost if these commodities:

a) were sold for import to the territory of the Azerbaijan Republic;

b) were imported simultaneously with commodities being estimated, or not earlier than 90 days before their delivery;

c) were imported on same commercial terms and in about same volumes that estimated commodities.

In case if identical commodities were imported in different volumes, or on different commercial terms, declaring person shall make required corrections of their cost, accounting for said differences and give justified explanations to customs authorities as such.

3. Customs cost estimated based on a sum of transaction with identical commodities should be corrected accounting for expenditures specified in Article 18 of this Law.

Corrections shall be made by declaring person in accordance with reliable data confirmed by documents.

4. If several different costs of transactions with commodities are revealed, the lowest cost will be taken as a basis for estimation of customs cost of imported commodities.

Article 20. Method based on a sum of transaction with similar commodities

1. When using method of estimation of customs cost of commodities based on a sum of transaction with similar commodities, said cost is taken accounting for conditions specified in this article. Whereas, by similar commodities we shall mean those which although different in all respects, have similar functions with estimated commodities and are commercially interchangeable. Similarity of commodities is established by their quality, availability of trade mark, market standing and country of origin.

2. When estimating customs cost based on sum of transaction with similar commodities, paragraphs 2 and 4 of Article 19 of this Law shall apply.

3. When using methods of estimate of customs cost with regard to provisions of Article 19 and this Article:

a) commodities are not regarded as identical with estimated ones or similar to them if they have not been produced in the same country as estimated ones;

b) commodities are not regarded as identical or similar to estimated ones if relevant engineering work, experimental-design, product styling, preparation of drafts and drawings were accomplished on the territory of the Azerbaijan Republic.

Article 21. Method of estimation of customs cost of commodities based on deduction of costs

1. Estimation of customs cost according to method of estimation of customs cost based on deduction of costs is carried out in cases, when estimated, identical, similar commodities would be sold on the territory of the Azerbaijan Republic without change of their initial state.

2. When using method of estimation of customs cost of the commodities based on deduction of costs, the cost of unit of the commodity is taken into account as per which estimated, identical and similar commodities are sold by the greatest party on the territory of the Azerbaijan Republic not later than 90 days from the date of import of estimated commodities to the participant of the transaction, not being in interdependency with the seller.

3. The following articles of expenses are deducted from the cost of unit of the commodity:

a) expenses for payment of commission fees, remuneration, additional charge to profit and total expenses in connection with sale in the Azerbaijan Republic imported commodities of the same type;

b) sum of import custom taxes, duties, collections and other payment, subject to payment in the Azerbaijan Republic in connection with import or sale of the commodities;

c) expenses, arisen in the Azerbaijan Republic for transportation, loading, unloading works, insurance.

4. When no cases of sale of estimated, identical or similar commodities in the same state, as they were up to the moment of import are available, on request of the declaring person the cost of unit of the commodity having processed, with amendment for added tax and with observance of provisions of paragraphs 2 and 3 of the present article may be used.

Article 22. Method of estimation of customs cost of commodities based on addition of costs

1. When using this method as a basis for estimation of customs cost of commodities unit price calculated by way of adding the following costs:

a) cost of materials and expenditures borne by producer in connection with production of estimated commodities;

b) general costs characteristic for import to the Azerbaijan Republic from the country-exporter of commodities of same kind, including transportation costs, insurance to a place of loading, etc.;

c) profits obtained by the exporter as a result of delivery of such commodities to the Azerbaijan Republic.

Article 23. Reserve method

1. Whenever customs cost of commodities cannot be determined by declaring person as a result of successive use of methods specified in Articles 18-22 of this Law, or customs authorities reasonably state that said methods of estimation of customs cost cannot be used, customs cost of estimated commodities shall be determined in accordance with world practice.

Using reserve method, customs authorities of the Azerbaijan Republic provide price information in their possession to declaring person.

2. When estimating customs cost of commodity using reserve method the following may not be used as a basis:

a) price of commodity at domestic market of the Azerbaijan Republic;

b) price at domestic market of the Azerbaijan Republic for commodities produced in Azerbaijan;

- c) price of commodity shipped from the country-exporter to third countries;
- d) established at free will or non-clarified price of commodity.

Chapter V. Identification of the country of origin

Article 24. Purpose of identification of the country of origin

Country of commodity origin is identified in order to implement tariff and non-tariff measures of control over the import of commodities to the customs territory of the Azerbaijan Republic and export of commodities from this territory.

Principles of identification of the country of commodity origin specified in this Law are based on existing world practice. Procedure of identification of the country of commodity origin is established by the Cabinet of Ministers of the Azerbaijan Republic based on provisions of this Law.

Article 25. Country of commodity origin

By the country of origin of commodity we shall mean the country where commodity was completely produced or sufficiently processed so as to comply with criteria established in this Law.

Article 26. Commodities completely produced in this country

The following are commodities completely produced in this country:

- a) minerals produced on its territory or from its territorial waters, or continental shelf and sea depths (if this country has exclusive right for development of said sea depths);
- b) vegetable products grown and gathered on its territory;
- c) animals born and bred in this country;
- d) products of hunting, fishing and other offshore activities;
- e) products of fishing produced in the world ocean by fleet of this country or vessels leased (rented) by it;
- f) recycled resources and wastes being result of production and other operations implemented in this country;

g) products of high technologies obtained in the open space on space ships belonging to this country or rented by it;

h) commodities produced in this country solely from products listed in paragraphs «a» - «g»;

Article 27. Criteria of sufficient processing of commodity

1. If two and more countries take part in production of commodity, origin of commodity is established in accordance with criteria of sufficient processing.

2. Criteria of sufficient processing of commodity in specific country are the following:

a) change of commodity position (classification code of commodity) under the Nomenclature of commodities at a level of any one of the first four symbols which took place as a result of processing of commodity;

b) implementation of production-technological operations sufficient or insufficient to regard the commodity as originated from this specific country;

c) rule of ad valorem share - change of cost of commodity when percentage share of cost of used materials or added value reaches fixed share of cost of delivered commodity.

The following are regarded as non-complying to criteria of sufficient processing:

§ operations on preservation of commodities during storing and transportation;

§ operations on preparation of commodities for sale and transportation (breaking into smaller lots, organisation of shipments, sorting and re-packing);

§ mixing commodities (components) without imparting such qualities to commodities which make them noticeable different from initial components.

3. If no special conditions are put forward with regard to specific commodities and country of origin, general provision applies. According to this provision, commodity is considered sufficiently processed when commodity position under the Nomenclature of commodities has changed at a level of any one of the first four symbols.

4. Criteria of sufficient processing for specific commodity and country are established by the Cabinet of Ministers of the Azerbaijan Republic in accordance with this Law.

Article 28. Identification of the country of origin with commodities being delivered in lots

If declaring person so desires, commodities in disassembled or non-assembled condition, delivered in several lots when they cannot be shipped as one single lot due to production or transport conditions, and also if one lot of commodities has been broken down into several lots by mistake, should be regarded as a single whole when identifying the country of origin.

This rule applies upon the following conditions:

§ customs authorities of the Azerbaijan Republic should be notified in advance about breaking of said disassembled or non-assembled commodities into several lots, with explanation about the reasons, detailed specification for each lot with indication of codes of commodities under the Nomenclature of commodities, cost and country of origin of commodities forming each lot;

§ documents confirming that lot of commodities has been broken down into several lots by mistake;

§ all lots are delivered from the same country by one supplier;

§ all lots are imported through the same customs (custom point);

§ all lots of commodities are delivered within the term not exceeding six months from the date of acceptance of customs declaration, or expiration of term for presentation of declaration for the first lot.

Article 29. Confirmation of the origin of commodity

1. As confirmation of the origin of commodity customs authorities of the Azerbaijan Republic have the right to request certificate of origin for commodity.

2. When, on export of commodities from the customs territory of the Azerbaijan Republic, certificate of origin is required and this is fixed in respective contracts, legislative acts of the country or envisaged by international obligations of the Azerbaijan Republic, said certificate shall be issued by relevant state body.

3. On import of commodities to the customs territory of the Azerbaijan Republic certificate of the origin of commodities must be presented:

§ for commodities originated from the countries which enjoy privileges in customs tariffs granted by the Azerbaijan Republic;

§ for commodities, whose import from this specific country is subordinate to quantitative restrictions (quotas) or other regulatory measures of foreign-economic activity;

§ if so specified by international agreements, Azerbaijan Republic being one of the parties, and legislative acts of the Azerbaijan Republic in the area of protection of public health, safety of the environment, protection of the Azerbaijanian consumers, public order, state security and other viable interests of the Azerbaijan Republic;

§ when in the documents presented for customs clearing information about the origin of commodities is absent, or customs authorities have the reasons to assume that declared information about the origin of commodities is not true.

Article 30. Certificate of the origin of commodity

1. Certificate of the origin of commodity must unambiguously state that said commodity is originated from respective country and should contain:

a) written statement of the sender that commodity corresponds to specific criterion of origination;

b) written statement of authorised bodies of the country-exporter that data specified in certificate are true.

2. Certificate of the origin of commodity is presented together with customs declaration and other documents presented for customs clearing. In case of loss of certificate its witnessed copy is accepted.

3. If there is any doubt concerning validity of certificate and data contained in it, customs authorities of the Azerbaijan Republic may apply to authorised bodies which issued certificate, or other authorised organisation of the country which has been specified as the country of origin, asking for additional data and clarification.

4. Commodity will not be regarded as originated from this specific country, until, as specified in this Law, duly prepared certificate of origin or requested additional data are supplied.

Article 31. Reasons for refusal in clearance of commodities

1. Customs authorities of the Azerbaijan Republic can refuse in clearance of commodities if there is enough evidence that said commodities originate from the country whose commodities may not be cleared in accordance with international agreements (Azerbaijan Republic being one of the participants in these agreements) or in accordance with legislation of the Azerbaijan Republic.

2. Failure to present duly executed certificate or information about the origin of commodities does not constitute grounds for refusal in clearance of commodity through the customs border.

3. Commodities of uncertain origin will be cleared with payment of customs duty at maximum rates of customs tariff of the Azerbaijan Republic.

Article 32. Supplementary provisions on establishment of the country of origin

1. Commodities may enjoy favourable treatment or privileges on condition that duly executed certificate of their origin has been received not later than one year from the date of customs clearance.

2. When identifying country of origin of commodities, origin of electric power, machines, equipment and instruments is not taken into account.

3. Procedure of identification of the origin of commodities imported from the third countries, and also from free customs zones and free warehouses, including rules of «direct shipment and direct purchase» is established by the Cabinet of Ministers of the Azerbaijan Republic.

Chapter VI. Tariff privileges

Article 33. Tariff privileges

1. Tariff privileges (preferences) with respect to commodities are established in this Law, and their use, except articles 35, 36 and 37 cannot bear individual character. Customs preferences are established by decision of the Cabinet of Ministers of the Azerbaijan Republic.

By tariff privilege (tariff preference) we shall mean privilege in trade policy of the Azerbaijan Republic, which is granted on conditions of reciprocity or unilaterally, with regard to commodity cleared through the customs border of the Azerbaijan Republic; said preference is realised in the form of return of earlier paid duty, exemption from payment of duty, reduced rate of duty, establishment of tariff quotas for preferential import (export) of commodity.

2. Procedure of granting of customs privileges envisaged by this Law is established by the Cabinet of Ministers of the Azerbaijan Republic.

Article 34. Exemption from customs duty

The following are exempted from customs duties:

a) transport means used for international transportation of cargo, luggage and passengers, and also articles of supplies and accessories, fuel, food and other products required for normal functioning on the road, in stop points, or articles purchased abroad for liquidation of accident (breakage) of said transport means;

b) articles of supplies and accessories, fuel, food and other property exported outside the customs territory of the Azerbaijan Republic, in order to provide normal operation of Azerbaijanian vessels leased (rented) by legal entities and physical persons of the Azerbaijan Republic which carry out fishing, and also products of their activity imported to the customs territory of the Azerbaijan Republic;

c) commodities imported to the customs territory of the Azerbaijan Republic and exported from this territory for official or personal use by representatives of foreign countries, physical persons having the right for duty-free importation and duty-free exportation of such commodities in compliance with international agreements of the Azerbaijan Republic and legislation of the Azerbaijan Republic;

d) currency of the Azerbaijan Republic exported from the customs territory of the Azerbaijan Republic and foreign currency (except that used for numismatics), securities imported to this territory in accordance with legislation of the Azerbaijan Republic;

e) commodities which are subject to expropriation in favour of the state in cases envisaged by legislation of the Azerbaijan Republic;

f) commodities imported to the customs territory of the Azerbaijan Republic and exported from this territory with the objective of elimination of consequences of accidents and catastrophes, natural calamities or as humanitarian aid, including free text-books for schools, nursery schools and medical institutions;

g) commodities imported to the customs territory of the Azerbaijan Republic and exported from this territory as free aid and charity at a level of states, governments, international organisations, including technical assistance, and also money and/or other material assistance, received as grant according to the agreement or resolution on grant provision;

h) commodities transported under the control of customs authorities, as a transit, through the customs territory of the Azerbaijan Republic and intended for third countries;

i) commodities exported by physical persons from the customs territory of the Azerbaijan Republic for personal use, and not intended for production and commercial activity in accordance with Customs code of the Azerbaijan Republic;

j) national cultural valuables, returned back to the territory of the Azerbaijan Republic.

k) sport equipment, appliances and goods imported to the country by respective executive power body for training of team.

l) mass media — for export of mass media production, and also equipment, required raw materials and other assets, imported by them for organization of their activity;

m) for import to the Azerbaijan Republic and export from the Azerbaijan Republic of earned funds of migrant worker and goods, home appliances bought for these means and also tools, required for work at the commencement and termination of the labor activity of migrant worker.

Article 35. Provision of tariff preferences

When implementing trade policy in relations of the Azerbaijan Republic with foreign countries, preferences may be established in the form of exemption from payments of duties, reduction of rates of duties or establishment of quotas for preferential import (export) regarding commodities:

§ with the origin in the countries which have established customs union together with the Azerbaijan Republic or free trade zone, or signed agreement on establishment of such union or such zone;

§ with the origin in developing countries, enjoying national system of preferences, which is amended periodically, but not earlier than once in a five years, by the Cabinet of Ministers of the Azerbaijan Republic.

Article 36. Provision of tariff privileges

When implementing trade policy of the Azerbaijan Republic within the borders of its customs territory, privileges may be provided in the form of return of earlier paid duty, reduced rate of duty and exemption, in exceptional cases, from payment of duty regarding the following commodities:

§ imported to the customs territory of the Azerbaijan Republic and exported from this territory temporarily, under the customs authorities control, within the limits of relevant customs conditions specified by the Customs code of the Azerbaijan Republic;

§ exported as a part of complete set of equipment which is intended for projects of investment co-operation under the intergovernmental agreements with the Azerbaijan Republic as one of the partners;

§ exported from the customs territory of the Azerbaijan Republic for state needs identified in accordance with legislative acts of the Azerbaijan Republic;

§ imported to the customs territory of the Azerbaijan Republic as a contribution into the ownership funds of enterprises with foreign investments and foreign enterprises, and also some products exported by these enterprises of their own production, under production-sharing agreements concluded by the Government of the Azerbaijan Republic or public bodies, in accordance with legislation of the Azerbaijan Republic, or for a period of pay-back of foreign investments in an order established by National Assembly of the Azerbaijan Republic.