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**1-4 November 2011**  
Almaty, Kazakhstan  
"Atakent" IEC

### *Dear USAPEEC members!*

On November 1-4, 2011 the biggest Central Asian Food Show "World Food Kazakhstan" will take place in Almaty, Kazakhstan, International Exhibition Center "Atakent".

The event has become a major meeting place for the industry, welcoming thousands of visitors from Kazakhstan and the wider Central Asian region.

World Food Kazakhstan has proved an effective forum for discovering more about local market and meeting professionals within the industry, including producers, distributors, wholesalers, retailers and restaurateurs.

USAPEEC has successfully participated in five previous WFK food shows and will have a booth this year also.

**USAPEEC members are cordially welcomed to join us at the USAPEEC lounge!**

**USAPEEC members interested in participation are encouraged to contact Bella Ablaeva at [usapeeckz@yahoo.com](mailto:usapeeckz@yahoo.com) or at [bella\\_usapeec@yahoo.com](mailto:bella_usapeec@yahoo.com)**

Additional information on the show can be found at [www.worldfood.kz/eng](http://www.worldfood.kz/eng)

Welcome to Kazakhstan's leading food industry exhibition!

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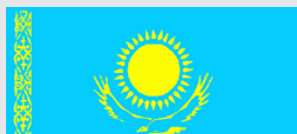
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## Kazakhstan



### Kazakhstan will toughen the penalties for the illegal import of meat

Ministry of Agriculture of Kazakhstan will take steps to increase the responsibility of entrepreneurs for the illegal meat imports, Ministry of Agriculture Asylzhan Mamytbekov informs.

He noted that with the establishment of the Customs Union, Kazakh side has undertaken obligations to implement an appropriate veterinary control at the southern borders. Therefore, they will severely suppress unauthorized supplies of products of animal origin.

“Now we are working on toughening the responsibility of entrepreneurs for illegal imports. We are introducing special procedures for the declaration of veterinary products. We can say that this process is fully controlled”, A. Mamytbekov said.

He believes that at present Kazakhstan is self-sufficient in meat products. And small volumes of meat that are still supplied into the country are mainly used in technical processing, including the production of canned stewed meat, sausages, etc.

On August 16, the Ministry of Agriculture of Kazakhstan has destroyed over 200 MT of meat of unknown origin worth KZT 170 million (about 1.2 million USD).

*Source: IA BNewsKz (www.bnews.kz)  
Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

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Visit our web site:  
[www.usapeec.kz](http://www.usapeec.kz)**

## Kazakhstan, Russia and Belarus are creating a common quality mark for CU

In accordance with Customs Union Commission's Decision No. 711 as of July 15, 2011



goods produced in Kazakhstan, Russia and Belarus and imported ones (including food and consumer goods) must be sealed with a common mark of circulation of goods. The new logo will ensure compliance with quality standards of the Customs Union. So if the certification procedure is passed, commodities are sealed with a common mark and given a certificate, and then they are marketed in the three countries

A unified quality mark will look as follows: “EAC”. It stands for Eurasian Conformity. It should be applied to each unit of product, packaging or accompanying documentation.

Earlier Russia used the following mark –“PCT” to verify compliance with state standards (technical regulations).

*Source: IA Kazakhstan Today (www.kt.kz)  
Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

## Agreement on FTZ with CIS will be reviewed within the framework of CU

At present, a new version of the Agreement on Free Trade Zone of the CIS countries is being developed, according to Igor Kurkov, the Head of Russian State Customs Committee Mission under the State Customs Service of the Kyrgyz Republic.

The new version of this agreement is being worked out taking into account current trade turnover within CIS countries. I. Kurkov believes that the agreement will not be changed significantly.

“Customs Union is primarily economic union and it helps to increase trade turnover by removing tariff barriers and simplifying customs procedures in the Customs Union”, Igor Kurkov said.

He noted that the Government of Kyrgyzstan has made clear political decision to join the Customs Union. In this connection an interdepartmental committee was set up, which is now studying the requirements and terms for Kyrgyzstan's entry into the Customs Union of Russia, Belarus and Kazakhstan.

“The norms that exist both in the Customs Union and Kyrgyzstan are being intensively examined now”, he added.

*Source: IA TheNewsKz (www.thenews.kz)*

*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### **Putin sets sights on Eurasian Economic Union**

Twenty years after the Soviet Union collapsed, Vladimir Putin, Russian Prime Minister, may not, as is sometimes alleged, be trying to recreate it. But he is pursuing a different project – to build a “quasi-European Union” out of former Soviet states.



A customs union he launched a year ago between Russia, Belarus and Kazakhstan has already removed tariffs and customs controls along the three states' internal borders.

Starting January, 2012 this is due to expand into a “common economic space”, ensuring free movement of goods, services and capital across a single market of 165 million people – 60 percent of the former Soviet population. At a Moscow summit in August, Prime Ministers of the three states set an even more ambitious target – turning the grouping into a “Eurasian economic union” by 2013. There is even talk, down the line, of a common currency. Putin also suggested that once the common economic space is established, its members should start talks on a free-trade agreement between the bloc and the EU. Given Russia has spent 18 years negotiating – so far unsuccessfully – membership of the World Trade Organisation, such a grand

agreement seems a distant prospect. Rebuilding ties between former Soviet states has long been V.Putin's goal. In 2000 he signed an agreement with half a dozen countries to create the Eurasian Economic Community, or EurAsEc. Since 2009, he has pursued deeper integration with two EurAsEc members towards the current Customs Union. N.Nazarbayev, Kazakh President, embraced the plan. Belarus, its economy heavily dependent on Russia's, was corralled into it with energy-related carrots and sticks. The deepening customs union has the typical advantages of stimulating business development by removing trade barriers. It could also help restore horizontal links between industries and enterprises severed when the USSR collapsed. Moreover, by tying Kazakhstan – former Soviet central Asia's most successful economy – to Russia, it counters growing Chinese influence in the region.

Neighbouring Kyrgyzstan and Tajikistan have also expressed interest in joining. Intriguingly, the union might succeed where other attempts have failed and force Russia to improve its business climate. On Russia's European flank, the customs union provides both an incentive and a mechanism for Russia to support Belarus – mired in a financial crisis that has forced a sharp devaluation – and prevent public unrest that could see Minsk shift towards the EU. Some experts believe that Russia will keep Belarus on a drip. They will give it enough, through subsidised energy supplies, to keep the economy afloat, but not enough for Lukashenko to feel emboldened to challenge Russia.

People say Mr Putin would dearly love to “complete” the union by bringing in Russia's big Slavic neighbour, Ukraine. Adding its 45 million people would extend the bloc to three-quarters of the former Soviet population. Whether Ukraine joins or not, Putin has cleverly taken advantage of the west's preoccupation with its debt problems, says Nikolai Petrov of the Moscow Carnegie Centre think-tank. “When Russia is relatively in a better position than many euro countries, it's a good time to promote its integration ideas,” he says.

*Source: IA Financial Times (www.ft.com)*

### **Customs Union: Russian SanPiN on content of antibiotics in animal products has been amended**

Russian Sanitary rules and norms on the content of antibiotics in products of animal origin (meat, fish, eggs, milk, honey, baby food, canned food, etc.) have been changed.

On August 10, 2011 the Russian Chief State Veterinarian's decision on the approval of SanPiN 2.3.2.2871-11 "Amendments No. 24 to SanPiN 2.3.2.1078-01 "Sanitary requirements for safety and nutritive value of food" came into effect. For example, the maximum permissible level (MPL) of streptomycin is reduced from 0.5 mg / kg to 0.2 mg / kg, penicillin from 0.01 mg / kg to 0.004 mg / kg.

MPL of antibiotics from the tetracycline group in the mentioned products remained unchanged and it is 0.01 mg / kg, bacitracin - 0.02 mg / kg.

The new MPL for chloramphenicol takes effect starting January 1, 2012. Thus, until January 1, 2012 chloramphenicol in meat, milk, eggs and butter should not exceed 0.01 mg / kg, after that date - 0.0003 mg / kg.

*Source: IA MeatInfo (www.meatinfo.ru)  
Translated by: www.usapeec.kz - USAP-EEC Central Asia Eastern Europe office*

### **Agreement on Customs Union's functioning has been submitted for ratification**

Russian President Dmitry Medvedev has submitted to State Duma (the lower house of the Federal Assembly, Parliament of Russia) for ratification the Agreement on the Customs Union's functioning within a multilateral trade system, which was signed in Minsk on May 19, 2011.

The draft agreement was worked out and submitted to the CIS Executive Committee in late 2008. Agreement provisions on free trade zone are designed to improve the existing



trade regimes established by previously-signed multilateral and bilateral agreements in this area, as well as help to reduce the number of existing exemptions in mutual trade. Compliance of the agreement with the norms and rules of the multilateral trading system will facilitate the entrance of Customs Union members into the WTO and will ensure compatibility with the commitments taken in respect of third countries by the WTO members.

The decision to establish the Customs Union of Russia, Belarus and Kazakhstan was taken in August 2006 during the informal summit of the Eurasian Economic Community (EEC). Customs Union provides for the creation of a Unified customs territory, within which customs duties and restrictions of economic nature shall not apply (with the exception of special protective, antidumping and countervailing measures). In the framework of the Customs Union shall apply the common customs tariff and other common measures regulating the trade with third countries.

The supreme body of the Customs Union, in accordance with the agreement as of October 6, 2007, is the Inter-State Council, which includes the Heads of States and Heads of Governments of the three republics.

*Source: Russian Customs Portal (www.tks.ru)  
Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### **Customs Services of Russia, Belarus and Kazakhstan will get united into a Single Board**

A Single Board of customs agencies of Russia, Belarus and Kazakhstan will be launched in the near future, according to the Head of Legal Department of the State Customs Committee of Belarus Alexander Adereyno.

Mr. Adereyno informs that the board will address the issues within the Customs Union. In addition the new customs body will work on improvement of the regulatory framework of the Customs Union.

*Source: IA Zakon.Kz (www.zakon.kz)*

## Trade turnover between Customs Union countries increased by 41 percent in H1 of 2011

Trade turnover between Russia, Kazakhstan and Belarus in the first six month of 2011 increased by 41 percent compared to the same period last year and reached USD 29.3 billion, according to the Prime Minister of Russia, Vladimir Putin. For comparison: in the first six months of 2010 goods turnover of Russia, Belarus and Kazakhstan made up USD 20.8 billion vs. USD 29.3 billion in the first half of 2011.



Starting July 1, 2011 control over the movement of goods at the internal borders of Customs Union countries has been cancelled. Thus, the formation of a full-fledged Unified customs territory has been completed.

Customs Union countries will continue setting up integration tools in the Union and Common Economic Space.

*Source: IA PprimeTass (www.prime-tass.ru)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

## Kazakhstan Government plans to spend USD 181 million on the purchase of meat products

Kazakh Government plans to spend KZT 26.3 billion (USD 181 million) on the purchase of meat and meat products, according to LLC "Center of e-commerce".

President of LLC "Center of e-commerce", Sultanzhan Akhmetov believes that from an economic point of view electronic public procurements will encourage the development of local businesses. And it will also help companies to have an access to the Government contracts as they didn't have such an opportunity before.

According to statistics, Kazakhs prefer beef and veal to other meats. Therefore, the major part of the sum - KZT 8.2 billion (about USD 57 million) - will be spent on the purchase of

these meats. Lamb and poultry meats rank second and third: KZT 6.5 billion (about 45 million USD) and KZT 5.4 billion (about USD 37 million) will be spent on the purchase of these meats respectively. In addition, the Government plans to buy meat by-products at KZT 4 billion (USD 27 million) and some other meats.

*Sources: IA Kazakhstan Today (www.kt.kz)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

## Kyrgyzstan



## Russia and Kyrgyzstan will discuss the Republic's entry into Customs Union

The Head of the Russian Customs Service Andrey Belyaninov and the Head of the State Customs Service of Kyrgyzstan K.Kulmatov met in Cholpon-Ata city on August 18 to discuss the country's entrance into the Customs Union of Russia, Kazakhstan and Belarus. The Sides have also discussed bilateral cooperation in trade and economy and its future expansion.

As of today Andrey Belyaninov has already held several meetings in Kyrgyzstan, including the one with the Prime Minister Almazbek Atambayev. During the meeting the Sides discussed the Kyrgyz-Russian relations as well as the issues on an uninterrupted supply of fuel and lubricants from Russia to Kyrgyzstan. In addition they discussed the upcoming session of the Intergovernmental Commission, which will be held in November in Bishkek. "Kyrgyzstan and Russia are strategic partners. Our top priority is to further strengthen the close relations with the Russian Federation in the spirit of the Declaration on Eternal Friendship, Alliance and Partnership", Prime Minister of Kyrgyzstan said.

*Source: Russian Customs Portal (www.tks.ru)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

## Tajikistan



### CIS summit will be held in Dushanbe in early September

20th CIS summit will be held in Dushanbe, capital of Tajikistan on September 2-3. It will be timed to the 20th anniversary of the Commonwealth. 11 projects of the documents are submitted for consideration during the CIS summit in Dushanbe, according to the Executive Committee of the Commonwealth. The Heads of States are planning to discuss the implementation of the Plan of basic measures to implement the concept of further development of the Commonwealth of Independent States.

The Commonwealth of Independent States (CIS) is a regional organization whose participating countries are former Soviet Republics, formed during the breakup of the Soviet Union. It now consists of Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan and Ukraine.

Meanwhile, IA BakuToday reports citing a source at the Russian Embassy in Dushanbe that Russian President Dmitry Medvedev will arrive in Dushanbe on a working visit. It is expected that during the visit the Russian leader would attend the meeting of the CIS Heads of States and hold a meeting in the format of the Quartet with the participation of the Presidents of Afghanistan, Pakistan, Russia and Tajikistan.

*Source: IA CANews (www.ca-news.org)*

*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### Tajikistan meat production increased by 5 percent, while prices have risen by almost 20 percent

In the first half of 2011 the number of cattle in Tajikistan increased by 50,500 heads that is an increase of 2.7 percent compared to the same period last year.

According to the State Statistics Agency of Tajikistan as of July 1, 2011 the number of cattle in farms of all categories totaled slightly over 1.9 million heads.

As of July 1, 2011 Tajikistan produced over 51,300 MT of meat that is an increase of 5 percent compared to the same period last year.

*Source: Tajikistan Informational Portal (www.toptj.com)*

### *Kazakhstan poultry import statistics over January-June 2011\**

Country	Value	Quantity
<b>World</b>	<b>61,984</b>	<b>61,636</b>
<b>United States</b>	<b>41,569</b>	<b>49,090</b>
Ukraine	19,246	11,268
Poland	621	741
Brazil	436	462
France	95	60

Value Unit: Thousands of USD  
Volume Unit: MT

\* Source: Customs Control Committee under the Ministry of Finance of Kazakhstan.

\* Share of U.S. in total volume of poultry imports into Kazakhstan over January-June 2011 made up 80 percent.