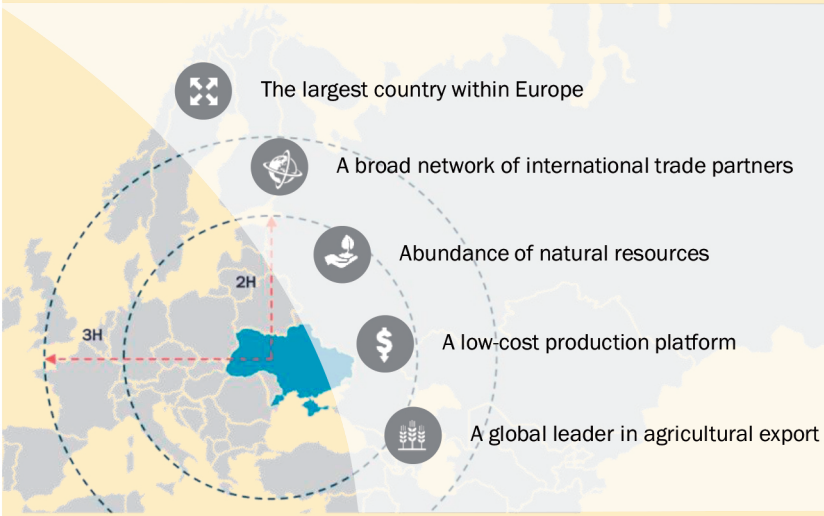
NORWEGIAN-UKRAINIAN BUSINESS GUIDE FOR FRUITS

WHY DO BUSINESS WITH UKRAINE?



- The largest country within Europe
- A broad network of international trade partners
- Abundance of natural resources
- A low-cost production platform
- A global leader in agricultural export

EFTA-UKRAINE FREE TRADE AGREEMENT

The EFTA-Ukraine FTA was enacted in 2010 and has **a comprehensive coverage,** including **trade in goods and services, investment,** protection of intellectual property rights, government procurement and provisions on competition

BENEFITS FOR NORWAY

- Import opportunities of agricultural products
- Customs simplification

BENEFITS FOR UKRAINE

- Access to a new market with a strong demand for agricultural products
- Duty-free trade for some industrial goods

BENEFITS FOR BOTH SIDES

- Tariff concessions on agricultural products
- Simplified trade and reduced regulations

HOW TO EXPORT FRUITS FROM UKRAINE?

SUBMIT REQUIRED DOCUMENTS TO THE CUSTOMS

- **Documents of Customs Accreditation** are obligatory for starting export procedures. Documents are issued by customs authority and can be received within 2 days maximum after customs registration.
- **Foreign trade agreement** that contains (1) delivery terms, (2) terms of payment, (3) the subject of the contract, (4) price and total value of products
- **Product specification** that consists of (1) volume of goods, (2) unit of measurement, (3) price per unit, (4) the total price of consignment
- **Invoice** that contains (1) the seller, (2) buyer, (3) product and its price, (4) terms of sale and delivery, (5) a reference to the foreign trade agreements
- **Packing list** that consists of (1) weight of the consignment, (2) quantitative characteristics of the product, (3) packing materials
- **Transportation documents** that vary across means of transport: (1) bill of lading (B/L) for sea transport, (2) air waybill (AWB) for air transport, (3) road waybill (CMR) for road transport

TAKE SPECIAL CUSTOMS CONTROL

Radiological control

Required for all products and conducted during customs clearance by the State Fiscal Service of Ukraine

Phytosanitary control

All fresh fruits are subject to phytosanitary control, processed fruits are not required to take such control

PAY TAXES AND MANDATORY FEES

There are no customs payments for selected fruits and fruits products as per Ukrainian legislation

TRANSPORT OPTIONS

- The most beneficial means of transport for fresh fruits would be road ones and for fruits products, both sea and road transport can be considered
- The costs of delivery depend on the product, its weight, price etc. and can be calculated after the submission of an application to a logistic company

HOW TO IMPORT FRUITS TO NORWAY?

SUBMIT REQUIRED DOCUMENTS TO THE CUSTOMS

- **Customs declaration** that can be submitted through TVINN - Norwegian Customs electronic system for exchanging customs declarations and should be sent to the customs region where a company is domiciled
- **Single Administrative Document (SAD)** that is a standardized customs form that contains the information taken from invoices, shipping documents, and acquired permissions
- **Invoice** that includes (1) information about the seller and buyer, (2) time and place for dispatch, (3) size of consignments, (4) description of consignment content, (5) terms of delivery, (6) commodity origin, (7) agreed price
- **Transportation documents** that vary across means of transport: (1) bill of lading (B/L) for sea transport, (2) air waybill (AWB) for air transport, (3) road waybill (CMR) for road transport
- **Health certificate.** Import of fresh fruits and berries must be accompanied by health certificates, according to Regulation No 1333 from 2000

MEET TARIFF POLICY REQUIREMENTS

Fresh apples - **USD 0.46 per kg**

Apple juice **USD 3 per kg**

Fresh cranberries and bilberries **no customs duty**

VAT for foodstuff is 15%

MEET NON-TARIFF POLICIES

Should be registered at **Norwegian Food Safety Authority**

Have to be labelled **in Norwegian**

Should follow **EU regulations on packaging**

PRACTICAL HINTS

- The easiest way to prepare all required documents is to turn to licensed customs brokers
- In order to receive a tailored transport solution, please, consider a licensed logistic company, which can also provide consulting services and insurance

FRUITS – AGRICULTURAL SECTOR WITH A HIGH CROSS-BORDER POTENTIAL

SELECTED FRESH AND PROCESSED FRUITS

Criteria for comparison	FRESH APPLES 080810	APPLE JUICE 200979	CRANBERRIES & BILLBERIES 081040
FRUITS - NORWEGIAN STRATEGICALLY IMPORTANT PRODUCTS...			
Share of total import	7.8%	1.3%	6.4%
Import value	USD 67 mln	USD 11 mln	USD 55 mln
Annual growth of import	-2%	-13%	13%
... AND UKRAINIAN HIGHLY DEVELOPED PRODUCTS			
Share of total export	5.3%	52%	4.7%
Export value	USD 12 mln	USD 115 mln	USD 10 mln
Annual growth of export	13%	-5.5%	38%

COMPETITIVE ADVANTAGES OF UKRAINIAN FRUITS

Lower prices[1]	48% cheaper	23% cheaper	70% cheaper
Tariffs[2]	15% lower than EU (0.46 USD/kg)	Same as EU (3 USD/kg)	Same as EU (duty-free)
High quality	▪ Ukrainian fruits are required to comply with harmonized EU standards ▪ Ukrainian fruits have unique taste qualities		
Global recognition	▪ Ukraine is the 5th largest producers of blueberries in Europe ▪ Ukraine is the third largest exporter of apple juice globally		

[1] *Comparison of Ukrainian export prices with Norwegian import prices*
[2] *Comparison of Norwegian customs tariffs for Ukraine and the EU*