

WORLD TRADE ORGANIZATION

RESTRICTED

WT/ACC/BLR/7

19 December 1997

(97-5540)

Working Party on the Accession of Belarus

Original: English

ACCESSION OF BELARUS

Additional Questions and Replies

The Permanent Mission of Belarus has submitted answers to additional questions on the foreign trade regime of the Republic of Belarus submitted by members after the first meeting of the Working Party. Members will be informed as soon as the documents mentioned in the replies are available in the Secretariat for consultation.

Delegations wishing to raise additional questions concerning the foreign trade regime of Belarus might inform the delegation of Belarus (with a copy to the Secretariat) of such questions in advance of the next meeting of the Working Party, so that considered replies can be made available by Belarus to Members at the time of the Working Party meeting.

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II. ECONOMY, ECONOMIC POLICIES AND FOREIGN TRADE

II.1 Economy

II.1(b) Current economic situation

Question 1:

Have transport tariffs been definitively liberalized? What is the present situation as regards subsidies to transport services? (WT/ACC/BLR/2, Question 6)

Answer:

Tariffs have been completely liberalised on the carriage of cargo by automobile transport and the carriage of passengers and cargo by river transport facilities.

Subsidies from the State budget are provided for covering losses from the carriage of passengers by automobile transport facilities on suburban lines as well as by urban public transport facilities. State regulation is preserved in relation to tariffs for transportation of passengers, cargo and luggage by railway transport, for services of postal and electric communications as well as for the payment of living accommodations and communal services by the population.

Question 2:

According to the response to Question 6 of WT/ACC/BLR/2, the Government of Belarus has no plans to introduce market prices for rental and communal services. What items, other than heating, rents and public transport, are considered rental and communal services subject to regulated prices?

Answer:

The prices and tariffs for communal services which are subject to regulation also include provision to the population of electricity, services on water supply, sewerage, gas supply, hot-water supply and garbage collection and disposal. The Government continues to regulate tariffs for communal services, gas and electricity paid by the population. In 1997, it is envisaged to gradually liquidate the cross subsidising and the reduction of budgetary subsidies in this sphere. To reach this aim, the Government increased by 10 per cent tariffs for communal services on 1 January and 1 April 1997 and will continue to constantly and gradually increase the tariffs during the second half of 1997 so as to reach 46 per cent increase in real expression.

II.2 Economic Policies

II.2(a) Main directions

Question 3:

In reviewing the responses contained in WT/ACC/BLR/2, it appears that the Republic of Belarus has made a considerable number of changes to its trade regime since the submission of its Memorandum on the Foreign Trade Regime in January 1996. Please provide a summary of the major changes to the foreign trade regime that have taken place since that time. Also please list

and describe the major trade items that the Government of Belarus intends to enact or otherwise implement by the end of 1997.

Answer:

See Annex 1.

Question 4:

It is our understanding that Belarus signed a major political and economic co-operation agreement with Russia in April 1997. Please provide a translated copy of this agreement to the WTO Secretariat for review by the Working Party and provide a brief description of it. How will this bilateral agreement with Russia affect the Customs Union Agreement with Russia and Kazakhstan? Does the Government of Belarus envision the implementation of the April 1997 bilateral agreement with Russia as a step toward the creation of a single customs territory for Russia and Belarus? Do the agreements explicitly provide for the creation of a single customs territory? Please explain why Belarus should be considered a separate customs territory for WTO purposes given the absence of customs administration on the border with Russia and its deepening economic integration relationship?

Answer:

See answer to the Question 219.

Question 5:

Please supply the text of the multilateral Free-Trade Area Agreement among all Member States of the CIS, the Agreement on a Customs Union with Russia, Kazakhstan and the Kyrgyz Republic and of the Charter of Union with Russia. Please indicate the provisions laying down how decisions will be taken in pursuance of these Agreements.

Answer:

The documents will be submitted to the WTO Secretariat.
See also answer to the Question 219.

Question 6:

According to the Memorandum, preferential credit from the National Bank to the government and enterprises has been curtailed substantially. Please identify the governmental agencies that are recipients of preferential credit, the purposes of the preferential credit and the amounts of preferential credit provided. Please identify the five industrial sectors that receive the largest amounts of preferential credit from the National Bank. What are the purposes of the preferential credits and the amounts provided?

Answer:

In the first half of 1997 the National Bank of the Republic of Belarus provided privileged credits to banks that are authorized to service the Government programs (JSCB "Belagroprombank", JSCB "Belpromstroybank", JSCM "Belarusbank", JSCB "Belbusinessbank", JSC "Priorbank") for the following purposes:

- the performance of spring field work according to Decree No. 148 of the President of the Republic of Belarus dated 11 November 1997 "On Preparation to Spring Field Work in 1997" in the amount of 1751.4 billion roubles;
- the construction of apartments for living according to Decrees of the President of the Republic of Belarus in the amount of 2274.1 billion roubles;
- the compensation of deposits of the population in accordance with Decrees of the President of the Republic of Belarus No. 168 dated 8 May 1996 and No. 536 dated 12 December 1996 in the amount of 67.7 billion roubles;
- the supplementing of current funds of the pork-production enterprises in accordance with the Republican Programme in the amount of 406.3 billion roubles.

In the current year, the National Bank has not provided preferential credits to the industry.

Question 7:

The answer to question 32 (WT/ACC/BLR/2) states that there are no customs controls on the border between Belarus and Russia. How then can Belarus ensure that its trade policies are correctly implemented?

Answer:

See answer to Question No. 219.

Question 8:

It is stated that "all enterprises have been made independent from the government" (Memorandum, page 6). What exactly does this mean? Who appoints the management of enterprises? Where do enterprises obtain the capital necessary to run their businesses?

Answer:

The phrase "all enterprises have become independent of the Government" implies that all enterprises carry on their economic activities on the basis of commercial considerations without interference by the Government.

At the same time, in accordance with Article 7 of the Constitution of the Republic of Belarus the Government acts on behalf of the owner in relation to the property that is property of the Republic of Belarus and organises management of the State property.

As regards questions of appointment of enterprise managers and where the enterprises take capital for organisation of their activities, in accordance with Articles 45 and 35 of the Law "On Enterprises in the Republic of Belarus" (WT/ACC/BLR/1/Add.1), hiring (appointment, election) of the enterprise manager is the right of the owner of the enterprise' property and is carried out by him directly or through bodies authorized by him or through enterprise Board or other bodies that have been delegated the enterprise management rights.

Sources for the formation of the enterprise's property are:

- pecuniary and material contribution of the founders;
- revenues from sale of products and services as well as from other kinds of economic activities;
- revenues from securities;
- bank credits and other credits;
- capital investments and subsidies from the budget;
- gratuitous or charity contributions, and donations of organisations, enterprises and physical persons.

Question 9:

Please explain in more detail the different stages of privatization referred to in Section IV, 3(a) on page 9, of the Memorandum:

- (i) formation of joint stock companies;**
- (ii) acquisition of shares by private investors.**

Answer:

(i) Organisation of joint-stock companies in the process of reformation of the State property is the transformation of State enterprises into joint-stock companies. At this stage, all preparatory work on the establishment of a joint-stock company is done, i.e. submission of the proposal on the establishment of the joint-stock company, organization of the commission at the enterprise on preparation of foundation documents, determination of the authorized fund of the company, etc., and finally, taking of the decision on the establishment of the joint-stock company by the privatisation bodies or local bodies of government (depending on the enterprise to be transformed).

(ii) Acquisition of shares by private investors is the process of privatization itself during which shares of the joint-stock company are transferred to private investors for possession and disposal. Sale of shares of joint-stock companies to private investors is carried on in two stages. At the first stage (during five months from the time the open joint-stock company is created), shares are sold for cash and exchanged for personal privatisation vouchers "Property" of the employees. At the second stage, the remaining shares are submitted for sale at auctions and tenders to other investors including physical persons.

Question 10:

Please provide an update of progress in privatization, giving statistics for the percentage of GDP accounted for by:

- (i) enterprises wholly owned by the government;**
- (ii) enterprises in which the government holds 51 per cent or more of shares;**
- (iii) enterprises in which the government holds 25 per cent or more of shares.**

Answer:

Information on the progress of destatization and privatisation of State property in the Republic of Belarus over 1991 to June 1997:

	Years							
	1991-	1995		1996	January	- June	1991-	Jan.
	Republican/ communal	total	Republican /communal	total	Republican/ communal	total	Republican/ communal	total
1	2	3	4	5	6	7	8	9
Number of enterprises privatised	<u>428</u> 1167	1595	<u>136</u> 390	526	<u>147</u> 161	308	<u>711</u> 1718	2429
By methods:								
1. Buy-out of leased property	<u>102</u> 223	325	<u>5</u> 53	58	<u>1</u> 24	25	<u>108</u> 300	408
2. Buy-out of State property by the employees	<u>25</u> 112	137	--	--	--	--	<u>25</u> 112	137
3. Transformation into the JSC	<u>278</u> 277	555	<u>92</u> 129	221	<u>97</u> 33	130	<u>467</u> 439	906
4. Sale through tender	<u>16</u> <u>226</u>	242	<u>0</u> <u>42</u>	42	<u>0</u> 16	16	<u>16</u> 284	300
5. Sale through auction	<u>7</u> 329	336	<u>0</u> 166	166	<u>0</u> 88	88	<u>7</u> <u>583</u>	590

Calculation of the GDP in per cent for enterprises with different shares of State property is not made in Belarus. The gross domestic product is calculated according to the forms of property: State (governmental), private, collective, mixed and foreign. Enterprises and organisations with the State form of property account for 60 per cent of the GDP.

Question 11:

Please give details of all items still subject to price controls and the nature of these controls.

Answer:

The State regulation of prices (tariffs) is effected mainly in relation to products (services) of enterprises, in particular for oil of the domestic mining and petroleum products manufactured from this petroleum, natural and liquefied gas, electric and thermal energy; mineral fertilisers, precious metals, white vodka and alcohol, other alcoholic products (minimum prices), for mass-scale defence products, most important medicinal drugs and other medical products as well as certain kinds of export products (indicative prices). State regulation is preserved in relation to tariffs for transportation of passengers, cargo and luggage by railway transport, for services of postal and electric communications as well as for the payment of living accommodations and communal services by the population.

Local bodies of executive power regulate prices and maximum trade margins for certain socially important goods and services for local consumption (mass-grade bread, milk and sour milk products, children's foodstuff and goods for children); tariffs for thermal energy, for transportation of passengers by city general-use transport facilities (except for taxi), prices on solid fuel and woods for the population, communal services for the population - water supply, sewerage, heating, hot-water supply as well as extra charges on public catering products.

Question 12:

Are the minimum prices that still exist in Belarus set exclusively for alcoholic drinks and spirits? (WT/ACC/BLR/2, Question 12)

Answer:

Yes, there are: on imported products - the minimum prices, on different kinds of vodka of domestic production, depending on the kind of vodka - the minimum prices or fixed prices.

Question 13:

According to the response to Question 12 of WT/ACC/BLR/2, the Government of Belarus sets minimum prices for imported alcoholic beverages, based on current prices of analogous beverages produced in the Republic of Belarus. Are imported spirits subject to both minimum import prices and regulated retail prices? How does the Government of Belarus intend to eliminate the minimum import prices on alcoholic beverages in accordance with the national treatment requirements of GATT Article III.4?

Answer:

The Price Committee of the Ministry of Economy introduced on 12 March 1996 the selling prices for imported alcoholic products realised on the territory of the Republic of Belarus the level of which varied after that date.

Retail prices for imported alcoholic products sold on the territory of the Republic of Belarus are regulated through the establishment of the minimum selling prices and the minimum trade margin in the amount of 30 per cent of the price formed by the entity who have purchased goods outside the Republic. On import vodka the price is formed on the basis of contract price plus custom duty, VAT and excise tax.

The minimum selling price includes only the sum of obligatory taxes stipulated for import of alcoholic production (custom duty, VAT and excise tax). It does not include contract price and importer's profit and other costs.

On white vodka of domestic production fixed retail prices are established. Their level is formed on the basis of industrial costs plus the amount of profit plus VAT and excise tax at the rate of 80 per cent.

The maximal margin of retail price is not established.

Establishment of minimum and fixed prices is aimed at the protection of human health.

II.2(c) Foreign exchange and payments systems

Question 14:

The Republic of Belarus appears to have a history of balance of payments difficulties. What is the current amount of foreign reserves. Please provide a balance of payments schedule for the last four years.

Answer:

Balances of payment of the Belarus are annexed (see Annex 2).

Question 15:

Please provide translated copies of Regulations of the National Bank No. 768 of 1 August 1996 and No. 790 of 7 October 1996, explaining the foreign exchange regime, to the Secretariat for review by the Working Party.

Answer:

These documents will be submitted to the WTO Secretariat.

Question 16:

Please provide a translated copy of Presidential Decree No. 236 of 28 July 1996, which requires exporters to sell 50 per cent of foreign currency deposits at the inter-bank foreign exchange. Is the Government of Belarus imposing this restriction in order to satisfy a requirement established by the International Monetary Fund.

Answer:

On 2 June 1997, Decree No. 311 of the President of the Republic of Belarus "On Further Regulation of the Procedure of Mandatory Sale of Foreign Currency" was signed which established that legal persons and entrepreneurs without the formation of the legal person must sell at the Inter-Bank Currency Exchange 30 per cent of funds in freely convertible currency and in Russian roubles within five days from the day these funds are transferred to the accounts in Belorussian or foreign banks. Decree No. 236 dated July 1996, 1996 is null and void. Decree of the President of the Republic of Belarus No. 311 dated 2 June 1997 will be submitted to the WTO Secretariat.

Question 17:

Does Belarus plan to accept IMF, Article VIII obligations?

Answer:

Yes, the work is being done in this direction.

Question 18:

Does Belarus intend in the medium term to assume the obligations laid down in Article VIII of the IMF Articles of Agreement? (WT/ACC/BLR/2, Question 19)

Answer:

Yes, this issue is being worked upon at present.

II.2(d) Foreign and domestic investment policies

Question 19:

According to the Memorandum, foreign investment may either take the form of Joint Ventures with Belorussian partner, or of wholly foreign-owned enterprises. Are foreign individuals allowed to invest in Belarus without a domestic partner? Are foreign enterprises allowed to open branches in Belarus, without having to create Belorussian subsidiaries?

Answer:

Yes, with some exceptions, particularly in some services sectors (See answer to Question 212).

Foreign enterprises are allowed to open branches in Belarus without having to create Belorussian subsidiaries.

Question 20:

According to the response to Question 28 of WT/ACC/BLR/2, special licensing requirements apply to dealership in government securities of the Republic of Belarus. Please describe the special licensing requirements in detail?

Answer:

To obtain a license, the applicant shall submit to the Committee on Securities a package of documents that must include the following data:

- on the kinds of professional activities on securities;
- on material liability of the professional participant for the violation of the legislation on security;
- an indication to the carrying of professional or exchange activities on securities as exclusive activity;
- on the liability of the legal person to report, within three days, about a change of his domicile address to the registration body, the tax inspection and the Committee on Securities.

Legal persons registered outside the Republic of Belarus but who carry on their activities in full or in part on its territory shall submit copies of notarially certified documents that correspond to the category of foundation documents according to the legislation of the respective states or the place of registration:

- copies of qualification certificates for the right to execute operations with securities issued to the manager (except banks) as well as to the employees of the applicant who are authorized to sign documents connected with the execution of operations on the securities market;
- a copy of the payment order that confirms the payment for the license;
- documents confirming the actual formation of the authorized fund;
- signed by the manager and sealed:

- (i) the list of all legal persons in which the applicant has more than 5 per cent of the authorized fund (specifying his share in per cent), their legal status, full name and domicile;
- (ii) the list of all subsidiaries and representations of the applicant including their complete name, the date of opening, post and legal addresses;
- a copy of the certificate on the registration of shares (for joint-stock companies).

II.2(e) Competition policies

Question 21:

Please give a progress report on the development of an active competition policy.

Answer:

In the Republic of Belarus, the Programme of Demonopolization for 1996-1997 was developed that defined the main directions and provisions on anti-monopoly policy for these years and is designed for the organisation of the work of ministries, departments, local executive and administrative bodies on demonopolization of the economy and the development of competition.

Commerce and public catering have been defined as one of the priority sectors of the economy in respect of demonopolization. The decisions taken in the country on the reformation of property allowed to reform and demonopolized the majority of large commercial entities that operated on local markets. Over the period of 1992 to 1995, out of the property owned by 128 State-owned entities, 1.2 thousand autonomous entities were established.

As a result of demonopolization carried on in 1996 32 entities in the commerce out of 55 entities that dominated the market at the beginning of the year lost their monopoly position. Of their number, 304 structural entities and small enterprises were formed.

The Main Guidelines of social and economic development of the Republic of Belarus for 1996-2000 stipulate series of measures on further demonopolisation and stimulation of the organisation of competing firms in the sphere of wholesale and retail trade, including:

- the subdivision of trade entities through organising on their basis of smaller structural entities (enterprises);
- the formation of a network of small catering enterprises including fast-service system;
- the development of market-oriented forms of wholesale trade at the republican and local levels.

Demonopolisation measures in the industry include a wide use of the restructuring of economic monopolistic subjects and, first of all through the process of their subdivision into smaller ones. In 1996, enterprises of the non-governmental form of property manufactured 32.8 per cent of the total volume of industrial products. The market of construction, consumer goods, wood, wood-working, paper and paper-pulp, porcelain and faience industries are dominated by small and medium enterprises operating in a competition environment.

II.3 Foreign Trade in Goods and Services

Question 22:

According to the response to Question 32 of WT/ACC/BLR/2 , in practice there are no customs controls on the border between Belarus and Russia. How will the Republic of Belarus administer its WTO obligations in areas other than tariffs if there are no customs controls on the border with Russia?

Answer:

See answer to Question 219.

II.3 Foreign Trade in Goods and Services

Question 23:

When does Belarus plan to submit an initial offer in the areas of goods and services?

Answer:

These initial offers will be submitted at an appropriate moment for the beginning of bilateral negotiations.

Question 24:

Can one assume that it is highly likely that in the medium term market access for Belarus will be negotiated jointly with the Russian Federation? (WT/ACC/BLR/2, Questions 3 and 207)

Answer:

It has already been stated that both the Republic of Belarus and the Russian Federation would conduct their accession to the WTO on an individual basis. (See also answer 3 WT/ACC/BLR/2).

II.4 Domestic Trade in Services

Question 25:

What is the rationale for the three-tier payment system described in the response to Question 34 of WT/ACC/BLR/2. Was the three-tier payments system instituted pursuant to an agreement with the International Monetary Fund?

Answer:

A three-level system of payment is required due to the following reasons:

- the disintegration of the Soviet Union and the introduction of national currencies by the States of the former USSR;
- the presence of close economic relations among subjects of the Republic of Belarus and the States of the former USSR and the need for payment settlements between them, taking into account the fact that the new national currencies are non-convertible.

The National Bank of the Republic of Belarus has not officially agreed with the International Monetary Fund (IMF) the issue of introduction of the three-level system of payment settlement. However missions of the IMF have been frequently informed of the condition of payment settlements and currency of payment.

Question 26:

According to the response to Question 34 of WT/ACC/BLR/2, payments between economic agents must be carried out "through correspondent amounts of commercial banks" in either Belorussian roubles, national currencies of CIS and Baltic countries, or freely convertible currencies. Are there limitations on the ability of foreign financial institutions to establish correspondent accounts? How do authorities decide which commercial banks are authorized to set up correspondent accounts?

Answer:

To open accounts in the banks of the republic of Belarus, non-residents must submit relevant documents the list of which is defined in the Regulation of the National Bank of the Republic of Belarus on the procedure of opening in banks of payment (current) accounts and other accounts. In addition to the above documents, a non-resident bank must submit a license which approves the assent of Central Bank of its State for opening of the account if the requirement on the availability of such license by the bank is specified in the agreement on the organisation of payment settlements made between the National Bank of the Republic of Belarus and the Central Bank of the relevant state. There are no limitations on the ability of foreign financial institutions to establish correspondent accounts

The right to establishment of correspondent relations with foreign banks and opening of correspondent accounts is given to the authorized banks of the Republic of Belarus that obtained the General License of the National Bank for the right to carry on operations in foreign currency which is issued if they possess their own capital in the amount equal to one million ECU as well as on conditions that they observe other requirements that define the readiness of the bank to carry on operations in foreign currency.

III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES AFFECTING FOREIGN TRADE IN GOODS AND TRADE IN SERVICES

III.1 Powers of Executive, Legislative and Judicial Branches

Question 27:

Are all administrative decisions on matters affecting international trade subject to independent judicial review? Please give details.

Answer:

Article 559 of the Civil Code of the Republic of Belarus states:

- foreign enterprises and organisations can without any special permit execute in the Republic of Belarus transactions in foreign trade and associated payment, insurance and other operations with entities registered on the territory of the Republic of Belarus which are given the right to execute such transactions;

- civil legal capacity of foreign enterprises and organizations when they execute transactions in foreign trade and associated payment, insurance and other operations is defined according to the law of the country in which the enterprise or organization is founded.

Article 2 of the Economic Procedural Code of the Republic of Belarus states that legal and physical persons irrespective of their form of property and nature of activities including foreign ones who act in the sphere of economic relations shall be entitled to apply, according to the established procedure, to economic court for protection of their violated or disputed rights or interests protected by law.

Article 15 of the Economic Procedural Code of the Republic of Belarus regulates jurisdiction of the Supreme Economic Court of the Republic of Belarus in relation to disputes between parties that are on the territories of different States if the agreement between such States, the agreement of the parties or legislative acts refer the resolution of such disputes to the competence of the Economic Procedural Code of the Republic of Belarus.

In cases when such agreement does not exist disputes can be resolved by the International Court of Arbitration or the Chamber of Commerce and Industry of the Republic of Belarus.

Article 60 of the Constitution of the Republic of Belarus states: everyone is guaranteed the protection of his rights and freedoms by a competent, independent and unbiased court within the time period defined by law.

Article 11 of the Criminal Code of the Republic of Belarus stipulates criminal prosecution for crimes in the sphere of entrepreneurship and other economic activities, including trade activities.

In a number of cases, when offenses do not entail, by their character, criminal liability an administrative liability takes place.

Thus, decisions of administrative bodies can be appealed against in a superior body and courts of justice (economic, international arbitration, or general courts) the decisions of which may be appealed against in superior courts of justice in accordance with the established procedure.

See also Answer to Question 29.

III.2 Government Entities Responsible for Making and Implementing Policies Affecting Foreign Trade

Question 28:

Please describe the domestic legislative process that will apply to the ratification and implementation of the Protocol for WTO accession.

Answer:

The Republic of Belarus makes and fulfils international agreements in accordance with the Constitution of the Republic of Belarus and generally recognised standards of international law.

Proceeding from the principle of obligatory fulfilment of each effective agreement for its members, the Republic of Belarus, being participant to the Vienna Convention on the Right of International Agreements of 1969 , fulfils in good faith its international commitments.

Law of the Republic of Belarus "On the Procedure of Making, Fulfilment and Denunciation of International Treaties of the Republic of Belarus" dated 23 October 1991 establishes the procedure of the making, fulfilment and denunciation of international treaties (agreements).

Procedure of ratification of international agreements represents the following process.

Proposals on the approval by the Council of Ministers of the Republic of Belarus of international agreements shall be submitted to the Council of Ministers by the Ministry of Foreign Affairs independently or on agreement with other ministries and other State bodies of Government of the Republic of Belarus.

The Council of Ministers shall consider such agreements and shall forward them for ratification to the National Assembly of the Republic of Belarus.

III.6 Description of Judicial Arbitral or Administrative Tribunals or Procedures

Question 29:

Please describe the make-up of the economic courts. Are these courts part of the executive branch of the Government of Belarus? How many appeals from foreign individuals or entities were reviewed by the economic courts in each of the past three years? In how many instances did the economic courts reverse the decisions previously taken by the State bodies?

Answer:

Judicial power in the Republic of Belarus belongs, in compliance with the Constitution of the Republic of Belarus, to courts of justice. The system of courts is constructed on the principles of territorial administration and specialisation. Court procedures in the Republic of Belarus are specified by law.

Judges executing justice are independent and subordinated only to law.

Courts execute justice on the basis of the Constitution and other regulatory acts adopted in accordance with the Constitution. If the court considering the case comes to the conclusion that a regulatory act is in disagreement with the Constitution, it shall make decision in accordance with the Constitution and shall pose, in the established manner, the question on recognition of the regulatory act non-constitutional.

Control over the constitutional character of regulatory acts in the State shall be exercised by the Constitutional Court of the Republic of Belarus which shall, on proposition of the President of the Republic of Belarus, the Chamber of representatives, the Council of Republic, the Supreme Court of the Republic of Belarus, the Supreme Economic Court of the Republic of Belarus and the Council of Minister, make conclusions on the consistency of acts, laws, decrees and other regulatory acts with the Constitution of the Republic of Belarus.

IV. POLICIES AFFECTING TRADE IN GOODS

IV. 1 Import Regulation

IV.1(a) Registration requirements

Question 30:

According to the Memorandum, there are no registration requirements for engaging in importing. However, according to paragraph 4 of Annex 4 of WT/ACC/BLR/1 (Customs Valuation), the importer is always a natural or legal person resident in Belarus. Does the right to import require commercial registration? Is the scope of permissible imports restricted by the scope of business specified in the commercial registration. Are foreign legal or natural persons allowed to import?

Answer:

In accordance with the Belorussian legislation the definition of an importer is the following - "Importer is a resident entity of the Republic of Belarus, who concluded with a non- resident a foreign trade transaction of purchase and sale, barter, commission or consignment or foreign trade transaction on rendering work or services".

In accordance with Resolution No. 344 of the Council of Ministers of the Republic of Belarus dated 25 May 1993, entities of the Republic of Belarus shall have the right to carry on foreign economic activities automatically from the time of their State registration. This registration does not stipulate any restrictions and does not aimed at any discrimination.

The scope of permissible imports is restricted only by Belorussian legislation. Generally, the scope of business is not specified in the State registration.

IV.1(b) Characteristics of national tariff

Question 31:

Please confirm that HS96 is now in force in Belarus.

Answer:

Yes.

Question 32:

Could Belarus advise whether the use of the Harmonized System (HS) 96 tariff nomenclature has come into effect.

Answer:

HS96 is now in force in Belarus.

Question 33:

According to the response to Question 38 of WT/ACC/BLR/2, the HS 1996 system will come into force upon confirmation by the Cabinet of Ministers. Has the Cabinet of Ministers confirmed the HS 1996 tariff schedule? Has the tariff schedule which is based on the HS 96 nomenclature been implemented?

Answer:

The Trade Nomenclature of Foreign economic activities HS 96 was approved by Resolution No. 197 of the Council of Ministers of the Republic of Belarus dated 14 March 1997 (WT/ACC/BLR/5) and put into effect from the date of its approval.

Question 34:

Please identify all products, including HS numbers, that are subject to minimum duties.

Answer:

In accordance with the rates of the Customs tariffs approved by Resolution No. 72 of the Council of Ministers of the Republic of Belarus on 10 February 1997 (the Resolution is submitted to the WTO Secretariat, see WT/ACC/BLR/5) goods shall be liable to 0 per cent rate for the following commodity positions:

01, 0701, 1205, 1206, 4901, 4902, 4905, 4906, 5201, 5202, 5203, 8507 90, 8713, 8714 20, 97.

5 per cent rate:

0305 10, 0510, 0511 10, 0601, 0602, 0604, 0801, 0802, 0804, 0805, 0814, 09, 10, 12, 13, 14, 1505, 1508, 1511, 1513, 1515, 1520, 1702, 1703, 1901 10, 23, 2401, 25, 26, 27, 28, 29, 3301, 3302, 3306, 3403, 3407, 35, 38, 40, 41, 4204, 4301, 4302, 4806, 4807, 4813, 4821, 4822, 5204-5207, 53, 5404-5406, 5501-5511, 56, 59, 6305, 6406, 6909, 7017, 72, 74, 78, 79, 80, 8202, 8204, 8205, 8207, 8208, 8209, 8404, 8409, 8413, 8414, 8416, 8417, 8422, 8424, 8428, 8431, 8432-8438, 8439-8441, 8442, 8443, 8448, 8451, 8453, 8454, 8463, 8466, 8468, 8473, 8475, 8477, 8478, 8479, 8480, 8483-8485, 8501, 8514, 8517, 8522, 8525, 8529, 8530, 8537, 8538, 8543, 8603, 8607, 8608, 8609, 8708, 8803, 8901, 9004, 9009, 9010, 9011-9015, 9018, 9019, 9021, 9022, 9024, 9025, 9028, 9030, 9032, 9402, 9612.

Question 35:

Table 5 of the Memorandum provides a schedule of tariffs and amendments as of June 1995. However, the response to Question 35 of WT/ACC/BLR/2 states that the tariff schedule was amended again in November 1995.

What is the relationship of these changes to (a) domestic of (b) customs union requirements?

Will Belarus refrain from making any further amendments to its tariff schedule until the completion of the market access negotiations for WTO accession?

Please provide, in electronic media, an up-to-date version of Belarus's tariff schedule, e.g. incorporating all amendments since June 1995.

Answer:

Amendments of the tariff schedule are conditioned by internal needs of Belorussian economy and first of all aimed at its structural adjustment and solution of immediate social tasks.

Belarus and Russian Federation work on harmonisation of there tariff schedules within the frameworks of the fulfilment of the basic conditions of the Agreement on the Customs Union.

In the process of accession to the WTO, Belarus will hold negotiations on tariff conditions of its accession to the WTO guided by the rules and principles of the WTO.

Belarus' tariff schedule with all amendments was submitted to the WTO Secretariat in electronic media.

Question 36:

We seek further information on the use of minimum duties, and which products they apply to.

Answer:

See answer to Question No. 34.

Question 37:

We would be grateful to receive a copy of the currently applied tariff rates and import statistics on a tariff-line level for the most recent period on diskette. Import statistics should, if possible, indicate total imports from the European Communities for each tariff line, as well as imports from individual Member States.

Answer:

Statistical information is submitted to the WTO Secretariat herewith on diskette. (Available in the Secretariat, Accessions Division, Room 1126, for consultation.)

IV. 1(c) Tariff quotas, tariff exemptions

Question 38:

According to the Memorandum, goods imported by a foreign investor to form the fixed capital of the enterprise with foreign investment are exempt from payment of import tariffs. Please describe the terms and conditions for this tariff exemption in detail.

Answer:

In accordance with Decree No. 6 of the President of the Republic of Belarus dated 10 March 1997 "On Further Regulation of the Procedure of Provision of Privileges to Legal and Physical Persons on Taxes and Customs Payment" (the Decree was submitted to the WTO Secretariat, see WT/ACC/BLR/5), goods imported into the territory of the Republic of Belarus as contribution of foreign

participants into the authorized fund of enterprises with foreign investments shall be exempted from the customs duty and the value-added tax on condition that these goods:

- constitute fixed production assets;
- are not liable to excise;
- are imported within the time period established by the foundation documents for the formation of the authorized fund of the enterprise with foreign investments.

Question 39:

According to the Memorandum, goods produced in free customs zones located in the territory of the Republic of Belarus and designed to be used in this territory or outside it, are exempt from import duties.

Please describe this tariff exemption in more detail. How many free customs zones are there? Are all categories of goods eligible for this exemption? For each of the past three years, what is the value of trade that was eligible for this tariff exemption?

What is meant by the phrase, 'designed to be used in this territory or outside it'?

When goods produced in the free customs zones are sold in the rest of Belarus, do they bear the same tariff and non-tariff requirements as goods imported directly into Belarus? If not, why not, given that they have been manufactured outside the applied customs regime?

Answer:

At present, one free economic zone exists on the territory of the Republic of Belarus.

According to Decree No. 114 of the President of the Republic of Belarus dated 20 March 1996 "On Free Economic Zones on the Territory of the Republic of Belarus" (the Decree was submitted to the WTO Secretariat, see WT/ACC/BLR/5), Resolution No. 559 of the Council of Ministers of the Republic of Belarus "On Approval of the regulation on the Free Economic Zone "Brest" dated 23 August 1996 (the Resolution is submitted to the WTO Secretariat, see WT/ACC/BLR/5) and in conformity with Article 57 of the Customs Code of the Republic of Belarus the following procedure of levying of customs payments is established when goods are imported into the territory of the free customs zone:

- duties for customs clearance shall be levied at the rate of one minimum salary when the "Free Customs Zone" treatment is established in relation to imported goods;
- the import customs duty, value-added tax and excise are not levied when goods are imported into the territory of the free customs zone, economic policy measures are not applied or marking by excise stamps are not required;
- the customs duty and the value-added tax and, in cases established by the legislation of the Republic of Belarus, excise shall be levied in the full amount when goods are imported into the territory of the free customs zone. Marking by excise stamps is mandatory.

Products (work, services) of residents' of the free economic zone one's own production exported outside the zone shall be exempted from the customs payments (except for customs clearance duties).

Products of one's own production mean products manufactured directly with the use of one's own or leased fixed assets, required materials, raw materials, prefabricated items, components acquired at the expense of one's own or borrowed funds if, as a result of the fulfilment of the work, the code

of the Trade Nomenclature of Foreign Economic Activity of the Republic of Belarus has been changed as regards one the first six signs.

Customs duty and other payments (except for customs clearance) shall not be levied when goods are exported from the territory of the free economic zone to other countries.

Belarus does not possess data on the volumes of goods trade subject to customs exemption since the Regulation on the Free Economic Zone "Brest" was adopted on 23 August 1996 while the first residents were registered only at the end of 1996.

See also answer to Question No. 146.

IV. 1(d) Other duties and charges

Question 40:

Please provide update of the legislative programme to introduce a customs clearance charge that is equal to the services rendered and an explanation of how the new charge was/will be calculated.

Answer:

See answer to Question No. 43.

Question 41:

Please confirm that no duties and charges are levied on imports, other than ordinary customs duties .

Answer:

Yes, within the meaning of Article II of GATT 1994.

(The issue is regulated by Resolution No. 72 of the Council of Ministers of the Republic of Belarus dated 10 February 1997, which has been submitted to the WTO Secretariat, see WT/ACC/BLR/5).

Question 42:

Has Belarus definitively introduced the customs clearance charge at a rate equal to the cost of the services rendered? (WT/ACC/BLR/2, Question 49)

Answer:

See answer to Question No. 43.

Question 43:

According to the response to Question 49 of WT/ACC/BLR/2, the Government of Belarus plans to put into effect a national provision which establishes charge rates equal to services rendered. What steps has the Government of Belarus taken to bring its customs clearance charges into conformity with GATT Article VIII? When will the Government of Belarus implement the new system of customs charges?

Answer:

At present, the Regulation on the procedure of levying of charge for the customs clearance of goods is at the stage of agreeing. To justify the size of new customs clearance rates, the method of expenses borne by customs bodies was used as well as the current level of costs for comparable services rendered by other bodies of the government. So custom clearance charges will be brought into conformity with GATT Article VIII.

Question 44:

We seek details on when Belarus intends to introduce a customs clearance fee equal to services rendered.

Answer:

See answer to Question No. 43.

IV.1(e) Quantitative import restrictions**Question 45:**

Information on a number of products subject to quantitative restrictions is provided in WT/ACC/BLR/1 and 2. Please add to the table at question 52 the WTO provision under which Belarus justifies the existence of each of these restrictions.

Answer:

These restrictions were introduced in conformity with Article XX of GATT 1994. See also Annex 3.

Question 46:

Would it be possible to have the list of products subject to an import ban due to the problems caused by the Chernobyl accident? (WT/ACC/BLR/2, Question 52)

Answer:

There are no products which import is banned due to Chernobyl accident.

Question 47:

According to the Memorandum, import prohibitions apply to printed matter, audio, video and similar materials which may cause damage to public morals or human health or the State security of Belarus.

Please describe the criteria that are applied in determining whether these materials may cause damage to the State security of Belarus. Does the Government of Belarus prohibit the importation of materials concerning political commentary? What is the GATT rationale for this import prohibition?

Could the Republic of Belarus confirm that it does not maintain any ban or quantitative restrictions on imports of agricultural products?

Answer:

These restrictions were introduced in accordance with GATT Article XX (a,b) and GATT Article XXI (b(ii)).

The Government of Belarus does not prohibit the importation of materials concerning political commentary, except those aimed at forcible upheaval of the State system or propagating war, social, national, religious and racial enmity.

Belarus does not maintain any ban or quantitative restrictions on imports of agricultural products.

IV. 1(f) Import licensing procedure

Question 48:

What steps has Belarus taken to bring its alcohol production and licensing regime into line with the Russian regime?

Answer:

Production, circulation and use of alcoholic products are controlled by the State.

State regulation measures include: licensing of the production and circulation of alcoholic products, establishment of quotas for the production and wholesale as well as a series of other measures (certification, marking, etc.).

Question 49:

Please provide precise indications on how the administrative charge for issuing licences corresponds to the cost of the service rendered - the answer to question 53.1 does not do this.

Answer:

The administrative charge for issuing licences is fixed and related to the minimum salary constituting ten minimum salaries for the issue of a single licence and 15 minimum salaries for issuing a general licence.

The size of the charge is determined proceeding from pre-calculated expenses for:

- salary of specialists who consider and issue licences;
- expendable equipment;
- non-expendable equipment;
- maintenance of electronic database on the licenses issued.

Question 50:

What is meant by "single licence" and "general licence" in Section VI? (WT/ACC/BLR/1, Annex 3, page 87)

Answer:

Single license is granted to an applicant to carry out export (import) operations for each separate transaction (contract).

General license is granted to an applicant to carry out export operations on certain goods in a definite volume within a definite period of time. The license allows to carry out exports of declared goods on several transactions (contracts) without restrictions.

Question 51:

Please provide a translated copy of the Regulation on Import and export licensing procedure in the Republic of Belarus, Resolution No. 213 of the Cabinet of Ministers, including Annex 3 of 1 December 1994, to the WTO Secretariat for review by the Working Party.

Answer:

Resolution No. 213 of the Cabinet of Ministers of the Republic of Belarus dated 1 December 1994 including Annex 3 was submitted to the WTO Secretariat. (See WT/ACC/BLR/1/Add.1).

Question 52:

Please describe in detail the process for appealing a decision to not grant an import license.

Answer:

The procedure of issue of the import licence is regulated by Resolution No. 213 of the Cabinet of Ministers of the Republic of Belarus dated 1 December 1994 (it was submitted to the WTO Secretariat, see WT/ACC/BLR/1/Add.1). In case of not granting an import license, an entity has the right to lodge a complaint to the Economic Court.

Question 53:

According to Annex 3 of WT/ACC/BLR/1 , in order to receive import licenses from the Ministry of Foreign Economic Relations, permits must first be obtained from the Ministry of Agriculture and Food Products for herbicides, fungicides, or insecticides used in agriculture. Permits must similarly be obtained from the Ministry of Ecology in the case of industrial wastes and slags, and from the Ministry of Health for insecticides utilized for human beings or in human dwellings, or other chemicals utilized for human beings and related to HS sub-group 3808.

Please identify the domestic legislative authority under which these requirements are applied and supply copies in translation for Working Party review. Please list the criteria considered by these line agencies in making their determinations on whether or not to issue a permit. To what extent are these licenses automatic?

Are the procedures followed and criteria applied to imports to receive a permit applied in the same manner to domestic producers or domestically-produced products for domestic circulation?

Answer:

In accordance with Resolution No. 213 of the Cabinet of Ministers of the Republic of Belarus dated 1 December 1994 (WT/ACC/BLR/1/Add.1) the import of chemical plant protection means shall be carried out under licences of the Ministry of Foreign Economic Relations. The procedure of licensing is defined by the Regulation approved by the above Resolution.

The Ministry of Natural Resources is the State agency responsible for the issue of permits for import of industrial waste.

Criteria considered by the Ministry of Health to issue a license are the following :

- (i) as regards plants protection means, the Republic of Belarus has adopted the current List of Plant Protection Means and Plant Growth Regulators allowed for use in the agricultural and industrial fields of the Republic including those allowed for sale to the population for 1995-1999;
- (ii) as regards household chemistry means and means used for disinfecting, deratization, sterilization both in the national economy of the Republic and for household needs the following criteria are applied:
 - the class of their toxicity;
 - indices (factors) of potential accumulation in environmental facilities including potable water;
 - the form and convenience (safety) of use and packing;
 - the type and possibility to use personal protection means;
 - the methods and ways of packing materials disposal.

The criteria applied to imports are applied in the same manner to domestic producers or domestically-produced products for domestic circulation.

IV. 1(h) Customs Valuation

Question 54:

Please provide a translated copy of Resolution No. 278 of the Cabinet of Ministers, dated 28 April 1994, "Rules of Customs Valuation of Goods Imported into the Customs Territory of the Republic of Belarus" to the WTO Secretariat for review by the Working Party.

Answer:

A copy of the Resolution No 278 has been submitted to the WTO Secretariat. (See WT/ACC/BLR/1).

Question 55:

Please identify and describe those aspects of Belarus' customs valuation regime which, in Belarus' view, are not in conformity with the WTO Customs Valuation Agreement.

Answer:

The customs valuation rules applied by the customs bodies are in line with the provisions of the Agreement on Customs Valuation.

Question 56:

According to the information provided in Annex f of WT/ACC/BLR/I (the response to the Questionnaire on Customs Valuation), in a sale between related persons, the importer has to prove that their relationship did not influence the transaction value. However, paragraph 2(a) of the Agreement on Customs Valuation provides that transaction value shall be accepted, unless the customs administration has grounds for considering that the relationship influenced the price. Only after the customs administration has provided notification of the grounds for considering that the relationship influenced the price, does the import need to demonstrate that the transaction value was not influenced.

Do importers of all products sold between related parties need to prove that the transaction value was not influenced by the relationship? Do the Belorussian procedures comport with the procedures provided by the Customs Valuation Agreement, that importers have to show that transaction value was not influenced only when so notified by the customs authorities? Please describe, in detail, the procedures followed by the Belorussian customs authority to notify importers that there are grounds to believe that the transaction value was influenced by the relationship between buyer and seller. Please describe the procedure to be followed by the importer to respond to this notification.

How do the Belorussian Rules of Customs Valuation define "related person"? Does this definition incorporate the definition of "related persons" provided by the WTO Agreement on Customs Valuation?

Answer:

There may be some terms and definitions, which, following their translation in English, do not fully match those terms and definitions in English given in the WTO Agreement on Custom Valuation. According to the national rules of customs valuation the importer must prove the absence of influence from the mutual dependence between the buyer and the seller on the price of the transaction in case when customs bodies provide him with the justification of the fact that such mutual dependence influenced the price.

In accordance with the rules in force in the Republic in relation to the determination of the transaction cost it shall be taken as it was before the time of appearance of facts indicating that relations between the buyer and the seller did not influence the price of the transaction.

Mutual dependence between people in particular between the buyer and the seller cannot be the ground for non-recognition of the declared transaction price.

Data on the mutual dependence of the buyer and the seller as well as on the influence of this dependence on the price of the transaction shall be specified by the importer. If the declaration does not specify facts of such dependence, then such data may be verified only in case when grounded doubts arise as to the adequacy of these data and when there are grounds to suppose that this influence affected the actually paid price or the price to be paid.

In such case the customs body shall study the circumstances of the transaction while the importer shall be given the opportunity to prove the absence of influence because of mutual dependence. In such case he shall provide documents to confirm that mutual dependence did not influence the price.

If mutual dependence is proved, then the customs body shall ground the reasons for deny of use of method 1 and the possibility shall be considered for the subsequent use of other customs valuation methods.

Proceeding from the above it follows that in accordance with the national legislation the importer must prove the absence of mutual dependence influence on the cost of the transaction in case when the customs administration demands and only if the administration has grounds for such demand.

The meaning of "mutually dependent people" as used in the Belorussian legislation corresponds to the definition of "related persons" given in the WTO Agreement on Customs Valuation.

In accordance with the Belorussian rules of customs valuation (paragraph 13.5 of the Resolution No. 278 "On the Rules for definition of the Customs Value of Things Imported into the Customs Territory of the Republic of Belarus", dated 26 April 1994, WT/ACC/BLR/1/Add.1) "mutually dependent people " shall mean persons in cases when:

- one of the persons representing parties of the transaction is at the same time an official person of the other party of the transaction;
- persons representing parties of the transaction are co-owners or co-founders of some entrepreneurial structures;
- persons representing parties of the transaction are connected by mutual obligations through labour relations;
- one of the persons representing parties of the transaction is a founder of the other participant of the transaction or an owner of all, or of part, of his fixed assets constituting at least 5 per cent of the total amount of the authorized capital;
- persons representing parties of the transaction are under direct management or an indirect control of a third person;
- persons representing parties of the transaction manage jointly or indirectly control activities of a third person;
- one of the participants of the transaction is under direct management or indirect control of the other participant of the transaction;
- persons representing parties of the transaction or their officials are members of the same family.

Question 57:

According to paragraph 4 of Annex 4, in order to permit the verification of the declared value, the importer shall provide all necessary information, if required, by the customs administration, and shall also prove its truth if necessary. What information is required to be provided to permit the declaration to be verified? What evidence does the importer need to provide to prove the truth of the declaration?

Answer:

To confirm the declared data on the customs value, the importer shall submit the following documents:

- (a) mandatory documents:
 - an invoice and banking payment documents, a pro-forma invoice and other payment or accountancy documents;
 - transport and insurance documents if they exist depending on the conditions of delivery;

- an invoice for transportation or an officially certified calculation of transport expenses in cases when transport expenses were not included into the invoice.
- (b) additional documents required may include:
- a contract and additional agreements to it;
 - contracts with third persons that are related to the transaction;
 - invoices for payment to third persons for the benefit of the seller;
 - invoices for commission and broker services that are related to the transaction with the goods being evaluated;
 - a customs declaration of the country of shipment (if any);
 - packing sheets;
 - accountancy documentation;
 - licensing or authorship agreements;
 - export (import) licences;
 - warehouse documents;
 - delivery orders;
 - catalogues, specifications and price lists of manufactures for the goods being evaluated;
 - other documents that may be used for confirmation of data declared in the declaration.

Question 58:

According to the response to paragraph 5(a) of Annex 4, when the customs value of the imported goods cannot be determined by the methods described in Articles 1 through 6, inclusive of the Agreement, or if the customs administration consider these methods not applicable, customs value shall be determined using other methods in accordance with the principles and general provisions of the Agreement and Article VII of GATT.

Please describe the methods used by the customs administration under these circumstances.

Does the Belarus customs authority currently use minimum customs values for this purpose? Is there legal authority for Belarus to use minimum customs values for valuation purposes?

Answer:

No other methods are applied.

The Republic of Belarus does not apply the minimum customs value nor does it have any special legal authority tackling this issue.

Question 59:

Article 7.2 of the Customs Valuation Agreement prohibits seven valuation methods. However, according to the response to question 5(c) of Annex 4, only two of these methods are expressly prohibited by Belorussian law: i.e. the selling price in the country of importation of goods produced in such country and the price of goods for export to a country other than the country of importation.

Are there any other provisions of Belorussian law or regulation that prohibit any of the other five methods of customs valuation listed in Article 7.2 of the Customs Valuation Agreement?

How does the Government of Belarus intend to implement the provisions of the Decision of 26 April 1984 on the Treatment of Interest Charges in the Customs Value of Imported Goods (VAL/6/Rev.I)?

Answer:

Resolution No. 278 of the Council of Ministers of the Republic of Belarus dated 26 April 1994 (in particular paragraph 29, WT/ACC/BLR/1/Add.1) describes prohibitive methods of customs valuation. No customs value shall be determined on the basis of the following:

- the selling price in the country of importation of goods produced in such country
- the price of goods on the domestic market of the Republic of Belarus,
- the price of goods for export to a country other than the country of importation
- the price of goods originated from the Republic of Belarus,
- minimum customs value
- arbitrary or fictitious value.

This issue is currently being studied.

Question 60:

Belarus should implement the WTO Agreement on Customs Valuation from the date of accession, and begin now to make the necessary changes in its laws and regulations to bring its regime into conformity with the WTO Agreement.

Answer:

Belarus has already begun to make the necessary changes in its laws and regulations to bring its regime into conformity with the WTO Agreement. Belarus will be able to implement the WTO Agreement on Customs Valuation from the date of accession.

IV.1(j) Pre-shipment inspection

Question 61:

Will Belarus ensure that pre-shipment inspection activities carried out for Belstandart are performed in conformity with the provisions of the WTO, including the Agreement on Pre-shipment Inspection?

Answer:

Preshipment inspection activities in Belarus are performed in conformity with the provisions of the WTO, including the Agreement on Preshipment Inspection.

Question 62:

According to the Memorandum, Belarus has contracted with a pre-shipment inspection firm.

Prior to the next Working Party meeting, Belarus should prepare a description of the terms of its agreement with that firm, comparing it with the WTO Agreement on Pre-shipment Inspection and indicating its deficiencies.

Please describe the fee structure of Belarus' pre-shipment inspection contract.

The Government of Belarus should ensure that the operations of this firm are consistent with the relevant WTO Agreements, in particular, GATT Article VIII, the Agreement on Pre-shipment Inspection and the Agreement on the Implementation of Article VII of the GATT 1994.

Answer:

For the purpose of improving the national regulation in the sphere of foreign trade the Agreement was made on 6 January 1997 between the Ministry of Foreign Economic Relations and the firm "Bureau Veritas B I.V.A.C. BV" on execution of a program on pre-shipment inspection of imported goods. Resolution No. 793 of the Council of Ministers of the Republic of Belarus dated 26 June 1997 "On Introduction of Pre-shipment Inspection of Goods Imported into the Republic of Belarus" specified the time of introduction of pre-shipment inspection as of 1 August 1997.

According to Article 1 of the above Agreement the Ministry of Foreign Economic Relations gives the instruction and Veritas accepts such instruction by rendering the following inspection services through its branches and authorized representations:

- physical identification of goods including verification of their quantity and quality;
- verification of prices and services for customs coding.

Physical identification of goods. Veritas shall exercise physical identification of goods including inspection of quantity and quality of goods that are designed for importation into the Republic of Belarus. Identification shall be made before the shipment in all supplier countries with a view of determining the correspondence of submitted goods to the description informed to Veritas by the importer. Veritas shall be independent in taking decision on the required scope of each inspection.

Determination of quality. Inspection of quality of goods shall be exercised on the basis of the requirements specified by the importer in the contract and/or in appended specifications and implies the determination of the goods correspondence to all given quality characteristics.

Verification prices. Along with the physical inspection Veritas shall make verification of prices for the goods with a view of determining, on the basis of the information received, the correspondence of the prices and the amounts specified in the invoices by the goods seller to the level of export prices prevailing in the country of the supply or, if applied, on the world market. Verification of prices shall not be limited by the verification of purchasing prices for goods but shall cover the entire contractual amount including all related services in accordance with the INCOTERMS-90 conditions.

Customs coding. On the basis of the physical identification Veritas shall provide its assessment of the correct customs coding in accordance with the provisions in force in the Republic of Belarus. The date of reference used for determining the amount liable to customs payments shall be the date of physical identification of goods by the firm Veritas.

The results of verification of customs coding and the custom value will be used to issue, on completion of each supply of goods, the Customs Clear Report on the Results which will allow the relevant bodies of State government of the Republic of Belarus to obtain information about the customs value and the code of goods required for calculation of customs payments.

The Agreement signed determines the list of goods that are not liable to the pre-shipment inspection procedure. At present, two lists of goods have been approved for which the pre-shipment inspection shall be performed first of all: medical goods, agricultural goods and foodstuff.

The minimum cost of a batch of goods liable to inspection is established in the amount equal to US\$5,000. Supplies of goods the cost of which is below the minimum cost shall be liable to inspection if the total cost of supplies made by one importer within the frameworks of one contract is equal to or exceeds the minimum cost.

The pre-shipment inspection shall be performed to check the correspondence of the imported goods to the physical identification parameters declared in the contract and/or specifications including inspection of the quantity of goods and inspection of the correspondence of goods to the declared parameters and characteristics, price and classification codes.

The amount of the fee for the performance of pre-shipment inspection is differentiated and constitutes 0.75 per cent of the contract value for agricultural goods and foodstuff and 0.95 per cent for all other goods.

The amount of the fee shall be transferred by the importer to the account of the Veritas Company and shall be the payment of the Company's services for the inspection performed.

In conformity with Article 6 of the above Agreement all activities of Veritas on the territory of the Republic of Belarus including salaries of its staff, renting of rooms and transport facilities and so on shall be liable to taxation in accordance with the legislation of the Republic of Belarus.

When the mechanism of pre-shipment inspection of goods imported into the Republic of Belarus was prepared account was made of the Agreement on Pre-shipment Inspection.

IV.1(k) Application of internal taxes on imports

Question 63:

Please identify any products, including HS numbers, in which different VAT rates apply to foreign and domestically-produced products.

Answer:

In conformity with Law "On the Value-Added Tax" No. 1319-XII dated 19 December 1991 (WT/ACC/BLR/1/Add.1) the single value-added tax rate in the amount of 20 per cent is applied for goods of domestic and foreign production.

At the same time, the Law established a reduced value-added tax rate in the amount of 10 per cent for agricultural products (except flowers and decorative plants), animal farming (except fur animal farming), pisciculture and apiculture as well as of food products produced by entities of the Republic of Belarus according to the list approved by Resolution No. 509 of the Cabinet of Ministers of the Republic of Belarus "On Issues of Collection of the Value-Added Tax" dated 2 August 1996.

Food products imported in the territory of the Republic of Belarus which are listed in this Resolution are subject to taxation at the rate of 10 per cent. A copy of Resolution No. 509 has been submitted to the WTO Secretariat (see WT/ACC/BLR/5).

Question 64:

Please identify the agricultural products, including HS numbers, that are subject to the 10 per cent VAT rate. Please identify all products, including HS numbers, which are exempt from VAT.

Answer:

See answer to Question 63.

All products exempted from VAT are listed in the Law "On the Value-Added Tax" No. 1319-XII dated 19 December 1991, which was submitted to the WTO Secretariat (see WT/ACC/BLR/1/Add.1).

Question 65:

According to the Memorandum, internal indirect taxes are not levied on imported goods from CIS countries. How does the Government of Belarus intend to eliminate these exemptions to bring its regime into conformity with GATT Article III?

Answer:

In conformity with the agreement between countries members of the CIS on indirect taxes in case of foreign trade operations the "country of origin" principle is applied while in case of other foreign countries the "country of destination" principle is applied.

The "country of origin" principle is applied in trade turnover with the CIS member States. In case of such principle, goods originated and imported from the territory of the CIS member States into the territory of the Republic of Belarus shall not be liable to indirect taxes including the value-added tax and shall be liable in the exporter country to taxes that are transferred to the budget of the exporter country. Goods realised to the CIS member States shall be liable to indirect taxes and the taxes shall be transferred to the budget of the Republic of Belarus.

The "country of destination" principle shall be applied in the trade turnover with countries that are not members of the CIS. In case of this principle, goods imported into the territory of the Republic shall be liable to the value-added tax when imported while in case when goods are exported to such States indirect taxes shall not be levied.

Thus, no exception is provided to the CIS countries and the tax on imported goods is levied.

The main task in the Republic of Belarus becomes the transition to the calculation and collection of indirect taxes according to the principle of the country of destination to be applied in foreign economic operations within the framework of the Union of Russia and Belarus, the Customs Union and in the CIS on the whole.

For these purposes, the Government has prepared and approved a plan of transition to the calculation of indirect taxes according to the "country of destination" principle the implementation of which will help remove the current situation.

The transition to the collection of the value-added tax by the "country of destination" principle in accordance with Article III of the GATT is projected to be made during the process of work on the unification of the tax legislation within the framework of the Union of Russia and Belarus not earlier than 2000.

Question 66:

Does Belarus intend to levy internal indirect taxes on goods imported from CIS countries? Please give information on the legislative programme and timetable to effect this change.

Answer:

See answer to Question 65.

Question 67:

The answer to question 58 gives information on the basis for charging VAT on imported goods. Please compare this with the basis for charging VAT on domestic goods.

Answer:

The taxable basis for the calculation of the value-added tax in case of imported goods is their customs value to which the customs duty is added and, as regards the excisable goods, the amount of excise. When goods are sold that are in free circulation the value-added tax on such goods shall be paid according to the established rate proceeding from the sale revenues minus material expenses including the amount of the value-added tax paid when goods are imported into the Republic of Belarus.

Thus, taxation of imported goods during their future movement over the territory of the Republic of Belarus as well as of domestic production goods the "subtraction" method shall be applied, therefore the tax burden on goods produced and sold in the Republic of Belarus as well as goods imported and sold in the Republic of Belarus is equal. See also the answer to question 65.

Question 68:

Does Belarus have any plans to change the levying of VAT and excise taxes on intra-CIS trade to the country of destination principle that is applied to non-CIS countries.

Answer:

See answer to Question 65.

Question 69:

Excise taxes: is the list of products subject to excise tax (table 6) exhaustive or have there been any subsequent changes? (WT/ACC/BLR/I)

Answer:

Before December 1995, the list of goods liable to excise tax and the rates of excise on goods imported into the Republic of Belarus had been put into force by the following resolutions of the Cabinet of Ministers of the Republic of Belarus:

- Resolution No. 252 "On Approval of Excise Rate on Goods Imported into the Territory of the Republic of Belarus" dated 12 May 1995 (WT/ACC/BLR/1/Add.1);
- Resolution No. 538 "On Alterations in the Excise Rates on Goods Imported into the Territory of the Republic of Belarus" dated 2 October 1995 (WT/ACC/BLR/1/Add.1);

In 1996-1997, a number of regulatory documents have been passed making more specific the excise rates.

- Resolution No. 55 of the Cabinet of Ministers of the Republic of Belarus dated 22 January 1996 made alterations in the excise rates on imported automotive facilities.
- Resolution No. 109 of the Council of Ministers of the Republic of Belarus dated 21 February 1997 (WT/ACC/BLR/5) introduced the following position of the tax rate on excisable goods:

2207 20 000 ethylene alcohol and other denatured alcohol of any concentration 60 per cent

At the same time it excluded:

From 8903 91 yachts 30 per cent
 From 8903 92 cutters except special purpose 30 per cent

We also inform that Table 6 (the Addendum to Memorandum) did not reflect the following positions:

7113 - 30 per cent
 7114 - 30 per cent
 7116 - 30 per cent.

The above rates were established by Resolution No. 252 of the Cabinet of Ministers of the Republic of Belarus dated 12 May 1995 (WT/ACC/BLR/1/Add.1).

Question 70:

Internal direct taxes are levied on imported goods except goods from CIS countries. When does Belarus intend to introduce definitively the principle of destination (for imports) for CIS countries too? Does an initial timetable for this harmonization already exist? (WT/ACC/BLR/I)

Answer:

See answer to Question No. 65.

IV.1(l) Rules of origin

Question 71:

Please provide a more complete description of Belarus' preferential and non-preferential rules of origin.

Answer:

The procedure of determination of the country of origin of goods imported into the customs territory of the Republic of Belarus is approved by Order No. 74-O of the Chairman of the Customs Committee of the Republic of Belarus dated 17 March 1997. This procedure was developed in conformity with Resolution No. 72 of the Council of Ministers of the Republic of Belarus "On the Customs Tariff of the Republic of Belarus" dated 10 February 1997 (WT/ACC/BLR/5), Resolution No. 420 of the Council of Ministers of the Republic of Belarus "On Approval of Rules for Determination of the Country of Origin of Goods Moved across the Customs Border of the Republic of Belarus" dated 6 June 1994 and Decision of the Council of CIS Governments Heads dated 18 October 1996 "On the New Wording of Paragraph 9 of the Rules for Determination of the Country of Origin of Goods".

This Procedure does not cover goods moved across the customs border of the Republic of Belarus by physical persons as their personal property.

Goods are not considered as originated from a given country until the time a duly arranged certificate is submitted and other data confirming the fulfilment of the conditions, namely:

- submission to customs bodies of the original certificate of origin according to Form CT-1 in conformity with the Decision of the CIS Governments' Heads on the Rules for Determination of the Country of Origin of Goods (such certificate is not required to confirm the origin of a batch of goods with the invoice value of up to US\$5,000. In this case, the country of origin shall be specified by the exporter on the invoice or other accompanying documents appended to goods to be produced to the customs bodies).

The CT-1 certificate must contain the following data on goods for which it has been issued:

- the name and the address of the exporter;
- the name and the address of the importer;
- the number of cases and the type of packing, the description of goods including all the data necessary for identification of the goods;
- the gross and the net weight or the quantity of goods.

The certificate must have a seal of the central body of government (ministry, State committee or committee) or of the Chamber of Commerce and Industry of the country of origin of goods.

The certificate shall be submitted to the customs body of the Republic of Belarus together with the customs declaration and other documents that are necessary for the customs clearance.

Question 72:

Please identify and describe fully any difference between Belarus' rules of origins and the requirements of the WTO Agreement on Rules of Origin.

Answer:

Basically, we do not see any substantive contradictions between Belorussian rules of origin of goods and the requirements of the WTO Agreement on Rules of Origin of goods, as stipulated in Article 2 of the Agreement. However, we admit that further development of national legislation and regulations in this area would need to take account of the WTO harmonization work programme.

IV.1(m) Anti-dumping, countervailing duty and safeguard regime

Question 73:

Does Belarus plan to amend its legislation providing for special customs duties to ensure that it is consistent with WTO obligations?

Answer:

Yes, this will be done upon accession to the WTO.

Question 74:

Does Belarus plan to enact anti-dumping, countervailing and safeguard legislation? If so, please give details and timetable.

Answer:

See answer to Question 77.

Question 75:

We seek details of plans of Belarus on the development and implementation of laws on anti-dumping, countervailing and safeguards.

Answer:

See answer to Question 77.

Question 76:

We seek more details on the levying of individual specific duties, and in particular criteria for determining "discriminatory actions against Belarus".

Answer:

The Republic of Belarus does not have a practice for the levying of individual specific duties. Criteria of "discriminatory actions against Belarus" are deemed to include politically motivated trade measures taken by a country or a group of countries against Belarus, which are not sanctioned by the United Nations or are not provided for in the WTO rules and disciplines.

Question 77:

Please compare Belarus' provision for retaliatory measures described in this section with the provisions of the WTO Agreements on Anti-dumping and on Subsidies and Countervailing Measures. Please describe Belarus' plan to replace its current legal provisions with safeguard and anti-dumping/countervailing duties legislation that matches WTO provisions.

Answer:

At present, the Republic of Belarus does not have legislative and regulatory acts on safeguard, anti-dumping and countervailing measures in relation to import of products into the Republic.

The development of these bills is already started.

In doing this, Belarus will be guided by the respective Agreements of the WTO.

Question 78:

Does Belarus plan to continue use of retaliatory tariffs.

Answer:

The term "retaliatory tariffs" does not exist in the Belorussian legislation.

IV.2 Export Regulation

IV.2(b) Customs tariff nomenclature, types of duties, duty rates

Question 79:

Please confirm that the duties on goods in HS Chapter 51 are the only export duties currently applied.

Answer:

Export customs duties are not applied on any products.

Question 80:

According to the response to Question 66 of WT/ACC/BLR/2, export duties were abolished by Resolution of the Cabinet of Ministers No. 635 of 30 September 1996. However, the response to Question 67 of the same document indicates that export duties still to raw hides. Please explain this apparent inconsistency.

Answer:

In December 1996 export duties on raw hide were abolished.

IV.2(c) Quantitative export restrictions

Question 81:

Please provide information on currently applied export restrictions, showing HS number, description of product, type of restriction, specific WTO justification.

Answer:

See answer to Question 83.

Question 82:

Please provide an update on plans to abolish these restrictions.

Answer:

See answer to Question 83.

Question 83:

According to the answer to Question 68 of WT/ACC/BLR/2, the Government of Belarus planned to abolish all export quotas by the end of 1996, except quotas for textile products and mineral fertilizers. Were the export quotas abolished as planned?

Answer:

Export quotas have been abolished on all goods with the exception of mineral fertilisers (code 3101-3105 of the Trade Nomenclature for Foreign Economic Activity), textile products exported to the EU states, waste and scrap of ferrous metals (7204), waste and scrap of copper (7404), aluminium (7503) and nickel (7602) originated from the territory of the Republic.

It is planned to abolish by the end of 1997 quotas on export of organic (3101) and mixed (3105) fertilisers.

Export quotas on waste and scrap of ferrous metals, waste and scrap of copper, aluminium and nickel originated only from the territory of the Republic are imposed in conformity with GATT Article XX(i) - as far as Belarus has lack of these resources export quota is necessary to ensure essential quantities of such materials to a domestic processing industry.

Export quotas on textile products exported to the EU states are imposed in conformity with GATT Article XX(h) and on the basis of Agreement between the EU and the Republic of Belarus on trade in textile products.

In respect of export quotas on mineral fertilizers see also answer on Question 85.

See Annex 3.

Question 84:

Will Belarus notify to the WTO Textile Monitoring Body the restrictions maintained by WTO Members on imports of textiles and clothing products originating in Belarus that are in force on the date prior to the date of the accession of Belarus to the WTO, as the base levels for the purposes of application of Articles 2 and 3 of the WTO Agreement on Textiles and Clothing?

Answer:

Yes. See Annex 4.

Question 85:

What is the GATT rational for the export quota for mineral fertilizer? What are Belarus' plans for the elimination of this quota?

Answer:

From January 1992 the EU introduced anti-dumping measures against Belorussian chlorine potassium while the regulation of the EU No. 64/94 dated 21 February 1994 made these anti-dumping measures more severe (the minimum level of prices for the CIS goods was established 30 per cent higher than the real current prices for potassium fertilisers on the EU member-state markets), therefore, in this connection the Government of the Republic of Belarus introduced, from 1992, the quotas on export

of mineral fertilisers so as to prevent uncontrollable export of potassium fertilisers from the Republic to the EU countries. This measure ruled out the possibility of re-export of Belorussian fertilisers and will, probably, have a positive impact on the taking by the EU of the final decision on the issues of regulation of anti-dumping procedure in relation to chlorine potassium. As we understand, there is no GATT rationale for this export quota. This issue, as well as, issues regarding application of anti-dumping measures against Belorussian products, would need to be dealt during the WTO accession process.

Question 86:

Did Belarus abolish the export quotas on ferrous and non-ferrous metal natural deposits and scraps? What is the WTO rationale for these export quotas? Please describe fully any conditions imposed on the exportation of these products.

Answer:

See answer to Question 83.

Question 87:

According to the response to Question 70 of WT/ACC/BLR/2, the Government of Belarus prohibits the exportation of wild plants with medicinal applications and raw materials from such plants because the reserves are limited. What measures are being taken to restrict domestic production or consumption of these items?

Answer:

In connection with the limited resources, export of 18 kinds of medicinal plants has been banned. The list of these plants is included into Addendum No. 3 to the Order of the State Customs Committee on the basis of Resolution No. 218 of the Council of Ministers of the Republic of Belarus dated 18 March 1997 (WT/ACC/BLR/5).

Though the amount of demands in this products at the internal market is not dangerous for the environment several measures are being taken to restrict domestic production consumption of these items. Collection of wild plants contained in the Red Book is prohibited.

Besides, most of plants banned for export grow in National Parks where their collection is regulated by the State.

This measure is introduced in conformity with the Article XX(j). See also Annex 3

IV.2(d) Export licensing procedures

Question 88:

Please describe the procedures for obtaining an export license for all items subject to quotas in the form of a response to the Questionnaire on import licensing.

Answer:

This questionnaire was submitted to the WTO Secretariat. See WT/ACC/BLR/1.

Question 89:

According to the Memorandum, licenses are required for exports of precious stones and metals in order to prevent illicit capital transfers abroad. Please identify, including HS numbers, all precious stones and metals subject to export licensing.

Answer:

In conformity with Addendum No. 2 to Resolution No. 213 of the Cabinet of Ministers of the Republic of Belarus "On Measures for Improvement of Regulation of Export and Import of Goods" dated 1 December 1994 (WT/ACC/BLR/1), export of some goods is carried out under licences of the Ministry of Foreign Economic Relations that are to be agreed with the Committee on Precious Metals of the Ministry of Finance. This licensing is automatic and aimed at collection of statistical data base and analysis of export of these goods.

List of goods that can be exported by licences of the
Ministry of Foreign Economic Relations to be agreed with the
Committee on Precious Metals of the Ministry of Finance

Code of HS	Description of goods
From 253090950*	unprocessed amber
260120000, 2616, 284310	ore and concentrates of precious metals including in colloidal state, pyrite and pyrotin concentrates and pyrite cinder
7102, 7103, 7105 (only of natural stones), 711620	precious natural stones (diamond, emerald, ruby, sapphire, alexandrite) in all forms: raw, faceted, scrap, waste, powder, recuperate, jewellery as well as used home and production items
7101, 711610000	natural or cultivated pearls, processed or unprocessed, sorted out or non-sorted and products made from same
284321000-284390, 7106-7112, 7115	industrial products from precious metals (Waelz slag, slime, dust, dump slag, scrap and waste including used items, machinery, equipment that contain precious metals; affinated metals in ingots, powder and other forms; chemical compounds of precious metals). Products and prefabricated items from precious metals or their alloys (strips, rolled bars, wire, etc.); products from non-precious metals coated with precious metals
7113, 7114, 7117	jewellery products from precious metals and haberdashery products from non-precious metals coated with precious metals manufactured in traditions of artisan craft
711810100-711890100	coins (except golden coins) from precious metals that are not in circulation and not subject to exchange
From 711890000	golden coins
902129100	products from precious metals and materials containing precious metals used in dental prosthetics
9101	wrist-watches, pocket watches and other watches to be carried on oneself (including stop watches) with the body made from precious metals
911110000, 911120100, 911310, 911320, 960810300 960839100	bodies of watches and any bracelets from precious metals or from non-precious metals coated with precious metals, pens with the body or seal from precious metals

Code of HS	Description of goods
* 9602	processed amber and products from same
From 440391000**, 442010190, 442090190, 4420909 90, 440791, ** 940350000 - 940360	preserved oak and products from same
9705, 9706	collections and antique items older than 100 years

* Exclusively amber and products from same.

** Exclusively preserved oak and products from same.

According to Resolution No. 368 of the Council of Ministers of the Republic of Belarus "On Regulation of Activities Related to Operations with Precious Metals, Precious Stones, Diamond, Amber and Preserved Oak" dated 4 June 1993 (WT/ACC/BLR/, licensing shall be applied to any activities connected with extraction, recovery from scrap and waste, use in production, processing and treatment, buying, realisation and storage of precious metals and precious stones of diamond and amber in all forms and kinds, manufacture of jewellery, home and other products from precious metals (with coating from same) and precious stones, diamond and amber as well as trade in them, storage and acceptance as pawn.

Question 90:

GATT Article XX excludes the exportation of gold or silver from coverage by the Agreement. What is Belarus' WTO justification for excluding other precious stones and metals?

Answer:

Resolution No. 464 of the Council of Ministers of the Republic of Belarus dated 30 July 1992 approved the "Rules on Transactions with Precious Metals and Stones" according to which precious metals include, along with gold and silver, platinum and metals of the platinum group, i.e., palladium, iridium, rhodium, osmium and ruthenium. This is also confirmed by the "Regulation on the State Fund of Precious Metals and Precious Stones of the Republic of Belarus" approved by Resolution No. 128 of the Council of Ministers of the Republic of Belarus dated 5 March 1994. Correspondingly, these metals are covered by all rules established for gold and silver.

IV.2(f) Export financing, subsidy and promotion policies

Question 91:

Does Belarus agree that the reduction in corporate tax for profits made from exported production is an export subsidy in terms of the Agreement on Subsidies and Countervailing Measures?

Answer:

Referring any measure to the export subsidisation also depends, according to the provisions of the Agreement on subsidies and compensation measures, on the degree of impact by such measure on the results of export activities, consequences to the exporting country, etc.

This measure was applied in conformity with Article 29 of WTO Agreement on Subsidies and Countervailing Measures in order to encourage enterprises which introduce new technologies and produce competitive goods.

It is not used in 1997.

Question 92:

Are exports in exchange for freely convertible currency still exempt from VAT and excise tax? (WT/ACC/BLR/I)

Answer:

The Law of the Republic of Belarus "On Excise" that came into force as of 1 April 1996, established that goods for which excise rates are established when they are exported from the Republic of Belarus, with the exception of the CIS States, shall be exempted from the excise.

The Law of the Republic of Belarus "On the Value-Added Tax" that came into force as of 1 April 1996, established that goods that are sold for export from the Republic of Belarus, with the exception of the CIS States, shall be exempted from the value-added tax.

Reason of collection of excise and Value-Added Tax from goods that are sold for export from the Republic of Belarus to the CIS States is described in answer on Question 65.

Question 93:

According to the Memorandum, profits from exports in exchange for freely convertible currency are taxed at half the normal rates of profits tax.

Please provide translated copies of the Law of 19 October 1994, "On Amendments to the Taxation Legislation in Force", and the Law of 29 December 1994, "On Amendments and Additions to Laws of the Republic of Belarus on Taxation" to the WTO Secretariat for review by the Working Party.

What amounts of tax revenue were foregone by the Government of Belarus in 1995 and in 1996 pursuant to the application of the reduced tax profits rate on export earnings? How many enterprises were eligible for these reduced tax rates? Please identify the ten enterprises that were the largest beneficiaries of the reduced tax rate subsidy. For 1995 and 1996, what percentage of the total tax subsidy for export earnings was received by the ten largest beneficiary enterprises?

Answer:

The documents are enclosed.

This temporary measure was applied in conformity with Article 29 of WTO Agreement on Subsidies and Countervailing Measures in order to encourage enterprises which introduce new technologies and produce competitive goods. It is not used in 1997.

Question 94:

Belarus' tax exemptions for purposes of domestic investment and export production appear to be export subsidies prohibited under the Agreement on Subsidies and Countervailing Measures.

What steps does the Government of Belarus intend to take to bring this export subsidy into conformity with the WTO Subsidies and Countervailing Measures Agreement?

Answer:

At present, in Belarus no measures are used that contradict the Agreement on Subsidies and Countervailing Measures.

IV.3 Internal Policies Affecting Foreign trade in Goods

IV.3(a) Industrial and subsidy policies

Question 95:

According to the response to Question 74 of WT/ACC/BLR/2, the Republic of Belarus maintains a share of 25 per cent in those large enterprises that occupy a dominant position in the Belorussian market.

Please list these enterprises and indicate the products in which they have a "dominant position" in the market? Does the Republic of Belarus maintain 25 per cent or more shares in more than one enterprise operating in a given market? Please describe the enterprises that occupy a dominant position and the industry sectors in which they operate.

What financial support does the Government of Belarus provide to the firms in which it holds this interest? What is the role of the Government, as a 25 per cent equity shareholder, in determining the management and/or policies of these firms?

Answer:

At present, the Republic has more than 200 joint-stock companies in which the share of stocks owned by the State constitutes over 25 per cent. Permanent search of investors and alienation of stocks allows the reduction of the number of enterprises owned by the State. The main forms of stock sale are auctions and tenders.

Referring enterprises to the enterprises dominating on the Belorussian market is made according to the methods developed by the Ministry of Entrepreneurship and Investments.

In the Republic of Belarus, the total number of enterprises is more than 1,900 which represent practically all basic sectors of production. The leading sectors include enterprises manufacturing potassium fertilisers, large trucks, tractors, chemical fibres, metal-working machines, bicycles and other products. The Republic also has large specialised enterprises of the light, radio-electronic, microbiological, medical, glass and porcelain-and-faience industries.

The fact of domination of enterprises on the commodity market is established by the Ministry of Entrepreneurship and Investments in accordance with the "Recommendations on Determination of the Dominant Position of Entities on Trade Markets of the Republic of Belarus".

The dominant position of an entity is determined on the basis of analysis of the specific situation of the commodity market in accordance with a statistical reporting data.

The prerequisite for recognition of the dominant position is a presence of one or several features, namely:

- absence of competitors on the market of the relevant commodity for the entity;
- ability of the entity which is not the single seller or buyer of the relevant good to impose conditions through sale or purchase of goods that are not acceptable for the counteragents on the market;
- ability of the entity to limit the competition of other entities on the markets of raw materials, energy resources, equipment and other goods;
- ability of the entities to reduce or limit the supply of goods to the market with a view of obtaining unilateral benefits and advantages during the sale of goods.

A sufficient condition for recognition of the dominant position, in addition to the above features, is the fact that the share of the entities on the respective market of the definite commodity exceeds the limits of amount established. Namely, in case of supply of commodity market by one entity (except industrial and technical products) the fact of domination is established when the share of commodity sale exceeds 30 per cent. For producers of technical and industrial products purpose when the share exceeds 45 per cent.

The Constitution of the Republic of Belarus establishes the equality of all forms of ownership. There are no mechanisms that envisage a financial aid to entities that have a share of the State property in the authorized fund.

Management of and control over the activities of the above entities (supervision by the owner) in conformity with the legislation of the Republic is executed through the appointment by the ministries and other central bodies of government of representatives of the State into the bodies of management of such entities. Representatives of the State take part in the work of meetings of shareholders, sessions of the management boards in accordance with the statutes and within the scope of authorities established by the Regulation on the representative of the State in bodies of management of joint-stock companies and other entities whose stocks (or shares of the stocks) belong to the Republic of Belarus.

Question 96:

According to the response to Question 80 of WT/ACC/BLR/2, extra-budgetary funds are used for financing not only investment projects of branch and multi-branch character, but certain activities aimed at diversification of production capacities as well. The response to Question 80 further states that extra-budgetary funds described in the Memorandum are no longer operational. Please explain in detail the difference between the extra-budgetary funds described in the response to Question 80 and the extra-budgetary investment funds described in the Memorandum.

Answer:

Decision on the formation of extra-budgetary funds is taken annually by the Law on budget for the next fiscal year.

In accordance with the Law of the Republic of Belarus "On the Budget of the Republic of Belarus for 1995", in 1995 a decision was taken on the formation by the ministries, State concerns, bodies of Region executive committees and Minsk City Executive Committee of investment funds, special branch and inter-branch funds for financing research and development work and putting into production of new science-intensive products and a centralised target fund for facilitation of conversion of military production facilities.

According to the Law of the Republic of Belarus "On the Budget of the Republic of Belarus for 1996" (WT/ACC/BLR/5) the ministries and other State bodies were given the right to establish, in 1996, centralised innovation funds that united the previously independent centralised investment

funds, special branch and inter-branch funds for research and development work and putting into production of new science-intensive products and fund for facilitation of conversion of military production facilities.

In 1995, investment funds were formed at the basis of deductions up to 1 per cent of the cost of production and up to 15 per cent of depreciation deductions designed for the restoration of the fixed assets, the R&D funds - of deductions in the amount of up to 1 per cent of revenues from the sale of products (services) and the conversion fund from deductions in the amount of up to 3 per cent of the cost of the products (services) produced by the enterprises of the defence complex.

The revenues of innovation funds in 1996 were formed at the basis of accumulated deductions from the cost of production of goods, work and services of enterprises, amalgamations and organisations in the amount of up to 1.1 per cent as well as up to 7.5 per cent of the depreciation deductions designed for the restoration of the fixed assets.

Question 97:

For the years 1995 and 1996 , what amounts of extra-budgetary investment funds were provided to enterprises in Belarus? What product sectors received the five largest shares of these investment funds? Which enterprises received the ten largest shares of the investment funds? What percentages of the total investment funds distributed in 1994 and in 1996 were received by enterprises in which the Republic of Belarus retains at least 25 per cent interest?

Answer:

Incomes of innovation funds in 1996 constituted 5.5 trillion roubles, of which 4.8 trillion roubles were provided for the financing of branch and inter-branch investment and innovation projects. The most substantial investments were directed for the development of the energy sector, communication facilities, transport infrastructure, restructuring and modernisation of the industry. 1.7 trillion roubles of the fund were provided to the Ministry of Fuel and Energy, 0.7 trillion roubles to the Ministry of Communication, 0.7 trillion roubles to the Belorussian Railways, 0.6 trillion roubles to the Ministry of Industry, 0.3 trillion roubles to the "Belneftekhim" Concern.

Question 98:

What criteria is considered by the branch ministry and industry associations in determining which enterprises receive the investment funds? Are export production, generation of freely-convertible currency or import substitution considered as factors in determining which enterprises receive investment funds?

Answer:

Extra-budgetary innovative funds formed with the view of financing of the structural adjustment manufacturing of competitive products, scientific and technical work within branches, the modernisation of manufactured products in accordance with international standards and rules, the implementation of measures on reconstruction and technical updating of production facilities.

All these funds are set up as the programmes necessary for the process of transformation to market economy and could be considered as measures correspondent to Article 29 of the WTO Agreement on Subsidies and Countervailing Measures.

See also answer to Question 174.

Question 99:

To what extent are these funds made available to firms in which the Government of Belarus has an equity interest, e.g. the "dominant" firms in which Belarus holds 25 per cent interests? Are foreign-owned businesses in Belarus eligible to receive extra-budgetary investment funds? How may foreign-owned businesses received such funds in 1995 and 1996 and in what amounts.

Answer:

The Law of the Republic of Belarus "On the Budget of the Republic of Belarus for 1997" (WT/ACC/BLR/5) envisaged the mandatory formation of innovative funds by State-owned enterprises, amalgamations and organisations included into the system of ministries, other republican bodies of State government, and State amalgamations formed by decision of the Government of the Republic of Belarus.

The regulation on the procedure of formation and use of resources of innovation funds does not specifically stipulates this issue. The allocation of resources of innovative funds to foreign enterprises has not taken place.

Question 100:

According to the Memorandum the financial responsibility of enterprises will be further strengthened through the implementation of the Law on Bankruptcy and of the Law on Counteracting Monopolism and Encouraging Competition. What is the status of implementation for the Bankruptcy and Monopolism laws? According to WT/ACC/BLR/1/Add.1, the Law "On Counteracting Monopoly Activities on Encouraging Competition" appears to have been enacted on 10 December 1992. Please explain why this law has not yet been implemented and the proposed timetable for its realization.

Answer:

The Law of the Republic of Belarus "On Economic Insolvency and Bankruptcy" was passed by the Supreme Council of the Republic of Belarus on 30 May 1991 (WT/ACC/BLR/1/Add.1). The Law came into force as from 1 July 1991. This Law was amended and supplemented on 17 June 1993 and 18 January 1994.

The Law of the Republic of Belarus "On Counteracting Monopolistic Activities and Development of Competition" was passed by the Supreme Council of the Republic of Belarus on 10 December 1992 (WT/ACC/BLR/1/Add.1). The Law came into force as from 1 March 1993.

In conformity with the above Law and for the purpose of limitation, suppression and prevention of monopolistic activities as well as for the facilitation of development of competition, the State Committee on Anti-Monopoly Policy of the Republic of Belarus was formed. At the present time the Ministry of Entrepreneurship and Investments is responsible to carry out the State policy on limitation of monopoly and development of competition. The Government of the Republic of Belarus and the departments have passed regulatory acts that determine issues of anti-monopoly regulation and development of competition.

The draft laws of the Republic of Belarus "On the Manager in the Procedure of Bankruptcy", "On Sanction" and of the new law "On Bankruptcy (Economic Insolvency)" have been developed.

Question 101:

According to the response to Question 81 of WT/ACC/BLR/2, so far no industries have been declared bankrupt, but a number of firms are no longer operating? In the absence of an implemented "Law on Bankruptcy", how were creditors of these firms repaid? What happens to these firms' assets?

Answer:

Compensation to the creditors is paid in accordance with the current legislation "On Enterprises", "On Joint-Stock Companies, Limited Companies and Additional Liability Companies", which stipulates the order of liquidation and reorganisation of enterprises and the order of complying with claims of creditors.

Question 102:

According to the Memorandum, credits from foreign governments that are guaranteed by the Belorussian Government are allocated to enterprises by a special interministerial commission on the basis of project proposals or business plans. In 1995 and 1996, what amounts of such foreign government-source credits were allocated to Belorussian enterprise? Which foreign governments were the largest contributors of these credits?

Answer:

Belorussian enterprises received foreign credits that are guaranteed by Belorussian Government in the amount of US\$157.7 million in 1995 and US\$50.9 million in 1996.

The main creditors in 1995 and 1996 were the Governments of Germany, Russia, Austria and Switzerland.

Question 103:

What product sectors received the five largest shares of these foreign government-source credits? Which enterprises received the ten largest shares of these credits? What percentage of the total investment funds distributed in 1995 and in 1996 were received by enterprise in which the Republic of Belarus retains at least a 25 per cent interest?

Answer:

The greatest shares of credits were received by enterprises of the petroleum and chemical complex (about 40 per cent), machine-building industry (about 22.5 per cent), road construction (about 10.5 per cent), agriculture and food (about 5.5 per cent) and light industry (about 4 per cent).

The following enterprises received the greatest shares of credits:

Name of enterprise	Amount of credit (million US\$)	Share in %
Mozyr Oil Refinery	44.41	19.90
Belavtostrada	23.07	10.34
Minsk Tractor Plant	22.78	10.21
"BelTelecom"	17.21	7.71
Mogilev PA "Khimvolokno"	15.62	7.00
"Belshina"	15.00	6.72
"Integral"	10.00	4.48
Rudensk Plant of Plastic Products	9.88	4.43
Minsk Automobile Plant	5.30	2.37
Confectionery Enterprise "Vitba"	5.02	2.25

Question 104:

What criteria is considered by the Interministerial Commission in determining which enterprises receive the credits? Who participates on the Interministerial Commission? Do the foreign governments have any input as to which enterprise receive the credits? Are export production, generation of freely-convertible currency or import substitution considered as factors in determining which enterprises receive credits?

Answer:

The Intergovernmental Commission considers the following criteria to select projects for financing at the expense of funds of foreign credits:

- currency recoupment,
- ability of the borrower to repay the demanded amount of credit,
- social and economic importance of the project implementation.

The Currency and Credit Commission includes:

- the Prime-Minister of the Republic of Belarus, the first deputy Prime-Minister, deputies of the Prime-Minister, the Manager of the Credit and Investment Administration of the Ministry of Foreign Economic Relations, the Chairman of the Managerial Board of the National Bank, the Head of the Department of International Economic Relations of the Ministry of Foreign Affairs, the Deputy Head of the Department of Economic Security of the State Secretariat of the Security Council of the Republic of Belarus, the Chairman of the Committee of State Control, the Deputy Chairman of the Council of Directors of the Joint-Stock Commercial Bank for Foreign Economic Activities, the Chairman of Board of the Open Joint-Stock Company "Saving Bank-Belarusbank", the Head of the Main Administration of the Inspection of Currency Control of the committee of State Control, the Minister of Finance, the Minister of Agriculture and Food, the Minister of Industry, the Deputy Minister of Foreign Affairs, the Deputy Minister of Economics, the Head of the Sector of Economic Legislation of the Legal Department of the Administration of the Council of Ministers, the Head of the Administration of Foreign Economic Activities and International Co-operation of the Administration of the Council of Ministers.

In accordance with the Procedure of provision of foreign credits guaranteed by the Government of the Republic of Belarus that was registered on 5 February 1996, enterprises that manufacture products for export/substitution of import do not enjoy privileges in comparison with other enterprises.

Question 105:

Are foreign-owned businesses in Belarus eligible to receive foreign government-source credits? How many foreign-owned businesses received such credits in 1995 and 1996 and in what amounts?

Answer:

Foreign-owned businesses in Belarus are eligible to receive foreign government-source credits.

In 1995 foreign-owned businesses received such credits in amount of US\$3.86 million.

Question 106:

Are the foreign government-sourced credits made available to Belorussian enterprises pursuant to market interest rates or repayment terms? Please describe fully any preferential terms provided with these credits.

Answer:

Foreign governmental credits are provided to Belorussian enterprises on preferential conditions, as a rule, at the interest rate applied to the credit agreement (equal about 8 per cent with the market rate for currency credits of about 20 per cent).

Preferences that should be mentioned in connection with the receipt of the above credits include the following:

- Decree No. 6 of the President of the Republic of Belarus "On Regulation of Allocation of Preferences to Legal and Physical Persons of the Republic of Belarus on Taxes and Customs Payments" dated 10 May 1997 established that goods designed for production purposes imported by legal persons into the customs territory of the Republic of Belarus by contracts the payment for which payments are made at the expense of foreign credits allocated under guarantees of the Government of the Republic of Belarus shall be exempted from the value-added tax, customs duties and excise;
- Decree No. 311 of the President of the Republic of Belarus "On Further Regulation of Procedures of Mandatory Sale of Foreign Currency" dated 2 June 1997 envisages the cancellation of mandatory sale of foreign currency received on accounts of legal persons and entrepreneurs who have debts on credits on foreign currency allocated by foreign creditors and transferred to a special account for the purpose of accumulation of currency funds for repayment of the above credits and payment of interests on them.

Question 107:

Does the Government of Belarus provide free or reduced-cost energy supplies to any enterprises operating in Belarus? Please describe fully the energy subsidy system, including identification of the enterprises eligible for the subsidies and the conditions they must satisfy in order to receive the subsidies?

Answer:

Energy resources are not provided to users in the Republic free of charge.

Tariff policy on natural gas and energy (electrical and thermal) in the Republic of Belarus is implemented with due account of the existing practice of the so called "cross subsidisation" of preferential users (mainly population) at the expense of other users (mainly industrial users).

IV.3(b) Technical barriers to trade

Question 108:

What practical steps is Belarus taking/planning to take to prepare for the accession to the TBT Agreement?

Answer:

It is planned to carry out the work on creation in 1998-1999 of a national information centre in conformity with the requirements of the Agreement on Technical Barriers to Trade.

Question 109:

Could Belarus please provide an overview of regulations relating to different products/product areas.

Answer:

The legislative basis that regulates the issues in the sphere of certification of products includes:

- the "Law on Protection of the Consumer Rights" (WT/ACC/BLR/1/Add.1) that defines (Article 13) "the right of the consumer for safety goods": goods for which the legislation and technical documentation have established requirements on assurance of safety for life, health or property of consumers, protection of the environment shall be liable to mandatory certification in the National System of certification with a follow-up marking using a mark of compliance with such requirements;
- the "Law on Certification of Products, Work and Services" (WT/ACC/BLR/1/Add.1) establishes legal grounds for mandatory and voluntary certification in the Belarus, the rights, duties and responsibilities of participants in certification and regulates legal relationship arising in the process of certification;
- documents that establish the nomenclature of products liable to mandatory certification in the Republic of Belarus;
- Resolution No. 635 of the Council of Ministers of the Republic of Belarus dated 22 September 1993;
- Resolution No. 260 of the Cabinet of Ministers of the Republic of Belarus dated 16 April 1996 (WT/ACC/BLR/5);
- Resolution No. 447 of the Council of Ministers of the Republic of Belarus dated 7 May 1997.

These documents have been submitted earlier to the WTO Secretariat.

Question 110:

Are technical regulations in Belarus based on product requirements in terms of performance or on design and descriptive characteristics?

Answer:

Generally, if it is not connected with norms of human life or health safety, environmental protection, standards contains terms of production operation, but not requirements to its construction and design.

Question 111:

Are the standards used in Belarus voluntary or mandatory; if mandatory, could Belarus please state the rationale behind this?

Answer:

See answers to Questions 113 and 117.

Question 112:

Has Belarus the intention of gradually moving from the use of GOST-standards to the use of International standards; if so, what is the timetable and the priorities for this change-over?

Answer:

See answers 118 and 120 .

The annual program of State standardisation envisages the use of about ten international standards in average. The priority is given to standards that establish standards of products safety for life and health of citizens, protection of the environment, standards that establish progressive methods of testing and control and standards in the sphere of quality control.

Question 113:

Could Belarus please provide more in-depth information on the procedures and requirements connected with the mandatory and the voluntary system of certification.

Answer:

Mandatory certification of products and services in the Republic of Belarus is exercised on the basis of legal acts and governmental resolutions of the Republic of Belarus according to indices that secure safety for life and health of the people and protection of the environment established in regulatory documents in forced in Belarus.

Voluntary certification of products is executed on the initiative of the manufacturer, consumer or supplier of products and the nomenclature of indices specified by them.

Mandatory and voluntary certification in the Republic of Belarus is executed in conformity with the standards of the National System of Certification of the Republic of Belarus that have been developed with due account of the requirements of the European standards EN 45001, EN 45002, EN 45003, EN 45011, EN 45012, EN 45013 and EN 45014.

Plans of certification used in the System are based on plans adopted in ISO as supplemented by the declaration on the product compliance adopted in the European Union (EU) as an element used by the manufacturer (supplier) to confirm the products compliance with the established requirements as well as taking into account the modular approach of compliance assessment used in the EU.

Certification of products is executed by bodies on certification of uniform products accredited in the National System of Certification of the Republic of Belarus. Tests for the purpose of certification are executed by verification and test laboratories accredited in the System of accreditation of verification and testing laboratories of the Republic of Belarus.

Certification of domestic and imported products is executed using the same rules and procedures excluding discrimination.

The National System of Certification of the Republic of Belarus recognises certificates issued in the national system of certification of the country that is member to the agreement on mutual recognition of certificates for products manufactured in this country.

Certification is executed in relation to domestic and foreign products manufacture that have information in one of the national languages (Belorussian or Russian) in conformity with the legislation of the Republic of Belarus.

Products which are subject to mandatory certification shall be cleared in the customs if there is a compliance certificate of the Republic of Belarus.

Question 114:

Has Belarus developed a quality assurance system? Could Belarus please provide further information on this system or on any plans to develop such a system?

Answer:

At present there is no system of assurance of quality in the Republic of Belarus.

A guideline document is being prepared on this issue.

Question 115:

Could Belarus also please provide further information on its accreditation system?

Answer:

See answer to Question 114.

Question 116:

It is reported that a decree provides that 75 per cent of the goods on sale in all Belarus stores must be locally produced. Is this report accurate? If yes, how is the Decree implemented? How would Belarus justify such a provision under WTO rules?

Answer:

Twenty five per cent level of availability in the trade system of imported industrial and food goods is established not by a decree of the President but by a decision of the Board of the Ministry of Trade (Protocol No. 11 dated 19 July 1996). These requirements cover only some trade enterprises as agreed with the Region Executive Committees and Minsk City Executive Committee.

This measure is temporary and will be abolished upon accession of the Republic of Belarus to WTO.

Question 117:

Do all agricultural imports require certification before importation? If yes, could you provide detailed information regarding the certification process for both domestic and imported agricultural products, including the specific criteria applied in granting the certification?

Answer:

No. In conformity with the List of Products Liable to Mandatory Certification in the Republic of Belarus mandatory certification is applied to children's foodstuff, preserved products from meat, fish, crustacean, molluscs and other aqueous invertebrate, caviar and caviar substitutes, canned vegetables, mushrooms, fruit and berries, juice, beverages, syrups, preserved spices; canned milk, butter, hard cheese; smoked sausages; honey, coffee, tea, cacao, vegetable oil, sugar, confectionery, salt, all kinds of alcoholic and non-alcoholic beverages.

Requirements to mandatory certification of such goods concern both imported and domestic products.

The procedure of certification of products is determined in the standard of the National System of Certification STB 5.1.04-96 "Procedure of Certification of Products. General Requirements."

Certification of domestic and imported products is made according to the same rules.

The main principles of certification of products are based on the performance of testing of a patch of products for safety indices whereas certification of mass-scale production products on the basis of assessment of the production condition as well.

Question 118:

Please indicate the provisions of Belarus' law or regulation its standards and inspection regime that implement each Article of the WTO TBT Agreement. Please describe in detail any aspects of Belarus' standards and inspection regime that are currently deficient and the steps Belarus is taking or will take to remedy the deficiency prior to WTO accession.

Answer:

The Agreement on Technical Barriers in Trade (Article 4) demands that central bodies of standardisation (the State Committee on Standardisation, Metrology and Certification in Belarus - "Gosstandard" or Belst in international organisation) should fulfil the Code of established practice on the development, approval and application of standards. The Law of the Republic of Belarus "On Standardisation" (WT/ACC/BLR/1/Add.1) takes into account all requirements of the Code.

The standards do not include reservations as to more favoured treatment of domestic products as compared to analogous products of other countries.

The adopted procedure for the development of standards assures the maximum use of international standards. Reviewing draft standards of ISO/IEC enterprises and organisations submit at the stage of draft documents to the State Committee on Standardisation proposals on expediency of application of such standards.

Notification on the beginning of a work on the development of standards is published in the Supplement to the Journal of the State Committee on Standardisation "News. Standardisation. Certification".

In 1997, the State Committee on Standardisation became member of the ISONET.

There is an interval of at least six months between the date of adoption and introduction of a standard that is designed for the publication and performance by users of preparatory actions for the transition to the new standard.

Until adoption, draft standards shall pass through an all-round discussion and shall be adopted on the basis of consent by all parties concerned.

Technical legislation is at the stage of development, however already in force are the following laws "On Protection of Consumer Rights" (WT/ACC/BLR/1/Add.1), "On Sanitary and Epidemiological Welfare of the Population", "On Fire Safety", "On Standardisation" (WT/ACC/BLR/1/Add.1), "On Certification", "On Securing the Uniformity of Measurements" (WT/ACC/BLR/1/Add.1), and others. The above laws are aimed, first of all, at securing safety of products, work and services for the environment, life, health and property of citizens. In the nearest future, a series of bills will be presented regarding specific groups of products and types of production. Among them are the Law "On Regulation of Production, Circulation and Use of Alcoholic Products".

As regards State standards of the Republic of Belarus, in accordance with the Law of Belarus "On Certification of Products, Work and Services" (WT/ACC/BLR/1/Add.1) the requirements of the standards have been made mandatory in relation to the products safety.

Question 119:

Please indicate the number of cases, in the past three years, in which the Government of Belarus has denied or significantly delayed entry of foreign goods on the grounds that the good did not satisfy regulations on standards, measurement or quality, or were not correctly documented under such regulation. Please provide general descriptions of the most significant problems that foreign goods have encountered in satisfying standards requirements.

Answer:

In practical work of the bodies of certification of food and agricultural products, there have been cases when certificates of compliance have been denied for imported products.

For example, natural ground coffee, tea, canned fish, instant coffee, etc.

Question 120:

Does Belstandart publish and circulate draft standards for comments at least 60 days in advance of finalization? If not, please indicate the steps Belarus is taking to meet this requirement of the WTO TBT Agreement. Please describe the procedures used by Belstandart to ensure that public notice of draft standards for comment is provided to all parties. How long is the period for comments on draft standards, technical regulations and conformity assessment procedures?

Answer:

Article 4 of the Law of the Republic of Belarus "On Standardisation" (WT/ACC/BLR/1/Add.1) describes the rules for the execution of work on standardisation. This provision of the Law is implemented on six standards of the national system of standardisation. Specific requirements to the development of standards, their agreement, approval, registration and publication are determined in one of the standards of this system, i.e., in STB 2-96.

The final wording of the draft standard must be submitted to the State Committee on Standardisation for adoption not later than 6 months before the projected date of the standard adoption.

Together with the final wording of the draft standard shall be submitted all responses obtained in the process of development and other documents that justify the grounded nature of the requirements introduced into the standard.

The standard must be adopted only on the basis of mutual consent reached by all parties concerned.

A specific feature of the national system of standardisation is the opportunity of direct (without) application of standards adopted by the Inter-State Council on Standardisation, Metrology and Certification, i.e., standards abbreviated as GOST. Draft standards (GOST) developed by the CIS member States included into the Inter-State Council on Standardisation, Metrology and Certification shall pass through the procedures that are analogous to their own developments. In particular, drafts of such standards shall be reviewed by all parties concerned. According to the established rules the process of review must not exceed three months.

On expiration of this period the State Committee on Standardisation must forward into the National body on standardisation of the developing state a bulletin for voting that should reflect the stand of Belarus. A positive decision on joining the GOST draft shall be taken on the basis of consent of all parties concerned.

Originals of standards, the documents that accompany the process of development including responses, remarks and conclusions on the draft standards shall be kept by the State Committee on Standardisation.

Question 121:

Do the laws or regulations direct Belstandart or other agencies to consider the use of appropriate international standards when they are drafting standards? Please outline the process by which standards are developed in Belarus?

Answer:

Article 5 of the Law of the Republic of Belarus "On Standardisation" (WT/ACC/BLR/1/Add.1) stipulates that the requirements established by standards must be based on modern achievements of science, technology and international standards.

Implementation of the above requirements, the STB1.2-96 stipulates the expertise of the standard from the position of inclusion into it of requirements of international standards.

According to Article 8 of the Law of the Republic of Belarus "On Standardisation" Belarus can use international standards, norms and rules. Methods of their application are determined in the standards of the State system of standardisation and are in full agreement with the rules developed by ISO/IES.

One of the ways for expansion of the number of applied international standards is the increase of the number of entities that participate in the work of the technical committees (sub-committees) of ISO, IEC.

Question 122:

How are final standards and technical regulations published in an official gazette or otherwise notified to the public? How are importers notified of draft standards or changes in the technical regulations?

Answer:

The Law of the Republic of Belarus "On Standardisation" (WT/ACC/BLR/1/Add.1) (Article 9), states that the official information on standards and its adoption must be transparent. Within the frameworks of this requirements, the State Committee on Standardisation has created a system of information on regulatory documents on standardisation.

Information about each adopted standard or amendment to it shall be included into the official publication of the State Committee on Standardisation that is the Information Directory of Standards, and the blank order to it. This publication is published every two months.

Question 123:

The WTO Agreement on Technical Barriers to Trade requires the publication in advance of implementation for comment by interested parties, of conformity assessment procedures and announcements of draft standards and technical regulations. Does Belstandart publish, for comment by interested parties, conformity assessment procedures and announcements of draft standards and technical regulations?

Answer :

See answer to question 120.

Question 124:

Belarus should complete the statement of implementation required by the Agreement on Technical Barriers to Trade and submit it in draft for review by the Working Party.

Answer:

The statement shall be submitted.

IV.3(c) Sanitary and phytosanitary measures

Question 125:

Please provide translated copies of the Law on "Protection of Health" of 18 June 1993, the Law on "Veterinary Activity", of 2 December 1994, and the Law on "Protection of Plants" to the WTO Secretariat for review by the Working Party.

Answer:

A copy of the Law of the Republic of Belarus "On Veterinary Practice" is enclosed. As regards the Law "On Protection of Plants", it is at the stage of development.

Question 126:

According to the Memorandum, the Belorussian national legislation is based on the norms and standards of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, the Codex Alimentarius, and the International Convention on Quarantine and Protection of Plants. Which international standards does Belarus plan to adopt? Are the norms outlined by the Codex Alimentarius (CODEX), the Organization of International Epizootics, and the European Plant Protection Organization? What are the Government of Belarus' plans for implementing the harmonized sanitary and phytosanitary measures developed by the Codex Alimentarius Commission?

Answer:

Phytosanitary control over products imported into or exported from territory of the Republic of Belarus and liable to quarantine control is executed in strict conformity with international standards on quarantine and protection of plants.

At present, a single procedure is being developed for the application of technical, pharmacological, sanitary, veterinary, phytosanitary and ecological standards and requirements in relation to goods imported into customs territories of the States Members of the Customs Union.

Question 127:

According to there response to Question 92 of WT/ACC/BLR/2, Belarus is imposing stricter standards on sanitary and phytosanitary measures than those set out bay international standards organizations. Please identify all products, including HS numbers, that are subject to stricter sanitary and phytosanitary measures than are set out by international standards organizations. For each such product, please describe how the Belorussian standard is more strict than the international standard an the scientific basis for imposing a more restrictive standard.

Answer:

There is not any plant products in relation to which phytosanitary measures are applied that would be more severe than in other countries. The basic requirement applied to the supplied plant products is absence of quarantine organisms that have quarantine importance for the country.

As regards veterinary and sanitary requirements, see answer 126.

The comparison of analysis of parameters (indices) of hygienic safety of products manufactured in the majority of European countries in relation to analogous ones in force in the Republic of Belarus shows that in the majority of cases (over 90 per cent) they coincide or have slight variations that do not present any hazard to the health of the consumers.

Question 128:

According to the response to Question 91 of WT/ACC/BLR/2, Belarus noted that it may be necessary to phase in the application of the SPS Agreement over a transition period starting from the date of accession to the WTO, because the veterinary and phytosanitary knowledge and technical infrastructure are to be strengthened.

Answer:

See answer to Question 129

Question 129:

Belarus applied for GATT Accession in 1993. It has been in the WTO accession process for over two years. Belarus should be taking unilateral measures to adopt WTO provisions without waiting to complete its accession process. In that manner, the "phase in" period sought by Belarus could be substantially completed prior to accession. Please identify any provisions of the SPS Agreement for which Belarus intends to seek a transition period for the implementation of the WTO SPS Agreement. Would such transitions be product specific? If so, please list all products, including HS numbers, for which the Republic of Belarus seeks a transition, and for each such product, please describe the specific reason that a transitional period may be require.

Answer:

In view of the absence of sufficient technical (special) veterinary knowledge, technical infrastructure, international standards, prescriptions or recommendations that are applied by the WTO countries as conditions of import that will not allow the veterinary service of the Republic of Belarus to fulfil fully the requirements of the WTO, and in conformity with Article 5 (7) of WTO Agreement on the Application of Sanitary and Phytosanitary Measures, the Ministry of Agriculture and Food thinks it expedient to postpone the application of the Article 3 of the above-mentioned Agreement for the period of 5 years from the date of entry into the WTO in relation to the following list of goods that are liable to the State veterinary supervision:

List of cargo	Code HS
Animals of all species	01
Meat and meat by-products	02
Fish and fish products	03
Milk products; eggs of poultry; natural honey; animal food products	04
Animal products	05
Remnants and waste of food industry; ready fodder for animals	23

Phytosanitary control over all types of products that can be vectors of pests and diseases of plants and weeds is executed in the Republic in conformity with the international requirements.

Question 130:

Has the Government of Belarus published all sanitary and phytosanitary regulations which have been adopted? If so, where can traders find them?

Answer:

The list of products subject to the control by the State veterinary service published by the republican newspapers in 1996. The list of products subject to the control by State office on quarantine of plants (Belorussian State quarantine office) was published in the newspaper "Respublika" on 16 April 1997.

In accordance with the Law of the Republic of Belarus "On Sanitary and Epidemic Welfare of the Population" all sanitary and hygienic standards and rules shall be put into effect by relevant decrees of the Chief State Sanitary Doctor and shall be published in Republican newspapers or in "News" published the Belorussian State Institute of Standardisation and Certification.

Businessmen can receive the above mentioned standards without any difficulties from the Ministry of Health or from the Republican Centre of Hygiene and Epidemiology.

Question 131:

Do the procedures followed in implementing Belarus' sanitary and phytosanitary regime conform fully with the requirements provided in Annex C of the WTO Agreement on Sanitary and Phytosanitary Measures? Please identify and describe any deficiencies.

Answer:

The procedure of implementation of sanitary and phytosanitary regime in Belarus meets the requirements for control, inspection and approval procedures, including procedures for sampling, testing and certification, as indicated in Annex C to the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

Question 132:

According to the Memorandum, SPS certificates must be obtained prior to importation for a rather extensive number of products, including imports of all kinds of wastes, second-hand products, products whose validity is about to expire, all plants and plant products, all animals and animal products, foodstuffs, food additives and preserving agents, materials in contact with foodstuff, children's goods, materials used in water supply systems, chemicals applied to skin, cosmetic and perfume items, petrochemicals for industrial and household use, chemical products for agricultural sector, including fertilizer, polymeric and synthetic materials, fibres and threads, synthetic materials and textile items used to make footwear, machines and other technological equipment for industrial and one-industrial use. Are there plans to reduce the exceptionally large number of mandatory SPS standards?

Answer:

This issue is being studied.

Question 133:

Please prepare a schedule, to be submitted to the WTO Secretariat prior to the next Working Party meeting, which identifies all products including HS numbers, subject to SPS certification. For each product on the schedule, please indicate whether or not the Government of Belarus has established the scientific basis for the certification requirement. Also please indicate, for each product, whether the Government of Belarus has conducted risk assessments to establish the necessity for maintaining the measures.

Answer:

A schedule will be submitted to the WTO Secretariat prior to the next Working Party.

Question 134:

Please provide specific details on sanitary and phytosanitary requirements for all categories of imported animal and plant products. Please indicate which of these standards are more trade restrictive than corresponding international standards.

Answer:

The requirements and standards applied in Belarus in the sphere of phytosanitary limit the trade in plant products not more than those determined by international standards.

For example, food and fodder grain contaminated with quarantine weeds is allowed for importation into the Republic because this product is later on used in specific regimes that are established on the territory of the Republic. Also, phytosanitary limitations have been removed from other kinds of plant products, especially if they are designed for industrial processing.

Strict phytosanitary requirements are applied to seed and plantation materials contaminated with quarantine objects.

Questions connected with sanitary and phytosanitary requirements for all categories of imported products of animal and plant origin as well as procedures applied to imported goods liable to mandatory sanitary and phytosanitary certification are regulated by special legal acts.

When goods are cleared customs bodies require a permit of bodies of the Ministry of Agriculture and Food or of another competent body about the compliance of the cleared goods with the sanitary, phytosanitary and other requirements.

Question 135:

Where domestic standards are more restrictive than international standards, is Belarus prepared to provide objective scientific justification for the discrepancy?

Answer:

Belorussian standards are not more restrictive than international standards.

Question 136:

Please provide a list of all quarantine pests. Are any of these pests established in Belarus? If so, please describe any measures that have been taken to control these pests domestically.

Answer:

The list of quarantine objects for the Republic of Belarus that are registered on its territory is enclosed (See Annex 5).

Question 137:

For products subject to mandatory sanitary or phytosanitary certification, are importers required to apply for such certification for each individual shipment? Are there provisions for longer-term certification, perhaps subject to self-declaration and random inspection? If so, to which products do such provisions apply?

Answer:

See answer to Question 134.

Question 138:

For imported products subject to mandatory shipment-by-shipment sanitary or phytosanitary certification requirements, what procedures are used to ensure that domestic producers of the same products also comply with the relevant standards? For such products, are domestic producers required to certify compliance with mandatory standards for each ex-factory shipment?

Answer:

See answer to Question 134

Question 139:

Please describe your SPS regime in the form of a response to the Questionnaire on Technical Barriers to Trade found in WT/ACC/L.

Answer:

The response to the Questionnaire on Technical Barriers to Trade is enclosed. (See Annex 8)

IV.3(d) Trade-related investment measures

Question 140:

Belarus stated in the Memorandum that there are at present no trade-related investment measures. Does authority exist in Belorussian law to apply such measures, whether at the central or subcentral level? If so, please cite the authority and provide a translated copy of it for Working Party review.

Answer:

At present, Belarus has no TRIMS, neither does it have any legal authority for their application.

IV.3(e) State-trading practices

Question 141:

Please describe the State monopolies Belaruskaliy (potassium fertilizer) and Belpishcheprom (beer, spirits and tobacco products) in the form of a response to the Questionnaire on State Trading found in WT/ACC/L.

Answer :

The Belaruskaliy is included into Section II of the State Register of entities which have dominant position on the Republican commodity market whose activities on the production of mineral fertilisers are being supervised by the State.

Today, the Production Amalgamation (PA) "Belaruskaliy" produces about half of all potassium fertilisers in the CIS whereas its share in the world production constitutes about 20 per cent.

The "Belaruskaliy" produces a wide range of products: from high-concentration potassium fertilisers to special products such as mixed salts, ground silvinite and technical salt. Its production range also includes high-efficiency chlorine-free potassium fertilisers - potassium sulphate.

The operation indices of the Production Amalgamation (PA) "Belaruskaliy" for 1996 are:

- the production volume was 4,514,875 kg;
- products total: 4,339,237 kg including 667,908 kg within the Republic.

The Belorussian State Concern "Belgospishcheprom" (food products) was registered in the Republican Register at number 18,030 by decision of the Minsk City Executive Committee dated 26 May 1997, No. 437.

The Concern includes eight entities:

- Minsk Plant of Champaign Wines;
- Grodno Tobacco Factory;
- Minsk Confectionery "Slodych";
- Experimental Mechanical Plant "Pishchemash";
- Gomel Fat Combined Enterprise of the Red Banner Order of Labour;
- Belorussian Design and Technological Institute of Food Industry;
- Pukhovichi Food Combined Enterprise;
- State Enterprise "Minsk Printing House of Ministry of Agriculture and Food".

At present, Section II of the State Register of entities that have dominant position on the Republican commodity market whose activities are supervised by the State includes:

- Minsk Plant of Champaign Wines (production of sparkling wines);
- Gomel Fat Combined Enterprise (production of washing and toilet soap);
- Pukhovichi Food Combined Enterprise production of fruit and berry wine).

Section III of the State Register includes:

- Grodno Tobacco Factory (production of cigarettes);
- Gomel Fat Combined Enterprise (production of margarine and mayonnaise products).

The Government has established control over these entities as well as regulation of some parameters of their activities including prices.

The other entities that are members of the Belorussian State Concern "Belgospishcheprom" are not monopolists on relevant spheres of commodity markets.

Question 142:

According to the response to Question 96 of WT/ACC/BLR/2, Belarus will provide an exhaustive list of State-trading enterprises by way of completing a relevant questionnaire to be submitted to the WTO Secretariat. What is the status of the preparation of this questionnaire? How many entities does the Government of Belarus intend to list?

Answer:

This Questionnaire will be submitted to the WTO Secretariat.

Question 143:

Please provide information requested in the questionnaire on this subject.

Answer:

See answer to question 142.

IV.3(f) Free economic zones

Question 144:

Please provide a translated copy of Presidential Decree No. 114 of 20 March 1996 "On Free Economic Zones (FEZ) in the Territory of the Republic of Belarus" to the WTO Secretariat for review by the Working Party.

Answer:

Enclosed. In addition, we enclose the regulation on the Free Economic Zone "Brest".

Question 145:

Also please provide a translated copy of the draft Law on Free Economic Zones to the WTO Secretariat. What is the legislative status of this draft law?

Answer:

The draft Law "On Free Economic Zones" is at the stage of co-ordination with the concerned ministries and departments.

Question 146:

Please identify the locations of the free economic zones and describe fully the incentives available to enterprise operating in the free economic zones. What is the current status of the proposals to establish free economic zones in Grodno, Gomel and Minsk?

Answer:

At present, in the Republic of Belarus there is one free economic zone "Brest" which was organised in 1996 by Decree No. 114 of the President of the Republic of Belarus dated 20 March 1996 "On Free Economic Zones on the Territory of the Republic of Belarus" (WT/ACC/BLR/5).

This Zone borders on the Republic of Poland, is adjacent to the City of Brest and covers the area of over 651 square kilometres where there is a first-category international airport.

The Free Economic Zone "Brest" is located at the cross-roads of which the most important is the transit corridor E-30 Berlin-Warsaw-Brest-Minsk-Moscow.

Preferences allotted to residents of the Free Economic Zone "Brest":

Foreign trade preferences envisage the introduction for the residents of the Zone of a special customs-tariff treatment (cancellation of export and import duties) and a simplified procedure for execution of foreign trade operations.

When goods are imported into the territory of the Free Economic Zone the import customs duty, the value-added tax and the excise tax are not levied, measures of economic policy are not applied, excise stamps are not required.

When goods are exported to other countries, the customs duty and other payments are not levied with the exception of the customs clearance fees.

Products produced by the residents of the Free Economic Zone and exported from the Zone are exempted from customs payments with the exception of the customs clearance fees.

Customs clearance fees are levied at the rate of one minimum salary.

Tax preferences include standards connected with the tax stimulation of specific kinds of production and economic activities. These preferences were related to the taxation basis (profits and cost of property), the level of tax rates and issues of tax exemption.

Residents of the Free Economic Zone pay 15 per cent tax on profits and incomes, the income tax on citizens, 10 per cent value-added tax, ecological tax, fees for social and State insurance, State duties and fees and excise tax.

Enterprises - residents of the Zone whose activities are considered priority activities are exempted, in addition, from the payment of profit tax and other taxes by the decision of the Government of the Republic of Belarus.

Residents of the Free Economic Zone who sell goods and services of their own production are exempted from payment of the profit tax during 5 years from the time they declare profit including the first year of profit.

Residents who supply not less than 70 per cent of their products manufactured within the Free Economic Zone for export pay, during the subsequent five years, the profit tax in the amount of 50 per cent of the tax rate.

Dividends owned by the residents of the Free Economic Zone are not liable to taxation within five years from the time of registration.

Financial preferences envisage various forms of subsidies. They are provided as lower prices for communal services, reduced rental payment for the use of land and production rooms, credits, etc.

The amount of rental fee for land in the Free Economic Zone is within the range of US\$0.5-0.8 per square meter per annum for 99 years. The amount of the rental fee depends on the volume of investments, nature of production, category of land, etc.

Residents of the Free Economic Zone are exempted from mandatory sale at the Inter-Bank Currency Exchange of funds in freely convertible currency and in Russian roubles received from export of goods on the territory of the Zone.

Foreign workers are guaranteed a free transfer abroad of incomes received by them on the territory of the Free Economic Zone.

Administrative preference are provided by the Administration of the Zone for the purpose of simplifying the procedure of registration of enterprises.

At present, the Agency on the development of the Free Economic Zone "Minsk" has been formed the main objective of which is co-ordination of work performed by the concerned services of the City of Minsk and the Minsk Region on creation of a free economic zone in the vicinity of the township "National Airport "Minsk", the township Obchak and the industrial zone "Shabany".

Question 147:

Are foreign enterprise and foreign-owned enterprises allowed to operate in the free economic zones and take full advantage of the incentives available to domestic firms?

Answer:

In accordance with paragraphs 9 and 10 of the Regulation on the Free Economic Zone "Brest" the status of the free economic zone covers all residents of this Zone. The resident of the Free Economic Zone "Brest" can be a Belorussian and/or foreign physical person registered by the Administration.

Question 148:

For 1995 and 1996, what were the total revenues generated by firms operating within the free economic zones?

Answer:

The first residents of the Free Economic Zone "Brest" were registered only in early 1997. Below we provide a list of residents of the Free Economic Zone "Brest" for 31 July 1997.

List of residents of FEZ "Brest" see in Annex 6.

Question 149:

Are goods sold into the rest of Belarus from the zones subject to the normal tariff and non-tariff import measures applied to imports? If not, why not? The imported components of goods produced in the duty free zones subsequently sold into the rest of Belarus should be subject to the same taxes, tariffs, certification requirements, licences, and other non-tariff requirements applied to direct imports.

Answer:

If imported components of goods produced in the duty-free zone are sufficiently processed the goods are treated as produced in duty-free zone and are not subject to taxation. Otherwise these goods are subject to the same taxes, tariffs, certification requirements, licences, and other non-tariff requirements applied to direct imports.

Question 150:

Please explain why the Supreme Court is considering the legislation for the free economic zones.

Answer:

The Supreme Court is not a legislative body. In conformity with the Constitution of the Republic of Belarus the legislative body of the Republic of Belarus is the Parliament.

Question 151:

Please provide a translated copy of the legislation relating to the free economic zones to the WTO Secretariat for review by the Working Party.

Answer:

A translated copy of the Decree of the President of the Republic of Belarus No. 114 "On Free Economic Zones in the Territory of the Republic of Belarus" dated 20 March 1996 and the regulation on the Free Economic Zone "Brest" are enclosed. (WT/ACC/BLR/5)

IV.3(k) Trade agreements leading to country-specific quotas allocation**Question 152:**

According to the response to Question 78 of WT/ACC/BLR/2, in trade with Russia, Moldova, Ukraine and Uzbekistan, deliveries take place on the basis of both direct commercial contracts and intergovernmental agreements.

For each country, what percentage of imports and exports with these countries takes place through intergovernmental agreements?

To what extent is the trade through intergovernmental agreements undertaken via barter or counter-trade transactions?

Answer :

In 1997, the Republic of Belarus did not conclude inter-governmental trade agreement with Russia, Ukraine and Uzbekistan. In conformity with the Agreement between the Government of the Republic of Moldova and the Government of the Republic of Belarus trade and economic co-operation is implemented through contracts between entities.

Question 153:

According to the Memorandum, Belarus has bilateral trade agreements with Ukraine, Moldova and Uzbekistan that provide for deliveries of specified quantities of a limited number of products. Are imports under these agreements subject to tariffs, taxes, and other import measures applied to imports from third countries? If there is a difference in application, please describe it in detail.

Answer :

Tax legislation of the Republic of Belarus does not include standards that allow the establishment of specific features of taxation of goods supplied within the framework of trade agreement made. In this connection, import of products from Ukraine, Moldova and Uzbekistan effected in accordance with bilateral trade agreements were subject to taxation according to the generally established procedure applied to the import of any other products supplied from these countries.

Question 154:

Are any of these agreements fulfilled through barter arrangements?

Answer :

No.

Question 155:

Does Belarus have a similar agreement with Russia?

Answer :

No.

Question 156:

According to the response to Question 105 of WT/ACC/BLR/2, it is foreseen that the bilateral trade agreements with Ukraine, Moldova and Uzbekistan will be discontinued in 1997. Have these agreements been discontinued?

Answer :

See Answer 152.

Question 157:

Please identify all products, including HS numbers, and the quantities of each product that Belarus is obliged to import and export from each of these countries.

Answer :

See Answer 152.

Question 158 :

How does the Government of Belarus ensure that Belorussian enterprises satisfy the terms of these agreements? Are all the bilateral agreements satisfied through the use of State orders? Does the Government mandate that the enterprise purchase any of the products included in these agreements? Does the Government provide favourable financing to enterprises purchasing products subject to these agreements? Please describe any incentives used by the Government to encourage its enterprises to sell its product pursuant to these bilateral agreements, rather than exporting them to countries that can provide freely convertible currency.

Answer :

Lists of trade items, attached to such agreements, were of a purely indicative character and could not oblige individual enterprises to engage in foreign trade operations. Nor did the Government operate any special schemes or incentives to ensure implementation of such agreements.

Question 159:

According to the Memorandum, State orders to enterprises to fulfil bilateral trade agreements with CIS countries have now been reduced to less than 6 per cent of industrial output. What are the terms of these State orders? Does the Government of Belarus pay a premium to ensure that its orders are filled? Are enterprises operating in Belarus obliged to fill State orders?

Answer :

Indeed, the Republic of Belarus signed a number of agreements with the CIS States that envisage possibilities of the mutual supplies of products. The list and the volume of products to be supplied must be arranged annually by relevant protocols to given agreements, however for 1997 such protocols have not been signed with any state and supplies have not been executed.

Suppliers of products were determined on the basis of competition. This procedure was established by the Law of the Republic of Belarus "On Supplies of Goods for Needs of the State". Supplying enterprises were to fulfil the made contracts.

The current regulatory documents do not stipulate the provision of bonuses to supplying enterprises for timely fulfilment of orders.

IV.3(l) Government procurement

Question 160 :

When is the draft Law on Government Procurement expected to be adopted? Does the draft law respect all the general principles set out in the WTO Agreement on Government Procurement? Can a copy of the draft law be provided in a WTO language?

Answer :

This draft Law has been developed on the basis of the UN Model Law on Government procurement.

At present, the draft Law on State Procurement is still at the stage of elaboration. After this Law is passed, its text will be submitted to the WTO Secretariat.

Question 161 :

Please explain how the system of preferences for domestic production works at each level of government.

Answer :

When procurements are made at the expense of the Republican budget customers must apply the preference provisions. All received tender offers shall be divided into two groups. The first group shall include offers of residents of the Republic of Belarus: producers of their own production as well as suppliers (agents) presenting products of enterprises residents of the Republic of Belarus that are referred, according to the established procedure, to the products of their own production. The second group shall include all other offers. After that, a comparison of the submitted tender offers shall be made. If the tender price of the domestic offer exceeds the price of the tender offer of a foreign offer by not more than 20 per cent, then the above tender offers while comparison shall be given equal assessments as to the price.

Question 162 :

Belarus should commit to join the Government Procurement Agreement as part of its accession protocol commitments, and a schedule of commitments should be submitted to the Government Procurement Committee to initiate the negotiations within three months after accession. Does Belarus intend to accede to the Government Procurement Agreement as soon as it becomes a member of the WTO?

Answer :

After Belarus' accession to WTO this issue will be subject to additional negotiations.

Question 163:

Please provide a translated copy of the draft Law On Government Procurement to the WTO Secretariat for review by the Working Party. What is the current legislative status of this draft law?

Answer :

See Answer 160.

Question 164:

Please provide a translated copy of the Law on Procurement of Goods for Government Needs, dated 24 November 1993 to the WTO Secretariat for review by the Working Party.

Answer :

The translated copy of the Law on Procurement of Goods for Government Needs, dated 24 November 1993 is enclosed.

Question 165:

According to the response to Question 120 of WT/ACC/BLR/2, the Supreme Council, the Cabinet of Ministers and local governments grant preferences within the scope of their competence. Please describe the criteria used by the Supreme Council and Cabinet of Ministers to determine the preference scheme for local suppliers.

Answer :

When tender offers are assessed, the Customer must apply a preferential correction to the tender price of the domestic producer who offers for supply goods, work and services of his own production. If the tender price of the domestic offer exceeds the price of the tender offer of a foreign offer by not more than 20 per cent, the above tender offers shall be given equal assessments as to the price.

Question 166:

Please describe any major Government procurement purchases that are not open and implemented on a competitive basis. What criteria are applied in determining whether a government procurement contract will be tendered on an open and transparent basis?

Answer :

Government procurement contracts are tendered on an open basis if the contract price does not exceed the following levels:

- ECU 80,000- price on goods and services;
- million ECU - price on procurement of works.

However, while purchasing of expensive and complicated goods/works, in order to limit a number of bidders, the customer may decide to apply a limited tender procedure. If the approximate contract price is lower than the above-mentioned one, simplified direct tender procedures are applied.

Question 167:

How are the upcoming tenders notified? Do the requests for tenders specify whether or not foreign enterprises are eligible to be awarded the contracts?

Answer:

The current Law of the Republic of Belarus "On Supply of Goods for Needs of the State" and Resolution No. 437 dated 13 June 1994 in implementation of the Law do not specify any restrictions on the composition of tenders for purchase (supply) of goods. In accordance with the current procedure for the announcement of tenders for the purchase in excess of ECU 10,000 shall be published in the press and anyone can submit his offer and take part in the tender.

IV.3(m) Regulations of trade in transit

Question 168:

According to the response to Question 121 of WT/ACC/BLR/2, the Republic of Belarus abolished the transit tax and introduced dues. Are the dues imposed in the same amounts and under the same conditions for both foreign and domestic individual and legal entities? Please describe the dues system, including amounts.

Answer:

Owners and users of automotive facilities of foreign States shall pay, in accordance with the Law of the Republic of Belarus "On Dues for the Use of Means of Motor-Roads of Common Use of the Republic of Belarus" (WT/ACC/BLR/1/Add.1), dues for the roads usage. The rates of dues were approved by Resolution No. 338 of the Cabinet of Ministers of the Republic of Belarus dated 29 June 1995.

Question 169:

According to the response to Question 121 of WTO/ACC/BLR/2, transporters from some countries are granted exemptions from the road usage fee under mutual bilateral agreements. Please identify the countries whose transporters receive exemptions from this fee. How does Belarus intend to bring this fee system into conformity with the requirements of GATT Article V.5?

Answer:

In 1997, the parity of travels was used as the basis for exemption from payment of the transit dues carriers of 16 foreign states, namely: the Republic of Moldova, the Republic of Poland, the Austrian Republic, the Kingdom of Belgium, the Italian Republic, the Czech Republic, the Republic of Bulgaria, Ukraine, the Kingdom of Spain, Romania, the Federal Republic of Germany, the Greek Republic, the Hungarian Republic, the Republic of Slovenia, the French Republic and the Lithuanian Republic. The above measures have allowed to create for Belorussian automobile carriers favourable conditions for operation on the transport markets of the above countries as well as correspond to the tendency for exemption of foreign carriers (including Belorussian ones) from the payment of road dues that exist in a number of West European countries

Question 170:

Please describe the charges for the use of the Motor Road Brest-Minsk. Are the charges the same for foreign and domestic transporters? Are transporters from any countries excluded from these charges for any reason?

Answer:

In the Republic of Belarus, payment has been established for the usage of automobile road M-1.E-30 Brest-Minsk-border of the Russian Federation. Payment for the usage of this road is mandatory for all foreign carriers without exclusion.

Temporarily, for two years, payment for the usage of this road is not levied from owners (users) of transport facilities registered in the Republic of Belarus as well as from owners and users of automobile facilities that carry cargo as humanitarian aid on producing relevant documents. On expiration of two years it is envisaged to levy this payments from the national carriers according to the established rates.

IV.4 Agriculture

Question 171:

Please supply information on domestic support and export subsidies in ACC/4 format for the most recent three-year period.

Answer:

This material will be submitted to the WTO Secretariat.

Question 172:

We hope that Belarus will shortly provide information on agriculture subsidies in the WT/ACC/4 format?

Answer:

This material will be submitted to the WTO Secretariat.

Question 173:

Please describe the domestic support and export subsidies for agriculture in the form of a response to WT/ACC/4 and circulate this response to the Working Party prior to the next meeting.

Answer:

This material will be submitted to the WTO Secretariat prior to the next meeting of the Working Party.

Question 174:

According to the Memorandum, an extra-budgetary support fund for agriculture has been established to cover the most urgent financial needs of the agricultural sector. Please provide more information describing the nature and scope of the support programme, who qualifies to participate, the conditions to fulfil in order to receive funds.

Answer:

As a result of the Chernobyl accident more than 1.8 million ha were heavily affected by the radioactive fall-out, of which 265 thousand ha of arable land can no longer be used for agricultural purposes. Starting from 1996 Belarus formed the extra-budgetary fund for support of producers of agricultural products and food. This fund is aimed at minimisation of the consequences of the radioactive contamination affects and structural adjustment of agricultural sector.

The fund is formed with the participation of all enterprises and organisations of Belarus (except agricultural enterprises); the deductions are made in the amount of 1 per cent of the receipts from the sale of products, work and services.

In 1997, the above fund has been spent for:

- equalisation of economic conditions;
- decreasing the cost of mineral fertilisers;
- acquisition of machinery on conditions of leasing;
- provision of preferential interest rates on credits;
- urgent needs.

Question 175:

According to the Memorandum, State enterprises produce 20 per cent of total Belorussian agricultural output and operate on 24 per cent of the arable land. Collective farms accounted for nearly 60 per cent of arable land and 45 per cent of production. Private farms are practically non-existent. Does the Government maintain any ownership interests in the co-operatives? Does the Government control in any way the operations of the co-operatives? Please describe in detail the nature of the control.

Answer:

The State does not maintain any ownership interests in the property of co-operatives (collective farms). The control over activities of co-operatives (collective farms) is exercised through the collection of taxes as well as through the complete fulfilment of products supplies for the needs of the State.

Question 176:

Please describe in detail how the State-owned enterprises dispose of the goods they produce.

Answer:

In conformity with the Law of the Republic of Belarus "On Enterprises in the Republic of Belarus" (WT/ACC/BLR/1/Add.1) enterprises are independent to plan their activities including sale of manufactured products proceeding from the demand for the products and the necessity to secure the production and social development of the enterprise on the basis of contracts made with the consumers.

The enterprises executes work and supplies for the needs of the State on the contractual basis in accordance with the Law of the Republic of Belarus "On Supply of Goods for the Needs of the State".

In accordance with the anti-monopoly legislation of the Republic of Belarus for enterprises that occupy dominant position on the market temporary restrictions of freedom for the realisation of products (work, services) can be established.

Question 177:

Please describe the steps Belarus intends to take to introduce private ownership of farms.

Answer:

When private farms are formed in Belarus, the process is guided by the laws "On Peasant (Private) Farms", "On Property", "On Leasing" and the Code on Land of the Republic of Belarus.

As a result of the work performed, the number of farms was 2,977 by 1 January 1997 which possessed 61.4 thousand hectares of land including 43.4 thousand hectares of arable land.

The funds of the Republican budget allocated for farms are used to develop design and cost estimate documents and fulfil work on the primary arrangement of farms (construction of roads, lines of radio and electric transmission lines, water supply, gas supply, telephone lines, land arrangement land reclamation). Beginning from 1994, farms are provided, from the farm support fund, with interest-free loans for the production construction (for five years up to 50 per cent of the estimates cost) while after the adoption in 1995 of the new regulation "On the Republic Fund of State Support of Peasant (Private) Farms" the loans are also provided for the plantation of young plants (up to 80 per cent of the cost) and acquisition of grain-harvesting machinery and equipment for grain drying (up to 100 per cent of the cost).

The funds of the budget are used to finance design and development work, manufacture of pilot specimens of agricultural machinery and equipment, development and mass production of typical and experimental plans for construction of farm houses.

For the above purposes the following amounts have been allocated from the Republican budget: in 1994 - 13.4 billion roubles, in 1995 - 44.2 billion roubles, in 1996 - 44.0 billion roubles. In the current year, 70 billion roubles are allocated from the budget.

Thus, the Government of the Republic of Belarus encourages introduction of private ownership of farms and structural adjustment of agricultural sector.

Question 178:

We are interested in more information in relation to the trade and industry policies of Belarus as they affect wool. Could Belarus please provide information in relation to:

- **tariffs, quotas and any non-tariff measures relating to imports of wool;**
- **standards and certification requirements applicable to imported wool;**
- **internal taxes (such as VAT) applicable to wool, as well as to competing fibres such as cotton;**
- **the activities of any State-trading enterprises in the wool sector;**
- **the nature of the wool growing and processing industries in Belarus, including any forms of government assistance provided to these activities, either in the domestic or export markets.**

Answer:

The tariff on import of wool is 20 per cent. Non-tariff measures are not applied.

There are no specific standards and certification requirements applicable to imported wool.

VAT on imported wool and cotton is 20 per cent.

There are no State-trading enterprises in the wool sector as it is defined in Article XVII GATT.

No government assistance is provided to activities in the wool sector.

Question 179:

Please explain the minimum price system for imported alcoholic drinks. Please provide a table showing details of these minimum prices and current prices of analogous products produced in Belarus. What action is taken if the imported products are presented at the customs at prices below the minimum?

Answer:

Minimum disbursement prices for imported alcoholic products are established for vodka and liqueurs stronger than 28 degrees in connection with the necessity to protect human health.

In such case, the minimum price for the above products from foreign States (except CIS countries) represents the amount of mandatory payments for import (excise, value-added tax, customs duty) and constitutes 100 thousand roubles per 0.5 litre while from the CIS countries (that are not liable to customs duties and the VAT (see answer to Question 65)) - 50 thousand roubles for 0.5 litre. Therefore, prices for the imported products declared to customs bodies cannot be lower than the minimum level as it includes only mandatory payments for import.

See also answer to Question 15.

Question 180:

We seek further details on the tax exemptions for the export of production. Does this apply to agricultural products? If so, which products are covered? We also seek more information on the tax exemptions mentioned in the agricultural sector?

Answer:

In accordance with the Law of the Republic of Belarus "On Value-Added Tax" (WT/ACC/BLR/1/Add.1) goods (including agricultural products) that are exported, except to the member states of the Commonwealth of Independent States, shall not be liable to the value-added tax.

In accordance with the Law of the Republic of Belarus "On Excise Tax" (WT/ACC/BLR/1/Add.1) goods for which the excise tax rates are established when exported, except to the member states of the Commonwealth of Independent States, shall not be liable to the excise tax. At present, excise tax is not applied to agricultural products.

Reason of collection of excise and Value-Added Tax from goods exported from the Republic of Belarus to the CIS States is described in answer on Question 65.

Question 181:

Which areas are regarded as disadvantaged for the purposes of agriculture support payments?

Answer:

At present, the basic branches of agriculture in Belarus need support from the State. The support is aimed at structural adjustment of agricultural sector and at minimisation of the consequences of the radioactive contamination affects of Chernobyl accident.

Question 182:

Does Belarus provide any support to specific agriculture sectors apart from cattle-breeding and poultry farms?

Answer:

The Programme of development of pork production for 1996-2000 was developed in Belarus.

This Programme envisages annual allocation of funds from the budget for decreasing the cost of super-concentrates. Thus it corresponds to Article 29 of the Agreement on Subsidies and Countervailing Measures.

Question 183:

What activities in the agriculture sector are financed from the Budget?

Answer:

The funds of the State budget are used to finance the following directions in the agricultural sector: budgetary institutions of agriculture (veterinary network, State seed inspection), introduction of loam into acid soil, expenditures for financing State complex programmes, State support for peasantry farms, expenses of material and technical resources used by agricultural enterprises.

Question 184:

How are the purchases for public stockholdings regulated? What products are covered and how are the purchasing prices set? Are there specific enterprises that undertake the purchasing?

Answer:

Taking into account the seasonal character of agricultural production and the need for warranted food provision to the population of the Republic, the Ministry of Economics together with the Ministry of Agriculture and Food form every year volumes and ranges of supplies for the State needs of the most important kinds of agricultural produce which are informed, after having been discussed by the Council of Ministers of the Republic of Belarus, to the State customers and Region Executive Committees. Taking into account local demands for such produce, the Region Executive Committees inform about the volumes of its supplies and purchase the regional executive committees and stock-piling organisations whereas the regional executive committees inform about it co-operatives (collective farms) and other land users that carry on production in kind. Together with the notification of volumes of supplies of agricultural produce to the producers, the Ministry of Agriculture and Food informs about the minimum purchasing prices for the produce that shall be corrected, during the year, with due account of modification of pricing factors (with account of the dollar exchange rate). Purchase for the needs of the State of most important kinds of agricultural produce is made by the State Customer, i.e., the Ministry of Agriculture and Food through the subordinated organisation, enterprises and other divisions irrespective of the form of property.

As regards the formation of the State Reserve, we inform that the material values are supplied to the State Reserve according to fixed prices (if fixed prices are established for the given produce) or according to free (contractual) prices. The nomenclature of material values of the State Reserve and the amount of their accumulation are approved by the Council of Ministers of the Republic of Belarus and cannot be disclosed.

There are no specific agricultural enterprises dealing with the purchase (supply) of material values for the State Reserve.

V. TRADE-RELATED INTELLECTUAL PROPERTY REGIME

V. 1 General

V. 1(a) Intellectual property policy

Question 185:

According to the response to Question 132 of WT/ACC/BLR/2, the Government of Belarus indicated that it would implement the WTO TRIPS Agreement within a reasonable period upon its accession.

Belarus will have to adopt and implement WTO TRIPS-compatible legislation covering all types of intellectual property prior to WTO accession. The TRIPS Agreement is an integral part of the obligations undertaken by all WTO Members and we expect all acceding countries to commit go full implementation, without resort to any transition periods, as of the date of accession. Belarus has made a start in this process by joining the Paris Convention for the Protection of Industrial Property and committing to join the Berne Convention, the International Convention for the Protection of New Variety of Plants and the Madrid Agreement for the Registration of Marks.

Belarus has already established many TRIPS obligations in bilateral trade agreements with other countries. If these obligations have been observed implementation of the WTO TRIPS Agreement should not be difficult.

In order to make the second Working Party meeting as productive as possible, Belarus should prepare a report, to be submitted to the Secretariat prior to the meeting, identifying all deficiencies in Its IPR regime and providing a timetable for addressing each such deficiency. Belarus should also consider submitting translated copies of draft IPR legislation to the Secretariat for review by the Working Party.

Answer:

See Annex 7.

Question 186:

Could the delegation of Belarus give us a clearer picture of the various intergovernmental agreements (Russia-Belarus, Ukraine-Belarus) being prepared or already adopted in the field of intellectual property. (WT/ACC/BLR/1)

Answer:

The Agreement between the Government of the Republic of Belarus and the Government of the Russian Federation on co-operation in the sphere of protection of industrial property dated 20 July 1994 stipulates the carrying on and development of co-operation in the sphere of protection and use of industrial property facilities on the basis of mutual benefit and equality in conformity with international agreements to which they are or will be participants. Co-operation between the Parties includes solution of issues connected with the protection and use of rights for inventions, industrial specimens, trade marks and other industrial property facilities, simplification of the procedure of submission and consideration of application for protection documents of the applicants of the Republic of Belarus in the Russian Federation and of the applicants of the Russian Federation in the Republic of Belarus as well as exchange of information, regulatory and other documents and of experience in the sphere of protection of industrial property. The Agreements provides physical and legal persons of the Parties the national treatment status. The Parties recognise the force, on the territories of their states, of previously issued protection documents of the USSR for industrial property facilities, assure, in conformity with their legal acts, the payment of remuneration to the authors for the use of inventions and industrial specimens on the territories of their States. The Committee of the Russian Federation on patents and trademarks makes information retrieval, renders assistance to the State Patent Committee of the Republic of Belarus in the organisation of its work on filling the national patent fund, the development of automated patent information systems, etc. In accordance with Article 6 of the Agreement, when applications are submitted for the issue of protection documents, obtaining protection documents and keeping them in force patent attorneys of one State are given the right to have affairs directly with the patent office of the other State representing in this case interests of the national applicants only. National applicants of one State are also given the right to carry proceeding for the obtaining of protection documents and keeping them in force directly with the patent office of the other state.

The Agreement between the Government of the Republic of Belarus and the Government of the Ukraine on Co-operation in the Sphere of Protection of Industrial Property dated 20 October 1993. In accordance with Article 1 of this Agreement, when applications are submitted for the issue of protection documents, the obtaining of protection documents and the keeping them in force, applicants and patent attorneys of both States can have affairs directly with the patent office of the parties. In such case, patent attorneys of both States have the right, within the framework of the Agreement, to represent interests of the national applicants only.

These standards were introduced into these agreements in 1993 when these States just began to develop institutions of patent attorneys and the absence of a patent attorney could become an obstacle for timely submission of documents to patent offices.

Question 187:

Are there specific obligations contained in bilateral agreements signed with countries of the former USSR in the sphere of protection of intellectual property that Belarus does not wish to extent to other countries?

Answer:

The Republic of Belarus participates in two agreements with the countries of the former USSR in the sphere of protection of industrial property as follows:

- The Agreement between the Government of the Republic of Belarus and the Government of the Russian Federation on Co-operation in the Sphere of Protection of Industrial Property. In accordance with Article 6 of the Agreement when applications are submitted for the issue of protection documents, protection documents are obtained and kept in force, patent attorneys of one State are given the right to deal directly with the patent office of the other State representing in such case interests of national applicants only. National applicants of one State are also given the right to deal directly with the patent office of the other State in the issues of obtaining of protection documents and maintaining the documents in force.
- The Agreement between the Government of the Republic of Belarus and the Government of the Ukraine on Co-operation in the Sphere of Protection of Industrial Property. In accordance with Article 6 of the Agreement when applications are submitted for the issue of protection documents, protection documents are obtained and kept in force, applicants and patent attorneys of both States, on the principles of reciprocity, can deal directly with patents offices of the Parties. In so doing, the patent attorneys of both States have the right, within the framework of this Agreement, to represent interests of national applicants only.

These standards were introduced in the agreements in 1993 when the states just began to develop patent attorney institutions and the absence of the patent attorney could become an obstacle in the process of timely submission of documents to patent offices.

V.1(c) Membership of international intellectual property conventions

Question 188:

When does Belarus intend definitively to join the Conventions mentioned on page 247 (WT/ACC/BLR/I)

Answer:

The Law of the Republic of Belarus "On Joining of the Republic of Belarus to Bern Convention on Protection of Literature and Art Works (Paris Act of 24 July 1971 as amended on 28 September 1979)" was signed on 14 July 1997 by Decree of the President of the Republic of Belarus.

The Committee on Authors' and Related Rights together with the Ministry of Foreign Affairs of the Republic of Belarus continues the work on the preparation for joining to Rome Convention on protection of interests of performing artists, makers of sound tracks and broadcasting organisation.

Question 189:

Please list and describe those obligations concerning intellectual property that Belarus has assumed pursuant to its accession to the Eurasian Patent Convention?

In conformity with the Eurasian Patent Convention the Republic of Belarus has entered the international system of obtaining the patent for the invention having effect on the territory of all contracting States. Contracting States preserve the full sovereignty in the part of development of their national systems on protection of inventions. No provision of the Eurasian Patent Convention shall be understood as restriction of the rights envisaged by the Paris Convention on protection of industrial property. The Convention does not concern the right of any contracting state to issue national patents and is not an obstacle for the independent participation of the contracting state in any international organisation and develop different forms of international co-operation.

V.(e) Fees and taxes**Question 190:**

In its answer to the question 131 (document WT/ACC/BLR/2), Belarus indicated that national treatment does not apply to patent fees. Does Belarus believe that this different treatment is compatible with the national treatment provided for in Article 2 of the Paris Convention for the Protection of Industrial Property, which is incorporated by reference in Article 2.1 of the TRIPS Agreement?

Answer:

Patent duties and fees for all kinds of activities connected with the acquisition of the rights to industrial property facilities protected in the Republic of Belarus are established by the Council of Ministers of the Republic of Belarus. The size of duties and fees were established in conformity with Decree No. 126 of the Cabinet of Ministers of the Republic of Belarus dated 21 February 1996. The national treatment does not cover foreign applicants as regards duties and fees which is a temporary measure caused by the economic situation in the country. The payment in per cent of the minimum salary or as a fixed rate is determined by the above Decree depending on the permanent residence or location on the territory of the Republic of Belarus. In connection with the adoption of the Law "On Patents for Inventions and Useful Models" size of duties for the protection of industrial property facilities will be reviewed and a new decree will be passed. When the size of duties is determined this discrepancy will be taken into account so as to decrease the difference in payment of duties by foreign and national applicants.

Question 191:

What is the situation with regard to trade mark fees? Is national treatment applied?

Answer:

See answer to Question 190.

V.2 Substantive Standards of Protection**V.2(a) Copyright and related rights****Question 192:**

The responses to Questions 134 and 183 of WT/ACC/BLR/2 indicate that there is a new Law on Copyright and Related Rights. Please provide a translated copy of this legislation to the WTO Secretariat for review by the Working Party. Please describe fully any differences between the provisions of this law and the requirements of the TRIPS Agreement.

Answer:

This Law has been submitted to the WTO Secretariat (See WT/ACC/BLR/5).

The scope of the authorship rights given on the basis of this Law and the duration of their protection period are in full agreement with the requirements of Section I, part II, of the TRIPS Agreement. Besides, the Law recognises the range of individual non-property rights of the authors whose works are protected the scope of which is greater than the scope stipulated by Article 6bis of

Bern Convention on protection of literature and art works; the right to allow or ban the rent of the copies of works is recognised for the authors of all types of works without any exclusion and for their successors.

In the sphere of protection of adjacent rights the Law gives the performers and makers of sound tracks and broadcasting organisations the scope of rights that is greater than the one required in accordance with Article 14 of the TRIPS Agreement. Thus, the performers are given, in addition to the property rights, individual non-property rights (the right to the name and the protection of performance against distortion); the performer is given the right to obtain remuneration for the public performance, broadcasting or announcement for general knowledge over cable of sound tracks onto which his performance has been recorded.

In addition to the rights stipulated in paragraph 2 of Article 14 of the TRIPS Agreement, the Law gives the makers of phonograms the right to obtain remuneration for a second use of the sound tracks (by way of its public performance, broadcasting or announcement for general knowledge over cable).

In addition to the rights stipulated in paragraph 3 of Article 14 of the TRIPS Agreement, the Belorussian legislation recognises the right of broadcasting corporations to allow or ban the use of their broadcasting by way of announcement to general knowledge over cable; the term of protection of the rights of broadcasting organisation constitutes, in conformity with the Law, 50 years after the first broadcasting.

V.2(c) Geographical indications, including appellations of origin

Question 193:

What stage has the work reached on legislation concerning geographical indications, including appellations of origin? (WT/ACC/BLR/I)

Answer:

The Draft Civil Code of the Republic of Belarus (WT/ACC/BLR/1/Add.1) approved by both Chambers of the National Assembly stipulates legal protection of the name of goods origin places. The Draft Code specifies that the procedure and conditions of registration and issue of certificates, recognition as invalid and termination of the validity of registration and certificates is determined by the law on the name of the goods origin places.

The law on the name of goods origin places is planned to be developed and passed in 1998/1999.

V.2(f) Plant variety protection

Question 194:

Please provide a translated copy of the Law on Protection of Varieties of Plants to the WTO Secretariat for review by the Working Party.

Answer:

See answer to Question 125.

V.2(g) Layout designs of integrated circuits

Question 195:

Please provide translated copies of the draft Law on Layout Designs of Integrated Circuits and the draft Law on Protection of Utility Models to the WTO Secretariat for review by the Working Party. What is the current status of this legislation?

Answer:

The copy of the Law of the Republic of Belarus "On Legal Protection of the Topology of Integrated Circuits" will be submitted to the Secretariat of WTO as soon as possible.

V.2(h) Requirements on undisclosed information

Question 196:

Please provide translated copies of the provisions of the Civil Code and Criminal Code that apply to the protection of undisclosed information.

Answer:

Protection of confidential information corresponds to the provisions of Article 39 of the TRIPS Agreement. The general standards of the Criminal Code protect confidential information by establishing liability for its disclosure.

The civil legislation regulates the procedure of compensation for the material damage caused to the owner of information by way of its unauthorized disclosure.

V.4 Enforcement

V.4(b) Provisional measures; administrative procedures and remedies; special border measures

Question 197:

What is the present situation as regards special border measures? (WT/ACC/BLR/I)

Answer:

The Republic of Belarus is making preparations for the implementation of the WTO TRIPS regulation regarding border enforcement.

Question 198:

When does the Government of Belarus intend to implement these measures? What steps is the Government of Belarus taking to enact rules and regulations dealing with these measures?

Answer:

The current legislation of the Republic of Belarus (Article 40 of the Law "On Authorship Right and Related Rights") stipulates opportunity of application by judicial bodies of provisional measures in correspondence with the requirements of Article 50 of the TRIPS Agreement.

Considering a claim of the owner of the copy-right or related rights the Court of Justice can adjudicate to forbid the defendant to commit definite actions, namely the fabrication, reproduction, sale, import or another use as well as transportation, storage or possession with a view of release into public circulation of copies of works and sound tracks assumed to be counterfeited.

The court may also adjudicate, before considering the case, to arrest and confiscate all copies of works and phonograms assumed to be counterfeited as well as associated materials and equipment.

The above measures are applied as methods of securing the submitted claim; the decision on application of correspondent measures is taken by the court when a case is started by the suit of the proprietor without the need for the defendant to be present.

As regards measures applied on the border (Section 4, part II of the TRIPS Agreement), the Republic of Belarus is making preparations for the implementation of the WTO TRIPS regulation regarding border enforcement.

VI. TRADE-RELATED SERVICES REGIME

VI.1 General

Question 199:

Belarus mentions that at present detailed legislation exists only on financial services. What is the situation as regards the other service sectors? (WT/ACC/BLR/1)

Answer:

Belarus will provide the exhaustive information concerning regulation of service sector as soon as possible.

Question 200:

Please describe your services regime in the form of a response to WT/ACC/5 and circulate this description prior to the next Working Party meeting.

Answer:

The format WT/ACC/5 will be used as a basis for preparing Belarus' initial offer on services, which will be submitted for consideration by the WTO Member States

VI.2 Policies Affecting Trade in Services

VI.2(a) Government departments, agencies, professional associations

Question 201:

Does question 168 (WT/ACC/BLR/2) refer to academic or to professional recognition of diplomas?

Answer:

This item refers both to academic and professional recognition of diplomas.

Question 202:

Could Belarus clarify whether foreigners granted free market access and national treatment? If not, what are the specific limitations? (Question 170, WT/ACC/BLR/2). In reply to whether nationality requirements apply to activities other than attorney and notary services, only civil service was mentioned. Could Belarus confirm what is the status of a foreign legal consultant? i.e. on which laws can he give advice?

Answer:

All laws of the Republic of Belarus include standards that regulate relationship connected with the institutions of patent attorneys. Citizens and stateless persons (apatrides) living outside the Republic of Belarus or foreign legal persons having a permanent location in foreign countries commit in the Republic of Belarus actions on obtaining of patents and certificates and the maintenance of their force through patent attorneys registered in the patent office.

In the Republic of Belarus, a differentiated admission of foreign labour on the domestic labour market is practised based on the principles of economic expediency. Preference is given to foreign citizens and persons without nationality who invest the economy of the country, render consultation and information services in the sphere of new technologies and experience of organisation of production and work process and act as sponsors in charitable foundations.

The basic regulatory act that regulates the legal status of foreign citizens in the Republic of Belarus is the Law of the Republic of Belarus "On Legal Status of Foreign Citizens and Apatrides in the Republic of Belarus". In conformity with this Law foreign citizens in the Republic of Belarus enjoy the same rights and freedoms and execute the same duties as citizens of the Republic of Belarus. Restrictions of rights and freedoms for foreign citizens can be established only in cases if such is required for protection of rights and basic freedoms of citizens of the Republic of Belarus, assurance of the State security, the protection of public order and health of the population.

Foreign citizens temporarily living on the territory of the Republic of Belarus have the right to carry on labour, economic or other activities if this is compatible with the purposes of their stay and in other cases - only if they are given a special permit issued by State bodies authorized to do this by the Council of Ministers of the Republic of Belarus.

Foreign citizens permanently living in the Republic of Belarus and carrying on, on legal grounds, labour, economic or other activities have the right to all social and economic rights enjoyed by citizens of the Republic of Belarus including the right to social security.

Foreign legal consultants can give advice on all laws without any restrictions.

VI.2(c) Qualification requirements and procedures, licensing and registration requirements

Question 203:

Please elaborate on the criteria to obtain a licence and the procedures for issuing licences.

Answer:

These criteria are described in Resolution No. 213 of the Cabinet of Ministers of the Republic of Belarus dated 1 December 1994 which is submitted to the WTO Secretariat. (See WT/ACC/BLR/1/Add.1)

Question 204:

Could Belarus confirm that licensing requirements do not entail an economic needs test and are not restricted by the number of suppliers already in market? (Question 176, WT/ACC/BLR/2).

Could Belarus establish whether there are any other transport enterprises which are not subject to privatization (like railway transport enterprises)? (Question 178, WT/ACC/BLR/2).

Answer:

Requirements to import licensing do not entail analysis of economic demands and are not limited by the number of suppliers already present on the market. As regards goods included into sub-groups 3808, 2618-2620 and 3915 licensing is aimed only at assuring the safety of the environment and the health of the nation.

All transport enterprises (except railway transport enterprises) are subject to privatization.

Question 205:

Has Belarus any new information, previously unavailable, concerning the forms of subsidies affecting trade in services? (Question 179, WT/ACC/BLR/2).

Answer:

Resolution No. 389 of the Cabinet of Ministers of the Republic of Belarus dated 24 July 1995 "On Introduction of the State System of Financial Support to Citizens in Conditions of Increased Tariffs for Living and Communal Services" envisages the grant of non-cash housing subsidies to citizens living in houses of the State and public housing funds, in houses of housing-construction and housing co-operatives and in living houses owned by citizens by the right of property for which the amount of expenses for the maintenance of housing accommodations and communal services with due account of the current privileges exceeds 15 per cent of the total income of the family.

The budget for 1997 stipulates the coverage of expenses at the expense of the population at fixed tariffs in the amount of 50 per cent, at the expense of shifting a part of expenses on services for the population to other users and with due account of rental payment in the amount of 40 per cent and 10 per cent at the expense of subsidies from local budgets.

Forms of subsidisation of citizens for the payment of housing and communal services are constantly improved in details without modification of the main requirement: they are to be given only to those who spend more than 15 per cent of the income for payment of services.

To activate export of construction services, Decree No. 101 of the President of the Republic of Belarus dated 24 January 1997 "On Support of Export Activities of Enterprises of the Construction Complex of the Republic of Belarus" (WT/ACC/BLR/5) has provided preferences to Belorussian legal persons on taxes and payments.

As regards the transport sector, the scope of State subsidies (financial aid) has, at present, a definite impact on the transport services connected, first of all, with the fulfilment of urban passenger transportation by electric transport facilities and urban and suburban bus transportation.

Question 206:

Could Belarus specify what are the requirements for obtaining a work permit? And verify whether the issuance of a work permit is subject to an economic needs test? (Question 181, WT/ACC/BLR/2).

Answer:

Entities including entities without formation of the legal person can attract the required number of foreign citizens if it is justified that equal specialists that can claim these vacant jobs are not present among citizens of Belarus.

To obtain a permit for attraction of foreign specialists, entities, irrespective of the form of property, are required to submit an application, copies of statutory documents, certificates about the State registration, an approximate draft contract with migrant workers or the contract with a foreign contractual firm.

VI.2(d) Monopolies and exclusive service suppliers**Question 207:**

Telecoms: Could Belarus establish whether there are any plans to license additional operators in the areas of voice telephony and mobile telecoms? Or whether there are any initiatives to reduce the scope of the reserved services (long-distance and international communications services)? (Question 184, WT/ACC/BLR/2)

Answer:

At present period, it is not planned to license additional operators on the provision of telephone communication services.

As regards the provision of land-based mobile radiotelephone communication (mobile communication), it is planned to issue, this year, one license for the creation of the national network of type in the GSM standard to be given to the winner of the competition for the above license. It is projected to consider, after two to three years, the possibility of issue of a second license on the mobile communication services in the GSM standard.

No restrictions have been established for the creation of local networks of dispatch radio communication of departmental designation while their number is regulated by the availability of a free radio frequency resource.

Limitations on participation of foreign capital**Question 208:**

Regarding the details of registration for joint venture and wholly-owned firms as a legal person, could Belarus explain why the level of the registration fee is set at eight minimum salaries? Is there an obligation for new companies to employ a minimum number of Belarus citizens? Is the fee directly related to administrative costs?. (Question 187, WT/ACC/BLR/2).

Answer:

Fee for registration in the amount of eight minimum salaries is established by Decree No. 436 of the Cabinet of Ministers of the Republic of Belarus "On Approval of the Regulation on the General Republican Registration of Entities". There is no commitment to hire a definite number of Belorussian citizens. The registration fee is paid from profits of the enterprise to be referred to the cost of production.

Question 209:

We understand that regulations were not designed to cause problems for foreign nationals. Could Belarus confirm that national treatment is guaranteed? (Question 189, WT/ACC/BLR/2)

Answer:

Yes. The national treatment is guaranteed.

Financial services

Question 210:

We understand that Belarus will examine carefully whether the national interest test on capital transfers can be lifted to the extent necessary in order not to affect the specific commitments undertaken regarding trade in services. Will the review of capital transfers be complete in time for the drawing-up of Belarus' initial offer (Question 192, WT/ACC/BLR/2).

Answer:

Yes.

Question 211:

It is stipulated that the criteria for deciding on whether capital exports are in national interest are taken on a case-by-case basis upon submission of documents. Could Belarus specify how many applications? And what is the Pass rate? (Question 185, WT/ACC/BLR/2).

Answer:

Since early 1997 about 350 applications have been received from entities of different forms of ownership for granting a permission of capital exports. 70 applicants were refused to have the permission on export of the capital.

Question 212:

Could Belarus clarify whether there is any review planned of the 49 per cent ceiling of foreign participation in insurance and also of the several exceptions regarding national treatment (i.e. ownership of land and real estate, acquisition of State property through privatization, licensing requirements for securities dealings, post, telephone and telegraph services and operation of radio and TV stations plus min, authorized funds for banks is ECU 5 million) (Question 193, WT/ACC/BLR/2).

Answer:

The 49 per cent ceiling of foreign participation in insurance companies is still applied.

In accordance with Article 4 of the Law of the Republic of Belarus "On Foreign Investments on the Territory of the Republic of Belarus" dated 14 November 1991 foreign investments on the territory of the Republic can be executed in the forms of:

- shared participation in enterprises created together with Belorussian legal and physical persons;
- organisation of an enterprise fully owned by foreign investors;
- acquisition of the enterprise, building, structure, stock or other securities;
- acquisition of the right to use land and other natural resources as well as property rights;
- in any other forms of economic activities or other activities that do not contradict the legislation of the Republic.

Foreign legal and physical persons, enterprises with foreign investments as well as foreign States, international associations and organisations are not allowed to have in the Republic of Belarus plots of land through the right of ownership.

Plots of land to the above subjects are allocated for use on terms of lease for 99 years in conformity with the Code on Land of the Republic of Belarus. This rule on opportunity of acquisition by foreign investors of the right of land use but not the land property is envisaged by Article 5 of the Law of the Republic of Belarus "On the Right of Ownership of Land" dated 16 June 1993.

As regards property rights, it should also be mentioned that property (immovable property) is provided to foreign investors for lease on the basis of contracts in conformity with the Law "On Lease" (WT/ACC/BLR/1/Add.1) of the Republic of Belarus.

Acquisition of immovable property for owning is regulated also by Article 26 of the Law on Foreign Investments on the Territory of the Republic of Belarus (WT/ACC/BLR/1/Add.1). According to this Article foreign investors are given the right to buy out enterprises (their shares) if labour collectives and other Belorussian subjects refuse to acquire such enterprises (their shares) in accordance with the programme of privatisation. Payment of the cost of acquired enterprises and uncompleted construction facilities can be made both in foreign currency and in the currency used on the territory of the Republic of Belarus.

In case of privatisation of facilities belonging to communal property if privatised by foreign legal and physical persons, the privatisation bodies of local Councils of Deputies are obliged to obtain a permit from the Ministry on Management of State Property and Privatisation (Article 19 of the Law on Destatization and Privatisation of State Property in the Republic of Belarus, WT/ACC/BLR/1/Add.1).

In case of alienation by State-owned enterprises, amalgamations, organisations and institutions of property owned by the Republic of Belarus foreign legal and physical persons enjoy the same rights as Belorussian receivers (buyers).

Access of foreign partners to services in the sphere of communication is exercised only through the creation of joint ventures on the territory of the Republic of Belarus and their registration in the manner established by the legislation of the Republic of Belarus. A license is issued not to the foreign participant directly but to the joint venture formed with their participation.

The Republic of Belarus is not planning now to review the minimum authorized fund for banks that is equal to ECU 5 million.

VI.3 Market Access and National Treatment

Question 213:

Please describe any restrictions on the forms of legal entities that apply to foreign financial institutions which are seeking to deal in securities.

Answer:

No restriction are stipulated by the legislation of the Republic of Belarus for the setting up of foreign financial institutions that intend to operate in the sphere of securities. Requirements to the organisation of financial institutions including foreign ones are laid down in the Provisional Regulation of Non-Banking Financial Organisations in the Republic of Belarus approved by Resolution No. 480/6 of the Ministry of Finance of the Republic of Belarus and the National Bank dated 23 July 1996.

Question 214:

Please describe fully any eligibility requirements or conditions which must be satisfied for the issuance or retention of a license to deal in securities, other than passing the examination with the State Inspection on Securities.

Answer:

To elect specialists that secure skilled fulfilment of their duties before the participants of the securities market such method as specialists' testing is used.

Requirements to the qualification of candidates to obtain attestation certificates are reflected in the Programme of attestation of specialists to the right for execution of operations with securities that is being developed by the Committee on Securities of the Ministry of Finance of the Republic of Belarus (hereinafter the Committee). The Programme includes:

- theoretical basis of professional knowledge that reflect the world experience of functioning of the securities market;
- requirements of the legislation of the Republic of Belarus that regulate the issue, circulation, repayment and pledge of securities (stocks, bonds, State securities, bills, etc.) as well as deposit certificates;
- issues of privatisation of the State property;
- account of operations with securities, reporting, procedures of payment of incomes (dividends and interests) and taxation on securities;
- investment analysis.

If the attestation results are positive the qualification certificate of the first, second or third category is issued (hereinafter the certificate) depending on the level of skills of the specialist.

Attestation for the first category certificate is allowed for persons having higher economics education as well as persons having higher education and a record of work of at least one year in the capacity of specialist on securities of the professional participant, the stock exchange or the correspondent entity of the issuer.

Attestation for the second and third category certificates is allowed for persons who are 18 years of age, have high education and trained at special courses on securities. For persons having higher economics education the training at the above courses is not required.

VII INSTITUTIONAL BASE FOR TRADE AND ECONOMIC RELATIONS WITH THIRD COUNTRIES

VII.1 Bilateral or Plurilateral Agreements Relating to Foreign Trade in Goods and Trade in Services

Question 215:

Please provide a list of all agreements between Belarus and other countries which provide for preferential treatment, please supply information on each of these along the lines of the standard format used in WTO.

Answer:

The preferential treatment in relation to third countries is established in conformity with Resolution No. 72 of the Council of Ministers dated 10 February 1997, which is submitted to WTO Secretariat (See WT/ACC/BLR/5).

A list of all agreements between Belarus and other countries which provide for preferential treatment, will be submitted in the standard WTO format.

Question 216:

Belarus should adhere to the WTO Agreement on Trade in Civil Aircraft from the date of accession.

Answer:

This question will be considered after Belarus' accession to the WTO.

Question 217:

Please provide a translated copy of the Agreement on Partnership and Co-operation with the European Union to the WTO Secretariat for review by the Working Party.

Answer:

This document is submitted to the WTO Secretariat. (Available in the Secretariat, Accessions Division, Room 1126, for consultation.)

Question 218:

Please provide to the Working Party prior to the next meeting a description of the terms of the Partnership and Co-operation Agreement with emphasis on any provisions for national treatment or for preferential treatment of European Union imports of goods and services vis-à-vis import from other sources.

Answer:

See answer to Question 217.

VII.2 Economic Integration, Customs Unions and Free-trade Agreements

Question 219:

We seek further information on the Customs Union between Belarus and Russia, and the current situation regarding implementation. Has any progress been made towards adopting uniform rules on tariffs and non-tariff measures affecting foreign trade? How will the agreement affect the ability of Belarus to negotiate market access commitments?

Answer:

In accordance with Article 2 of the Customs Code of the Republic of Belarus (WT/ACC/BLR/1/Add.1) the territory of the Republic of Belarus forms a single customs territory within which all legal and physical persons are obliged to observe the effective standards of the national customs legislation. In this case, the borders of the customs territories are the customs border of the Republic of Belarus. The customs border coincides with the State Border of the Republic of Belarus except for cases with free customs laws (Article 46 of the Customs Code). Moreover, Article 1 of the Treaty on the Union dated 2 April 1997 establishes that each Member of the Union preserves its State sovereignty, independence and territorial integrity.

The Customs Committee of the Union of Belarus and Russia has been set up which develops, within the frameworks of the Agreement on the Customs Union between the Republic of Belarus and the Russian Federation, regulatory documents on unification of the tariff and non-tariff regulations of foreign trade.

The fifth session of the Integration Committee held on 05.06.97 approved the conceptual approaches to the formation of the Common Customs Tariff of countries members of the agreements on the Customs Union that stipulate co-ordination work on agreeing the common customs tariff as an interim stage towards the complete unification of tariffs by the time of unification of customs territories of the member states.

In conformity with the decision of the Integration Committee of 25 February 1997 member countries of the Customs Union shall independently arrange documents on joining the World Trade Organisation, on making other international and economic agreements and take measures on implementation of the rights and fulfilment of the commitments that stem, for each of them, from agreements made earlier by each party with third countries and their integration unions.

Taking into consideration absence of customs control on the border between Belarus and Russia, the parties have agreed to exercise customs control with third countries (if the goods pass across the western border) through united efforts of the Customs Services of Russia and Belarus on the territory of the border of the Republic of Belarus.

At the same time bearing in mind the fact that the creation of the Customs Union in full accordance with the WTO requirements may require a long period of time, Belarus considers necessary to examine the rules and provisions of the Customs Union after the joining the WTO and relevant notification of this trade regional agreement to the WTO Secretariat.

The Treaty on the Union of Belarus and Russia of 2 April 1997 does not affect the Agreement on Customs Union of 20 January 1995 between the Republic of Belarus, the Russian Federation and the Republic of Kazakhstan since in accordance with Article 5 of the Treaty it does not concern the rights and duties of the Parties on other international treaties to which they are participants and is not directed against third countries.

Article 6 of the Treaty on the Union stipulates that the Treaty on the formation of the Community of Belarus and Russia dated 2 April 1996 continues to have force in the part that does not contradict the Treaty on the Union.

Question 220:

Could Belarus provide more details on the state of implementation of the CIS Free Trade Area Agreement?

Answer:

For the purpose of creation of conditions for a step-by-step further development of the economic integration of the CIS countries, free trade zones are formed that envisage the cancellation of customs duties for trade in goods of the national origin when they are moved from customs territory into others. At present, the draft Protocol is being developed, within the framework of basic measures of integration development of the CIS countries for 1997, on the mechanism of implementation of the Agreement on the creation of the free trade zone dated 15 April 1997.

Question 221:

Please identify, including HS numbers, any items that do not receive duty free access under the CIS multilateral free trade area agreement.

Answer:

Agreements of the CIS countries on free trade stipulate duty-free trade.

Question 222:

Have the Republics of Russia, Kazakhstan and Belarus already agreed to a schedule to harmonize tariffs pursuant to the customs union agreement? Please provide a copy of this schedule to the WTO Secretariat for review by the Working Party.

Answer:

No.

Question 223:

What is the current trade-weighted average MFN customs tariff in the Republic of Belarus? What will the initial trade-weighted average customs tariff rate of the customs union common external tariff as applied by Belarus be? What will the trade-weighted average customs tariff of the common external tariff when fully implemented be? In what year will the common external tariff be fully implemented? Will Belarus' initial goods market access offer incorporate the schedule of harmonization of the common external tariff.

Answer:

The average MFN weighted tariff equals to 14.3 per cent.

As regards other questions of this paragraph, these issues are being worked at.

Question 224:

Please submit a translated copy of the Customs Union Agreement with Kazakhstan and Russia to the WTO Secretariat for review by the Working Party.

Answer:

Copies of the Agreement on Customs Union and of the Treaty on the Joining of the Kyrgyz Republic to the Agreements on Customs Union are enclosed.

ANNEX 1

Changes in the Trade Regime

Over this period, some alterations have been made in the trade regime of the Republic of Belarus:

Decrees of the President of the Republic of Belarus

No. 31 dated 25 January 1996 "On the Improvement of the Government Monetary Policy". The Decree determined the range of legal persons and entrepreneurs who are exempted from the mandatory sale of foreign currency. (WT/ACC/BLR/5)

No. 46 dated 5 February 1996 "On Provisional Export Customs Tariff". The Decree extended the time of validity of the provisional customs tariff of the Republic of Belarus until 1 January 1997.

No. 108 dated 18 March 1996 "On the Bettering of Foreign Economic Activities". The Decree cancelled the quoting and licensing of export of petroleum and petroleum products, allowed export without registration of contracts of some kinds of hydrocarbon materials by economic subjects that manufacture nitric and phosphorous fertilisers, and allowed export of these products in excess of the established quota without licenses and registration of contracts provided that such products are manufactured from raw and other materials owned by the customer who is non-resident of the Republic. (WT/ACC/BLR/5)

No. 114 dated 20 March 1996 "On Free Economic Zones on the Territory of the Republic of Belarus". The Decree regulates the procedure of formation of Free Economic Zones of the territory of the Republic. (WT/ACC/BLR/5)

No. 120 dated 25 March 1996 "On Making Amendments and Additions to Decree; No. 116 of the President of the Republic of Belarus, dated 20 March 1995, No. 300, dated 16 August 1995 and No. 45 dated 2 February 1996." The Decree introduced the use of the excise stamp on alcoholic and tobacco products imported into the Republic.

No. 499 dated 28 November 1996 "On Cancellation of Provisional Export Customs Tariff of the Republic of Belarus".

No. 48 dated 14 January 1997 "On Making Amendments and Additions to Decree No. 52 of the President of the Republic of Belarus, dated 8 February 1995". The Decree altered the period of transfer of currency obtained from realisation of products for export contracts. (WT/ACC/BLR/5)

No. 101 dated 24 January 1987 "On Supporting Exports by Enterprises in the Construction Complex of the Republic of Belarus". The Decree determined measures on stimulation of export of construction work. (WT/ACC/BLR/5)

Decrees of the Government of the Republic of Belarus

No. 18 dated 10 January 1996 "On Making Amendments and Additions to Decree No. 419 of the Cabinet of Ministers of the Republic of Belarus, dated 5 August 1995". The Decree determined the procedure of import into the territory of Belarus of certain kinds of products.

No. 127 dated 21 February 1996 "On Supply to Users of the Republic of Mineral Fertilisers and Realisation of Them for Export in 1996". The Decree determined the procedure of the realisation for export of mineral fertilisers manufactured in the Republic.

No. 322 dated 16 May 1996 "On Altering Rental Rates for Export of Wood and Wood Products". The Decree introduced alterations into the wood export rental rates.

No. 509 dated 2 September 1996 "On Collection of Value-Added Tax". The Decree determined the lists of commodities liable to special VAT rates. (WT/ACC/BLR/5)

No. 556 dated 22 August 1996 "On Allocation of Quotas for and Licensing of Import of Food Raw Material, Spirit and Alcoholic Drinks". The Decree temporarily introduction in the territory of the Republic of Belarus of the system of quotas and licensing of Food Raw Material, Spirit and Alcoholic Drinks. (WT/ACC/BLR/5)

No. 839 dated 27 December 1996 "On Supply to Users of the Republic of Mineral Fertilisers and the Realisation of Them for Export in 1997". The Decree determined the procedure of the realisation for export of mineral fertilisers manufactured in the Republic.

No. 72 dated 10 February 1997 "On Customs Tariffs of the Republic of Belarus". The Decree established new rates of import customs duties. As compared to the rates approved by Decree No. 340 of the Cabinet of Ministers of the Republic of Belarus, dated 29 June 1996 "On Modification of Customs Tariff of the Republic of Belarus" (with amendments introduced by Decree No. 624 of the Cabinet of Ministers of the Republic of Belarus, dated 13 November 1995) "On Altering Rates of Customs Duties for Things Imported into the Customs Territory of the Republic of Belarus") about 40 per cent of the rates were modified, mostly increased. (WT/ACC/BLR/5)

No. 197 dated 14 March 1997 "On Introduction of Commodity Nomenclature of Foreign Economic Activity of Commonwealth of Independent States". (WT/ACC/BLR/5)

ANNEX 2

Balance of Payments for 1993-1996 (million US\$)

	1993	1994	1995	1996
Current operations account	-403.9	-505.7	-567.4	-909.3
Goods	-504.5	-556.2	-777.4	-1335.8
Export	1863.5	2510	4688.5	5403.5
including to CIS countries	1026	1478.6	2912.1	3587.6
Import	2368	3066.2	5465.9	6739.3
including CIS countries	1372.3	2091.5	3645	4490.8
Services	40.7	24.2	131.4	364.3
Non-factorial services	48.1	52.1	182.4	429.7
Interests	-7.4	-27.9	-51	-65.4
Transfers	59.9	26.4	78.6	62.2
Capital and financial account	445.5	526.7	179.3	454
Capital account	0	23.8	7.3	47.2
Capital transfers	0	23.8	7.3	47.2
Financial account	445.5	502.9	172	406.8
Direct investments	17.6	10.5	14.7	69.5
Portfolio investments	0	0	0	5
Other investments	427.9	492.4	157.3	332.3
- Middle- and long-term capital	329.9	251.4	71.1	38.6
Receipts	343.9	355.5	191	124.7
Depreciation	-14	-104.1	-119.9	-86.1
- Short-term capital	98	241	86.2	293.7
including reciprocal debts of enterprises	46.7	46.7	80.9	272.3
Errors and omissions	-15.7	98.5	212.9	181.7
General balance	25.9	119.5	-175.2	-273.6
Financing	-25.9	-119.5	175.2	273.6
Net demands of the banking system (net reserve assets):	-25.9	-118.2	-21.4	27.4
- Net demands of the Central Bank	49.9	-89.2	-100.2	47.7
- Commercial banks	-75.8	-29	78.8	-20.3
Emergency financing	0	-1.3	196.6	246.2
Alteration of debts service delay	0	6	9.5	14.5
Other emergency financing	0	-7.3	187.1	231.7
Growth of non-payment for gas	0	-7.3	187.1	219.6
Growth of non-payment for electricity	0	0	0	12.1
	-13.1%	-13.3%	-5.5%	-6.9%

	1993	1994	1995	1996
in per cent		134.7%	186.8%	115.3%
reference articles		223.4%	261.3%	184.9%
account of current operations in % of GDP	62.5	114.6	402.4	478
Volume of export in % of the previous period	0.32	0.45	0.88	0.85
Volume of import in % of the previous period	467.5	976.45	1293.73	1357.54
Total reserves in million dollars (at the end of the period)	15.1%	25.7%	12.6%	10.3%
in months of import	24.5%	38.1%	26.6%	23.3%
Foreign debts at the end of the period, million dollars*				
Foreign debts in % of GDP				
Servicing of debts in % of export of commodities and non-factorial services				
*Total foreign debts at the end of the period				

ANNEX 3

List of Goods of Which Export is Carried Out Under Licenses of the Ministry
of Foreign Economic Relations Issued Within Limits of Volumes of the Established Quotas

HS Code	The name of the goods	The basis for licensing	GATT rational
1	2	3	4
3101-3105	Fertilizers	The rules of a Commission of the EC No. 1031/ 92 from 23.04.92	Article XX (h)
5111, 5112	Fabrics from a wool yarn	The agreement between the EC and Republic of Belarus about trade in the textile goods (is initialled by November 7, 1995)	
520411000,520419000	Cotton thread		
5205, 5206	Cotton yarn		
5208-5212	Woven fabrics of cotton		
5306, 5309	Yarn and woven fabrics of flax		
540720110, 5408	Woven fabrics of artificial fibres		
5508	Yarn of staple or waste synthetic fibres		
5509, 5510	Yarn of synthetic and artificial fibres		
5512-5516	Fabrics of synthetic and artificial fibres		
560741000-560750900	Twine, cordage, ropes and cables of synthetic fabrics		
580211000, 580219000	Terry towelling fabrics		
580390	Interweaved binding fabrics		
610110-610130, 610210-610230, 610331000-610339000, 610411000-610459000, 6105, 6106, 6107, 610821000-610899100, 6110, 611211000-611220000, 6113, 6114	Knitted wear		
6115	Panty-hose and tights, stockings		
6117	Knitted accessories of clothes		

HS Code	The name of the goods	The basis for licensing	GATT rational
6201, 6202, 620311000-620321000, 620341100, 620341900, 620342310-620342350, 620342900, 620343190, 620343900, 620349190, 620349500, 620411000-620421000, 620431000, 620432900, 620433900, 620439190, 620441000-620444000, 620451000-620459100, 620461100, 620462310, 620462330, 620510000-620530000, 620620000-620640000, 621030000	Textile sewing items, clothes	The agreement between the EC and Republic of Belarus about trade in the textile goods (is initialled by November 7, 1995)	Article XX (h)
630120100, 630130100, 630140100, 630190100	Blankets, rugs		
6302	Bed linen, table linen, toilet and kitchen linen		
630311000-630319000, 630411000, 630491000	Curtains, drapes		
6305	Sacks and bags of a kind used for the packing of goods		
630710100, 630790100, 6308	Napkins, sets		
7204	Wastes and scraps of black metals	Necessary to ensure essential quantities to domestic industry	Article XX (i)
7404. 7503. 7602	Wastes and scraps of colour metals		

List of Goods of Which Import is Carried Out Under
Licenses of the Ministry of Foreign Economic Relations

HS Code	The name of the goods	Ministries of Republic of Belarus agreeing licensing,
1	2	3
3808	chemical means of plant protection	Ministry of Agriculture
2618-2620, 3915	Industrial waste, slag	Ministry of Natural Resources

List of Goods Produced in Belarus of Which Export is Prohibited

HS Code	The name of the goods	Article of GATT under which this measure is introduced
1	2	3
010600990, 060299410, 060299510, 060299590	Wild plants with medicinal application and raw materials from such plants	XX (j)
9705, 9706	Antiques and subjects of a collecting, goods received as the humanitarian aid	XX (j)

ANNEX 4

Utilization of Quantitative Limits Established on
Export of Textile Products to EC Countries

Utilization of quantitative limits on export of textile products made US\$56.21 million for 10 months of the year 1997 (US\$24.74 million in Direct export and US\$31.47 million in OPT). The increase made US\$15.58 million (38 per cent) in comparison with the appropriate period of 1996 (Appendix 2).

The increase in amounts of utilization was achieved due to the growth of export of products on the following categories:

Category	Description of products	Increase in comparison with 10 months of 1996, %
5	pullovers, waistcoats	60
7	women's blouses	35
8	men's shirts	82
15	overcoats, raincoats	33
24	pyjamas, dressing gowns	60
83	knitted wear, overcoats	12
117	flax fabrics	20

We note that the EC quantitative limit on category 117 (flax fabrics) was completely exhausted for 5 months of the current year. The working level of quotas received by application of normal flexibilities was also exhausted for the period of 6 months of 1997. In this connection, the request about the application of exceptional flexibilities was sent to the European Commission. But the Commission did not take positive decision on this question.

Reduction in amounts of utilization of the EC quantitative limits is observed on the following categories:

Category	Description of products	Reduction in comparison with 10 months of 1996, %
20	cotton bed linen	25
29	women's suits	16
90	ropes	100
118	flax bed linen	36

For ten months of the current year, five categories of 34 have been exhausted on 100 per cent and more, six categories - on 50 per cent and more. The percentage of utilization of quantitative limits on other categories makes 5-15 per cent. In 1997, 380 licenses on export of textile products to the EC countries have been issued (for the appropriate period of the year 1996 - 308).

APPENDIX 1

Information on the Utilization of Quantitative Limits for Export of Textile Products to EC
Countries Carried Out Within the Framework of the Agreement on Trade in Textile Products

Category	Quota level 1996	Utilization for 10 month of 1996	Utilization %	Quota level 1997	Utilization for 10 month of 1997	Utilization %
1	2	3	4	5	6	7
1	1125	100	8.9	1164	0	0
2	2820	1935.64	68.6	2919	1966.43	67
3	158	0	0	164	0	0
4	671 000	187700	28	701 000	355558	51
5	570 000	227783	40	596 000	649640	112
6	298 000	85194	28.6	311 000	258500	83
7	400 000	262085	65	418 000	425112	112
8	390 000	32 054	8.2	408 000	459120	112
9	243 000	0	0	254 000	492	0.19
12	3800000	1000000	26.3	3990000	1000000	25
13	1910000	120415	6.3	1967000	136875	6
15	493000	283669	57.5	515000	463898	90
16	81000	600	0.7	85000	14010	16
20	231000	77488	33.5	239000	20247	8
21	515000	338275	65.7	538000	386638	71
22	255000	0	0	269000	0	0
23	164000	0	0	172000	0	0
24	393000	71675	18.2	413000	322800	78
26	615000	102720	16.7	643000	48780	8
27	615000	60674	9.9	643000	163107	26
29	140000	49000	35	146000	27500	18.84
33	255000	0	0	266000	0	0
36	760000	192765	25.4	802000	107749	13.44
37	300000	0	0	315000	0	0
39	130000	23068	17.7	137000	41600	30
50	82	7400	9	86	15	17.4
67	218	375	0.2	229	3404	1
73	148000	148000	100	155000	155000	100
74	214000	20290	9.5	223000	28203	12
83	90000	27250	30.3	93000	39807.73	42
90	128000	38350	29.9	134000	0	0
115	57000	0	0	60000	0	0
117	580000	538759	93	609000	707180	113
118	270000	207126	76.7	284000	87060	30

APPENDIX 2

Utilization of Quantitative Limits on Export of Textile Products to EC Countries for
Ten Months of 1997 in Comparison With the Appropriate Period of 1996, Value Terms

	31 October 1996 million US\$	31 October 1997 million US\$	Increase %
OPT	17.99	31.47	74
Direct export	22.64	24.74	9
Total	40.63	56.21	38

ANNEX 5

List of Pests, Plant Illness and Weeds that
are in Quarantine in the Republic of Belarus

PLANT PESTS

Icerya purchsi Mask
Spodoptera litura Farb
Hyphantria cunea Drury
Unaspis citri Comat
Pantomorus leucoloma Boh
Tetradacus citri Chen
Pseudococcus citriculus Green
Unaspis yanonensis Kuw
Grapholitha molesta Busck
Numonia pyrivorella Mats
Spodoptera littoralis Bolsd
Ceroplastes rusci L
Quadraspidiotus perniciosus Coms
Trogoderma granarium Ev
Phthorimaea operculella Zell
Callosobruchus chinensis L
Leptinotarsa decemlineata Say
Carpocapsa niponensis Wlghm
Ceratitis capitata Wied
Pseudauleacaspis pentagona Targ
Viteus vitifolii Fitch
Pectinophora gossypiella Saund
Bemisia tabaci
Dialeurodes citri Ashm
Phyllocnistis citrella Stainton
Pseudococcus gehani Green
Pseudococcus comstocki Kuw
Callosobruchus maculatus F
Caulophilus latinasus Say
Rhagoletis pomonella Walsh
Agrilus mali Mats
Popillia japonica Newm
Ceroplastes japonicus Green
Lopholeucaspis japonica Ckll

PLANT ILLNESS

Fungies

Glomerella gossypii (South) Edgerton
Didymella chrysanthemi (Tassi) Gar et Gull
Puccinia horiana P Henn
Angiosorus solani Thirum et O'Brien
Tilletia (*Neovossia*) *indica* Mitra

Mycosphaerella linorum (Wr.) Garsia Rada
Synchytrium endobioticum (Schilb) Percival
Phymototrichum omnivorum (Scheer) Duggar
Cochliobolus heterostrophus (Drechsler)
Drechsler Paca T (*Helminthosporium maydis*
Nisicado et Miyake)
Phomopsis helianthi

Bacterial

Erwinia stewartii
Pseudomonas caryophylli
Xanthomonas campestris pv *hyacinthi*
Erwinia amylovora
Xanthomonas campestris pv *citri*

Nematoidal

Globodera pallida (Stone) Mulvey et Stone
Globodera rostochiensis (Woll) M et St.

WEEDS

Ambrosia artemisiifolia L
Ambrosia trifida L
Ambrosia psilostachya D C
Iva axillaris Purah
Acroptilon repens D C
Solanum elaeagnifolium Cav
Solanum rostratum Dun
Solanum triflorum L
Solanum carolinense L
Cuscuta sp. sp.
Striga sp. sp.
Cenchrus pauciflorus Benth (*fribuloides* L)

Note: List of objects which registered on the territory of the Republic of Belarus:

Grapholitha molesta Busck
Leptinotarsa decemlineata Say
Globodera pallida (Stone) Mulvey et Stone
Synchytrium endobioticum (Schilb) Percival
Mycosphaerella linorum (Wr.) Garsia Rada
Cuscuta sp. sp.
Ambrosia artemisiifolia L

ANNEX 6

List of Residents of the Free Economic Zone "Brest"

Residents of the FEZ "Brest"	Sphere of activities	Declared authorized fund
1. Belorussian-German JV "Westline JSC", village of Kleyniki, Brest region	industrial production activities, transport carriage, wholesale and retail sale	DM 4,145,580
2. Collective farm "Pogranichnik", Brest Region	agricultural produce	Rbl. 30,637,600
3. Scientific and Production Firm "Variant-Plus", Brest	research activities, developments, educational, methodological and consultant activities	Rbl. 10,000,000
4. Foreign Enterprise "Brest Pharma International Co., Ltd." (Malta), Brest	production and realisation of medicinal preparations, cosmetics and perfumes	US\$20,000
5. Production Firm "Nikor", Brest	production of consumer goods, organisation of transport and automobile services, purchase and agency activities	Rbl. 40,000,000
6. Foreign Enterprise "AG-MAR-BEL" (Poland), Brest	production of furniture and other wood products, wholesale and retail sale	US\$80,000
7. Foreign Enterprise "Lesprom" (Czech Republic), Brest	deep processing of wood, production of construction materials, wholesale and retail sale	US\$80,000
8. Closed Joint-Stock Company "Soyuz", Brest	trade agency, construction work	Rbl. 50,000,000
9. Foreign Enterprise "Condor" (Germany), Brest	production of paints and varnishes (lacquers)	US\$20,000
10. International Enterprise "Intermebel", village of Kozlovichi, Brest Region	production of modular and office exclusive furniture, furniture for polyclinics, kindergartens, trade places	Rbl. 450,000,000
11. DSPMK-27	construction work, production of asphalt	Rbl. 40,941,000,000
12. Belorussian-German JV "Delfa-Byg"	production of consumer goods	DM 85,000
13. Brest region wholesale and agency activities Firm of Belorussian Concern of material resources	State purchase, export and import	Rbl. 19,140,000
14. Production and Commercial Firm "SLM-Trust"	wholesale and retail sale, production of consumer goods, food, construction materials	Rbl. 10,000,000

Residents of the FEZ "Brest"	Sphere of activities	Declared authorized fund
15. Closed Joint-Stock Company "Bels"	production of office furniture, consumer goods	Rbl. 10,000,000
16. Belorussian-Poland JV "Belorussian Coffee Company"	production of coffee and chocolate	US\$90,000
17. "Talan", Ltd.	production and sale of modular furniture	Rbl. 10,000,000
18. Belorussian-Poland JV "Anrex"	production of modular furniture and materials for furniture	US\$300,000
19. Belorussian-Poland JV "Black-Red-White"	production of furniture from materials of "Anrex" JV	US\$800,000
20. Foreign Enterprise "Sif-Brest" (Germany)	organisation of transport and dispatch agency activities services	DM 887,945

ANNEX 7

Intellectual Property Regime

In accordance with the Paris Convention for the Protection of Industrial Property to which the Republic of Belarus is a member, industrial property facilities include inventions, industrial specimens, trademarks, service marks, useful models, trade names and origin reference as well as repression of unfair competition.

Today, the Republic of Belarus has formed a legislative basis that assures the protection of the following facilities:

Inventions

The Law "On Patents for Inventions" is in force as from 5 February 1993 (WT/ACC/BLR/1/Add.1). The Law stipulates the expertise of inventions according to three criteria: innovation (absolute world-wide), invention level and industrial applicability. The system of deferred expertise is applied. The time of the patent validity is 20 years.

At present, the National Assembly of the Republic of Belarus has developed and passed in the first reading the draft Law "On Patents for Inventions and Useful Models" that regulates legal relations in the sphere of protection of inventions and useful models within the framework of the single legal act. The draft Law has been submitted to WIPO for expertise to check its compliance with the provisions of the TRIPS Agreement. All remarks were taken into account by the draft Law.

Industrial Designs

The necessary conditions for the protection of the industrial designs are innovation, original character and industrial applicability.

The patent for industrial designs is valid for ten years with the possibility of extension for five years.

Trademarks

The Law of the Republic of Belarus "On Trademarks and Service Marks" (WT/ACC/BLR/1/Add.1) regulates the relations related to the registration and use of trademarks and service marks. Trademarks and service marks can be registered and obtain protection if they meet the requirements of the Law according to the shape. Trademarks can be textual, pictorial, three-dimensional or as combinations of such of any colour or colour combination. As regards the content trademarks may not be registered if they do not have features of differentiation, that is, they are identical or similar to such extent that they can be confused with trademarks registered earlier or submitted for registration in the Republic of Belarus in the name of another person in relation to homogeneous commodities.

Registration of the trademark is valid for ten years from the date of receipt of the application by the Patent Office. The time of registration can be extended, at request of the owner, for ten years each time.

Kinds of Plant

The Law of the Republic of Belarus "On Patents for Kinds of Plants" regulates the relations arising in connection with the creation (detection or growing), the legal protection and use of kinds of plants. A kind is given the legal protection if it possesses features of novelty, differentiation, homogeneity and stability. In this case the right for the plant kind is certified by the patent. The patent certifies the exclusive right for the kind of plant. The scope of property rights of the patent owner for the kind of plant is identical to the scope of the rights of the patent owner for the invention. The single difference is that the protection of kinds of plants concerns only reproductive materials (seeds) but not the growing and sale of the plants themselves. In this connection Article 9 of the Law determines the expiration of rights of the patent owner as impossibility to ban any actions in relation to any material of the kind of plant under protection after it has been put into circulation, if such actions are not aimed at a future proliferation of the given kind. The patent for the kind of plant is valid for 25 years from the date of registration of the kind in the Register of Protected Kinds.

Patent duties and fees for all types of actions connected with the application of the right for the industrial property facilities protected in the Republic of Belarus were established by decrees of the Cabinet of the Ministers of the Republic of Belarus.

Carrying on its activity within the framework of the national and international law on protection of industrial property the State Patent Committee had received (by 1 June 1997) 5,752 applications for inventions (of them, 3,112 from national applicants and 2,640 from foreign applicants), 305 applications for industrial specimens (of them 220 from national applicants and 85 applications from foreign applicants). The number of applications for trademarks for their registration according to the national procedure constitutes 8,959 (of them 4,202 from national applicants and 4,757 from foreign applicants), and for registration according to the procedure of the Madrid Agreement - 15,213 applications. The number of patents for inventions issued is 1,524, patents for industrial specimens - 135, the number of trademarks registered according to the national procedure is 6,280 and according to Madrid Agreement procedure - 19,969.

To bring the foreign trade regime of the Republic of Belarus in correspondence with the rules of the TRIPS Agreement, draft Laws of the Republic of Belarus have been prepared: "On Inventions, Industrial Specimens and Kinds of Plants", "On Legal Protection of Integrated Circuits Analogy", "On Trade Names", "On Suppression of Unfair Competition" and "On the Patent Court". These laws will be passed in 1997-1998 and, following their passing, the internal legislation can be considered as sufficient for adequate and effective protection of intellectual property rights.

The Republic envisages measures for assuring the fulfilment in the full scope of national treatment principle in the full scope. At present, the size of the duties is different for national and foreign applicants in view of difficulties of economic development during the period of transition. In 1998, it is planned to develop a new system of patent duties and fees that will be uniform for foreign and national applicants.

Despite the fact that the civil procedural legislation of the Republic of Belarus corresponds to general commitments of the TRIPS Agreement and no special conditions exist that would contradict the Paris Convention. The current civil and criminal legislation does not fully assures the prevention of violation of intellectual property rights. However, this discrepancy will be resolved after the passing of the Law "On the Patent Court of the Republic of Belarus".

In addition to national patent marks, the relations in the sphere of protection and use of industrial property in the Republic of Belarus are regulated by international agreements.

The draft Law "On Introduction of Alterations and Additions into the Law "On the Procedure of Making, Fulfilment and Denunciation of International Agreements of the Republic of Belarus" includes provisions that generally recognised principles of international law and standards of international agreement of the Republic of Belarus that have come into force are part of the law in force in the territory of the Republic of Belarus.

As of 14 April 1993 the Republic of Belarus became participant of the following international agreements:

- Paris Convention for the Protection of Industrial Property;
- Patent Cooperation Treaty (PCT);
- Madrid Agreement for the Repression;
- Nairobi Treaty on the Protection of the Olympic Symbol;

In 1997-1998 the Republic of Belarus will join the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, Strasbourg Agreement Concerning the International Patent Classification, Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (Geneva 1977, with amendments 1979), Locarno Agreement Establishing an International Classification for Industrial Designs (1968).

On 14 July 1997 the Law of the Republic of Belarus was passed "On Joining by the Republic of Belarus the Bern Convention on Protection of Literature and Art Works (Paris Act of 29 July 1971 as amended on 28 September 1979)".

Accession of the Republic of Belarus to the WTO and realisation of the agreement between the WTO and WIPO on trade aspects of intellectual property rights requires that the national legislation be brought in correspondence with the provisions of the TRIPS. To this end, the draft Law of Republic of Belarus "On Patents for Inventions and Useful Models" has been forwarded for expertise for compliance with the TRIPS. The Articles of the TRIPS Agreement will also be taken into account during the development of draft laws "On Making Amendments and Additions to the Criminal Law of the Republic of Belarus" and "On Making Amendments and Additions to the Code on Administrative Offenses of the Republic of Belarus"; these alterations will be finally developed in December 1997.

The following draft laws have been developed and are at the stage of agreement: "On Legal Protection of Integrated Circuits Topology" and "On Trade Names". These laws are planned to be passed in 1998.

ANNEX 8

Information on Technical Barriers to Trade

1. Description of relevant laws, regulations, administrative orders, etc., relating to implementation and administration of technical barriers to trade.

The following legal acts regulate standardization and conformity assessment:

- The Law of the Republic of Belarus "On Certification of Products, Works and Services", adopted on 5 September 1995 (WT/ACC/BLR/1/Add.1), establishes legal basis for mandatory and voluntary certification of products, works and services in the Republic, regulates legal relations arising in the process of certification as well as rights, obligations and responsibilities of participants of certification;
- The Law of the Republic of Belarus "On Protection of Consumers' Rights", adopted on 19 December 1993 and entered into force on 1 January 1994 (WT/ACC/BLR/1/Add.1), which establishes the rights of consumers in accordance with the UN Resolution 39/248 "Guidelines for Consumer Protection";
- Article 6 of the Law "On Certification of Products, Works and Services" and Article 13 of the Law "On Protection of Consumers' Rights" state that products, which shall to satisfy requirements related to the security of life, health, or property of consumer or to environmental protection, are subject to mandatory certification in the National Certification System, followed by marking of products with the sign of conformity to these requirements. This statement concerns both domestic and imported goods.

The List of products subject to mandatory certification in Belarus is defined by:

- Resolution No. 635 of the Cabinet of Ministers of 22 September 1993 (in force from 1 January 1994);
- Resolution No. 1 of the Committee on Standardization, Metrology and Certification (BELSTANDART) of 28 February 1994;
- Order No. 179 of GOSSTANDART of 27 October 1995;
- Resolution No. 260 of the Cabinet of Ministry of 16 April 1996;
- Order No. 545 of the Ministry of Education and Science of 19 December 1996;
- Resolution No. 447 of the Cabinet of Ministry of 7 May 1997.

The State Standardization System, the National Certification and Accreditation Systems have been established in accordance with requirements of ISO and IEC international standards, and European Standards EN 45000 and EN 29000.

The State Standardization System and the Law "On Standardization" (WT/ACC/BLR/1/Add.1) establish the following obligatory requirements:

- requirements of standards related to the security of life, health and property of citizens, environmental protection, interchangeability and compatibility;
- other requirements if the manufacture has made a written application on conformity of his products to these requirements.

The Law "On Assurance of Measurements Uniformity" (WT/ACC/BLR/1/Add.1) of the Republic of Belarus, adopted on 5 September 1995, is valid in metrology. The Law specifies the basis of legal metrology and is directed at assurance of measurements uniformity, legal defence of legal entities from sequences of inaccurate and incorrect measurements as well as regulates relations between State managerial bodies of the Republic of Belarus and economic entities on the matters of manufacturing, using, repairing, selling, importing and hiring out of measuring instruments.

If mandatory standards are violated, the State Surveillance Bodies for Observance of Standards have the rights to impose fines amounting to 25 per cent of the value of sold products. This procedure is established by Resolution No. 360 of the Cabinet of Ministers of 2 June 1993. If the requirements for mandatory certification of products are violated, the manufacture (seller) is subject to a fine amounting to 100 per cent of the value of sold products. This fine is established by the Law "On Protection of Consumers' Rights" of consumer goods, and also included in the Law "On Certification of Products and Services" (WT/ACC/BLR/1/Add.1) in respect of other products and services.

The Republic of Belarus is a full member of the International Standardization Organization (ISO), International Electrotechnical Commission (IEC), International Organization of Legal Metrology (OIML), has joint in the "Agreement concerning the Adoption of Uniform Conditions of Approval and Reciprocal Recognition of Approval for Motor Vehicle Equipment and Parts" (Decree No. 247 of the President of the Republic of Belarus of 3 September 1994).

The Republic of Belarus has signed the Agreements on Mutual Recognition of Certificates of Conformity between Belarus and each of the following countries: each of the CIS countries, China, Lithuania, Latvia, Poland, Slovak Republic and Turkey.

2.(a) The procedure for elaborating standards and equivalent documents is established by the standard of the State Standardization System (SSS) - STB 1.2.-93 SSS of the Republic of Belarus. Procedure of elaboration and adoption of laws.

(b) An enquiry service has been established for all countries to provide reliable information on standardization and conformity assessment (certification) as well as on standards, technical norms other data in this area in accordance with the requirements of Articles 10.1 and 10.3 of the WTO Agreement on Technical Barriers to Trade:

The State Committee for Standardization, Metrology and Certification (GOSSTANDART) - The Republic Body for Standardization, Metrology and Certification.

Address: 93 Starovilensky trakt, Minsk 220053, Belarus
Phone: (0172) 37 52 13,
Fax: (0172) 37 25 88,
E-mail: BELST@MCSM.BELPAK.MINSK.BY

Consultation in accordance with Article 14 and other special functions of the Agreement related to all issues in the area of standardization, metrology and conformity assessment (certification) are conducted by the State Committee for Standardization, Metrology and Certification (GOSSTANDART)

Address: 93 Starovilensky trakt, Minsk 220053, Belarus
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See item (c).

The State Committee for Standardization, Metrology and Certification (GOSSTANDART) is a governmental authority, which is responsible at the national level for the procedures of notification in the area of standardization, metrology and conformity assessment (certification) according to Articles 10.10 and 10.11 of the WTO Agreement.

The procedure for preliminary information on preparation of new technical regulations and of changes in technical regulations is defined by the State Standardization System of the Republic of Belarus.