

Cabinet of ministers of the Republic of Georgia  
Resolution # 334  
June 7, 1995  
Tbilisi

About the temporary rule on regulating harvesting, delivery, transportation and re-export of scrap and wastes of ferrous and non-ferrous metals in the Republic of Georgia under the Resolution # 637-2s, dated from February 24, 1995 of the Parliament of Georgia.

Cabinet of Ministers of the Republic of Georgia considers that metallurgy and mechanical engineering fields are poorly supplied with scrap of ferrous and non-ferrous metals due to the complicated conditions existing in the country hampering appropriate protection of secondary resources having strategy meaning.

Related to the above mentioned and to ensure enactment of the Resolution # 637-2s, dated from February 24, 1995 of the Parliament of Georgia "On restriction of delivery of scrap and wastes of ferrous and non-ferrous metals out of the borders of the Republic", the Cabinet of Ministers of the RoG, decrees to:

1. approve the appendix attached to regulation of harvesting, delivery, transportation and re-export of ferrous metal in the Republic of Georgia.
2. make responsible "Sakmeolit" - JSC of the State Mining Metallurgy Concern to monitor implementation of Decree on temporary rule for regulation harvesting, delivery, transportation and re-export of scrap and wastes of ferrous and non-ferrous metals in the Republic of Georgia.
3. issue a permission on re-export, in every specific occasion as an exception according to the attached temporary rule, under the tentative agreement made with the corresponding commissions of the Parliament of Georgia, in conformity with the Resolution of the Cabinet of Ministers of the RoG.
4. undertake appropriate measures, (by the Customs Department of the Republic of Georgia) to restrict the outflow of scraps and wastes from the Republic, under certificates issued on export of metal goods.
5. determined sale prices on scrap and wastes of ferrous and non-ferrous metal in USD on the basis of agreement made between the supplier (seller) and buyer, but payment shall be produced in National currency of the Republic of Georgia, according to the exchange rate fixed by the National Bank of the Republic of Georgia. In case of disagreement related to the contract prices, the price shall be determined in agreement with the Ministry of Economy of the Republic of Georgia.
6. make responsible Committee of Foreign Economic Relationship of the Ministry of Internal Affairs, Customs, Marine, Railway Transport, Auto Transport Departments, JSC "Sakmeoliti" to undertake appropriate measures to enact the Resolution # 474, dated from July 21, 1994 of the cabinet of Ministers of the Republic of Georgia and to restrict the export of scrap and wastes of ferrous and non-ferrous metals. If the fact of that kind is revealed, these authorities shall act in conformity with the legislation active in the Republic of Georgia. The information about conducted activities must be presented quarterly.
7. pay more attention to reflecting permissions on harvesting, delivery, transportation of scrap and wastes of ferrous and non-ferrous metals and re-export of metals through the TV

and Radio corporation of the Republic of Georgia and National, municipal and regional newspapers.

8. keep in force the Resolution until January 1, 199...

9. publish the Resolution in press.

Prime-Minister of the  
Republic of Georgia

O. Patsatsia

Approved  
under the Resolution #344 of June "7" of  
the Cabinet of  
Ministers of the Republic of Georgia

### Decree

On the temporary rule for regulating harvesting, delivery, transportation and re-export of scrap and wastes of ferrous and non-ferrous metals in the Republic of Georgia

Rule "On restriction of delivery of scrap and wastes of ferrous and non-ferrous metals out of the borders of the Republic" is designed according to the Resolution # 637-2s, dated from February 21, 1995 of the Parliament of Georgia, specifying a temporary rule on regulation harvesting, delivery, transportation and re-export of scraps and wastes of ferrous and non-ferrous metals within the territory of the Republic of Georgia.

1. Considering, that scrap and wastes of ferrous and non-ferrous metals are main sources for supplementing the reserves of metal raw-material of the Republic; besides, normal treatment of scrap and wastes shall improve environmental aspects, specifically, protecting air, soil, water, plants, animals and human beings from injurious (harmful) influence, the hereby rule is obligatory for every enterprise located within the territory of the Republic of Georgia, notwithstanding the form of organizational-legislative structure of their property.
2. Metal-suppliers shall collect scrap and wastes and preserve them according to types, classes and groups in the specially allotted areas, keeping the fire-preventive rules as well as rules on storing explosive and radiation materials and precisely keeping standard requirements.
3. Scrap and wastes of ferrous and non-ferrous metal are awarded strategy meaning and subject to the State control.
4. "Sakmeoliti" monitors the accounts of producing (origin) scrap and metal wastes, its treatment, keeping standard requirements, specifies the volume of scrap resources, and if any infringements are revealed draws an appropriate report, quarterly sets prices in agreement with the Ministry of Economy.
5. Scrap-suppliers of the Republic are obliged to make corresponding agreements on scrap delivery with their customers (scrap receivers).
6. "Sakmeoliti" is responsible to deliver scrap and wastes received, to the enterprises (customers) of the republic, on the basis of the agreement made in an appropriate way.
7. Metal-suppliers ensure delivery (transportation) of scrap and wastes to their customers on their own.
8. To raise the efficiency in consumption of scrap and wastes of ferrous and non-ferrous metals and for maximum utilization in agriculture (instead of initial resources), to avoid sending them for other prescription, Department of Railway Transportation of the Republic of Georgia shall allocate carriages and containers for scrap collectors.

9. Scrap-supplier must submit application, for 45 days earlier before the following quarter starts, to “Sakmeiliti” on allocation railway transport to deliver scrap metals.
10. The basis of making agreement on delivery scrap and wastes between ”Sakmeoliti” and scrap-suppliers is the account of scrap and wastes harvesting.
11. Metal-supplier is obliged to produce prudence and calculation.
12. Scrap-supplier is obliged to make a accept-delivery report (receipt):
  - on the same day -if scrap is delivered by auto transport;
  - within 48 hours - if scrap is delivered by railway.
13. If scrap collectors breach the standard requirements on scrap and wastes treatment and do not produce prudence and calculation of scrapage, “Sakmeoliti” draws out corresponding report (statement) and on the basis of this statement submits penalty sanction - 100% of the cost of revealed scrap - to scrap collectors.
14. In case of re-export, automobiles and carriages shipped with scrap crossing the borders of the Republic of Georgia shall be registered in main workshops of “Sakmeoliti” (existing in Tbilisi, Gori, Kutaisi, Batumi); Special commissions must weight the cargo and check the documents; if needed, non-gabarit scrap shall be processed by “Sakmeoliti” under the agreement made with the supplier.

In case of licensing re-export, Customs Department of the Republic of Georgia shall set out each batch (consignment) on the basis of document issued by the special commission existing at “Sakmeoliti” under the tentative agreement made with the commissions of the Parliament of Georgia.

Appendix to Resolution # 334,  
of June "7", 1995  
of the Cabinet of Ministers  
of the Republic of Georgia

Differentiated prices in USD on secondary ferrous metals to be delivered to Rustavi Metallurgy Combinat and other customers by JSC "Sakmeoliti", the prices mentioned below shall be multiplied on to the coupon conversion coefficient, existing in the republic at a moment of receiving scrap.

No	Name of Metal	Type of Metal	Prices in USD per ton
1	metal for open-hearth furnace	3 a	30
2	package - 1	8 a	31
3	package - 2	9 a	25
4	package - 3	10 a	20
5	steel	5 a	25
6	steel to be pressed	12 a	13
7	steel shaving	14 a	15
8	steel shaving	15 a	12
9	steel shaving	10 a	7
10	cast iron shaving	24 a	18
11	mixture of blast-furnace	25 a	11
12	cast iron scraps -1	17 a	37
13	cast iron scraps -2	18 a	34
14	cast iron scraps	19 a	28
15	non-gabarite cast iron	20 a	30
16	non-gabarite cast iron	21	29
17	non-gabarite cast iron	22	22
18	non-dissembled machinery and appliances	4 d	10
	<b>alloyed steel</b>		
19	alloyed non-gabarite	b-22	49
20	gabarite -2	b-22	76
21	gabarite -3	b-22	65

Head of the Apparatus of the Cabinet of Ministers of the republic of Georgia

V.Asatiani

## Resolution of the Parliament of Georgia

About the Restriction on delivery scrap and wastes of ferrous and non-ferrous metals  
out of the borders of the Republic of Georgia

Metallurgy, Machinery and other enterprises, mainly utilizing scrap and wastes of ferrous and non-ferrous metals, function in the Republic of Georgia. For this reason scrap iron is awarded strategy meaning and it is not allowed to deliver it out of the borders of the Republic. Nevertheless, within the recent years scrap and wastes are exported illegally as well as under the separate resolutions of Cabinet of Ministers of the Republic of Georgia. Proceeding from the above mentioned, the Cabinet of Ministers of the Republic of Georgia resolves to:

1. restrict export of scrap and wastes of ferrous and non-ferrous metals. Re-export (recycling) as an exception, in any specific case, shall be executed under the resolution of the Cabinet of Ministers of the Republic of Georgia, according to the tentative agreement made with the Commissions of Industry, Construction, Energy, Transport, Communication, Municipal services and Economic Commissions of the Parliament of Georgia.
2. be accounted as invalid, every resolution of the Cabinet of Ministers of the Republic of Georgia on delivery of ferrous and non-ferrous metals (including re-export), contradicting the hereby resolution.
3. impose charge on the Cabinet of Ministers of the Republic of Georgia - considering worldwide market prices - to establish customs rates and differentiated prices of state purchase of scrap and wastes of ferrous and non-ferrous metals till March 15 of current year.
4. request Public Prosecutor's Department of the Republic of Georgia to investigate the legislative basis of regulations and sub-laws of the Cabinet of Ministers on delivery scrap and wastes of ferrous and non-ferrous metals out of the republic and submit corresponding information to the Parliament of Georgia within a month time period and within two months submit the information on responsibilities of leaders of state authorities and local management bodies.
5. request the Cabinet of Ministers to elaborate a rule on collection, delivery and transportation of scrap and wastes of ferrous and non-ferrous metals to be executed by "Sakmeoliti".

Parliament of Georgia

Speaker                      Vakhtang Gogvadze

Tblisi

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February 21, 1995

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