

PROTOCOL
on Exclusions from the Regime of Free Trade Set by the Agreement between the
Government of the Republic of Georgia and the Government of the Russian
Federation on Free Trade Made on 3 February 1994

The government of the Republic of Georgia and the government of the Russian Federation, further referred to as “the parties,”

have agreed upon the following:

Article 1

The exclusions stipulated by article 1 of the Agreement between the government of Georgia and the government of the Russian Federation on Free Trade of 3 February 1994 (further referred to as “the agreement on free trade”) covers:

1. The goods envisaged by the Law of Georgia on Export Tariffs and Licensing of Export of Goods (labour, services) acting at the moment of the customs procedures during the export of goods from the Republic of Georgia to the Russian Federation (at the moment of signing this protocol Resolution No 267 made on 31 March 1993 by the government of Georgia is acting).

2. The goods envisaged by the Law of Russia on Export Tariffs, Quotation and Licensing of the Export of Goods (labour, services) acting at the moment of the customs procedures during the export of goods from the Russian Federation to Georgia (at the moment of signing this protocol the acting documents are: Resolution No 1103 of 30 October 1993 of the Council of Ministers - the government of the Russian Federation on “Establishment of Tariffs of export customs duties and List of Goods to which they are Applied”, Resolution No 854 of 6 November 1992 of the government of the Russian Federation on “Licensing and Quotation of Export and Import of Goods (Labour, Services) on the Territory of the Russian Federation” and Resolution No 1102 of 2 November 1993 of the Council of Ministers - the government of the Russian Federation on “Measures of Liberalisation of Foreign Economic Activities with the follow-up Amendments).

The contracting parties shall immediately inform each other of any changes in the legislation relating to the above-mentioned issues.

Article 2

With regard to the goods for which export tariff and non-tariff regulations are valid in accordance with article 1 of this protocol, the parties grant each other the most favoured state’s regime, regarding:

customs duties and fees levied during the export of goods, including the methods of collection of such duties and taxes;

procedures and rules connected with the export (import) of goods, including those connected with customs documentation, transit, storage and unloading;

taxes and any fees, directly or indirectly connected with the export goods;

regulations for sale, purchase, transportation, distribution and use in the home market;

methods and transfer of payment;

Article 3

Provisions stipulated by article 2 of the present protocol shall not be applied in connection with advantages and benefits, granted by either party:

to other countries in order to establish customs unions of other countries or to create a free trade zone or as a result of establishing such a union or a zone;
to the developing countries on the basis of international agreements.

Article 4

The parties shall not impose export duties on goods, delivered for the state needs on the basis of clearing or a similar reason in accordance with the Inter-Governmental Agreement on Trade Economic Cooperation of 1994.

Article 5

The present protocol is an integral part of the agreement on free trade.

Article 6

The present protocol comes into force as of the date of its signing and is in force until a new protocol stipulated by article 1 of the agreement on free trade comes into force.

The protocol is made in Moscow on 11 May 1995 in two original copies, each one in Georgian and Russian. Both texts have equal force.

In order to interpret the protocol the Russian text is referred to.

On behalf of the Georgian Government

On behalf of the Russian Government

AGREEMENT
on Establishment of the Inter-State Euro-Asian Corporation of Coal and Metallurgy

Countries members of the present agreement, further referred to as “the parties,”
acting in accordance with the universally accepted principles and norms of the international law and article 34 of the Charter of the Commonwealth of Independent States (CIS),
based on the historical similarity of their peoples and the existing economic ties between the states,
striving to guarantee mutually beneficial and fair cooperation in the field of metallurgy and coal production,

have agreed upon the following:

Article 1

To create the Inter-State Euro-Asian Corporation of Coal and Metallurgy (further referred to as “the Corporation”), based on common goals, a common market and common institutions.

The Corporation acts on the basis of the Charter representing an integral part of the present agreement.

The goal of the Corporation is to create favourable conditions for the rational development of production at the high technological level, mutually favourable sale of the products, population employment and improvement of the population’s living standards.

Article 3

for the functioning of the Corporation, administrative bodies are created in accordance with the Charter.

Administrative bodies are headed in turn by the representatives of states members of the corporation.

Article 4

The structure of administrative bodies of the Corporation guarantees the avoidance of making decisions in favour of one of the parties and causing damage to the common interests.

The authority of administrative bodies and the range of their activities are limited by the Charter of the Corporation.

Article 5

Decisions made by the administrative bodies of the Corporation shall be mandatory for the states members of the Corporation.

Article 6

In order to settle issues in dispute in the Corporation an arbitrary commission shall be established (further referred to as the Commission).

The principal task of the Commission is to guarantee fulfilment of economic obligations in the framework of the Corporation.

The Commission is authorised to settle differences arisen during the implementation of the present agreement. The Commission is entitled to interpret the terms of the present agreement and other acts of the administrative bodies of the Corporation.

The Commission carries out its activities in accordance with the present agreement and the Charter of the Corporation. Members of the Commission are nominated by the governments of the states members of the Corporation.

Article 7

Funding of the activities carried out by the administrative bodies of the Corporation takes place in accordance with the Charter.

Article 8

Any country sharing the goals and principles of the agreement can join the agreement.

Article 9

The present agreement is subject to ratification in accordance with constitutional procedures of the parties.

The agreement comes into force as of the moment of handing the third notification to the depository; for the parties ratifying it later - as of handing the notification by each of them. For the states joining the present agreement - as of the moment of handing to the depository state the document on joining.

Article 10

The agreement is valid during five years as of the date of its coming into force and shall automatically be extended for the following five-year terms in case the parties do not take a decisions to cancel it.

Article 11

Obligations arisen during the validity of the present agreement are in force until they are fully met.

Article 12

Each part is entitled to withdraw from the Corporation. The party shall inform other parties about its intention in a written form twelve months earlier.

The agreement is made in Moscow on 24 September 1993 in one original copy in the Russian language. The original copy is kept in the government Archive of the Republic of Belarus which will send its certified copies to the states having signed the present document.

The agreement is signed by all states members of the Commonwealth of Independent States (except Turkmenistan), and the Republic of Georgia. Ukraine signed the agreement making the following note: "article 5 shall be mandatory for the industrial

entities ”. A similar note was made to the Charter of the Inter-State Euro-Asian Corporation of Coal and Metallurgy.

Appendix

to the Agreement on Establishment of the inter-State Euro-Asian Corporation of Coal and Metallurgy dated 24 September 1993

CHARTER of the Inter-State Euro-Asian Corporation of Coal and Metallurgy

1. General Terms

Article 1

The Inter-State Euro-Asian Corporation of Coal and Metallurgy (further referred to as the Corporation) is an inter-state organisation established in accordance with the Agreement between Heads of States on Establishment of the Inter-State Euro-Asian Corporation of Coal and Metallurgy of 24 September 1993, signed in the city of Moscow.

Article 2

The present Corporation has been established by the Republic of Armenia, Republic of Belarus, Republic of Kazakhstan, Republic of Kirgizstan, Republic of Moldova, Russian Federation, Republic of Tajikistan, Republic of Uzbekistan, Ukraine, also the Republic of Georgia, who become states members of the Corporation.

Article 3

Any other state having recognised the Corporation's Charter can join the Corporation. After joining it the state becomes a state member of the Corporation.

II. Goals of Activities

Article 4

The principal goal of the Corporation activities is the cooperation with the purpose of creating favourable conditions for the effective development of the coal and metallurgic production including rational utilisation of raw materials, coordination in carrying out technological and investment policies, mutually beneficial supply and sale of products.

Article 5

In order to achieve the principal goal in the framework of the authority granted to the Corporation, taking into consideration the interests of the states members, the Corporation:

- elaborates recommendations on conducting general industrial and economic policies in the field of development of the coal and metallurgic production;
- renders its assistance to the creation of safe working conditions and interaction of high-mountain rescue units;
- elaborates measures supporting utilisation of natural resources taking into consideration the common interests;

- elaborates recommendations on cooperative supply of raw material, fuel, half-finished products, and final goods for the most rational utilisation of the productive potential of enterprises;
- provides assistance in supplying the needed products to the enterprises of the states members of the Corporation;
- works out proposals on the general economic policy in the field of price establishment on the coal and metallurgic production, export and import duties on raw materials, materials and equipment, necessary for the production of metal and extraction of coal.
- establishes the terms of delivery and rates, arranges operational control and regulates the freight traffic.
- elaborates recommendations to ensure provision of enterprises with the imported products or their substitution with those manufactured by the states members of the Corporation.
- makes recommendations on quotas for production, supply and sale of coal, scrap metal and metal goods taking into consideration mutual interests;
- creates favourable conditions to attract investments in the coal and metallurgic industry including the foreign capital;
- organises the exchange and digest of information necessary for the coordinated actions in the field of production and sale of goods;
- elaborates proposals on standardisation and accounting in order to ensure the shift to the international norms;
- arranges consultations and conducts researches to study changes and trends in the metal demand in the home as well as the foreign markets;
- provides assistance in creation and development of inter-state companies having different forms of property.

Article 6

The Corporation strives to reach its principal goal in the interest of all states members of the present Corporation, avoiding unfair competition including gaining a monopolistic position within the home market.

III. Legal Status of the Corporation

Article 7

The Corporation is a legal entity having an independent balance, settlement and other accounts in banks as well as a logo, a seal, a stamp and a letterhead.

Administrative bodies of the Corporation represent the Corporation within its authorities specified by the Charter.

The Corporation has a right to form independently its administrative structure, establish a bank, its branches and representations.

Article 8

The Corporation is not responsible for the obligations pledged by the states members of the Corporation, and the states members of the Corporation are not responsible for the pledges of the Corporation.

Article 9

The official language of the Corporation is the Russian language

Article 10

Location of the administrative bodies of the Corporation is determined by the mutual agreement of the states members of the Corporation on its registration according to the location of the headquarters.

The headquarters of the Corporation is in the city of Moscow.

IV. Administrative Bodies of the Corporation

Article 11

Administrative bodies of the Corporation are:

Collegium of the Corporation (further referred to as “the Collegium”);

General Committee (further referred to as “the Committee”);

Arbitrary Commission;

Auditing Commission.

Article 12

The Collegium consists of the heads of Ministries and institutions of coal and metallurgy of the states members of the Corporation.

The Collegium is created in order to guarantee coordination of the Committee activities with the governments of the states members of the Corporation regarding the issues of the economic policy of the states, also taking decisions on principal issues of the Corporation activities introduced by the Committee.

Exclusive powers of the Collegium include:

1. Consideration and preparation of the proposals on the admission of new states members of the Corporation;

2. approval of the Committee recommendations on the general strategy of development of the coal and metallurgic industry, conducting the price and customs policies, quotas on industry and foreign trade.

3. Appointment of the president and members of the Committee.

The Collegium has a right to present to the Committee its views regarding all questions of the Corporation activities.

The Collegium meets at least twice a year.

Article 13

The Committee is an executive body of the Corporation guaranteeing fulfilment of the Collegium decisions, which, at the same time is entitled to independently resolve the questions within its authority.

The Committee consists of the specialists of the coal and metallurgic industry appointed by the governments of the states members of the Corporation. Each state member delegates not more than two representative for the term of four years. The activity of the members of the Committee is stopped before the expiration of the fixed term by the decision of the government of the respective state, on its initiative or at the request of the Collegium.

Members of the Committee fulfil their functions in the interest of all states members of the Corporation and refrain from activities which are inconsistent with these interests.

The Committee is headed by its President elected from the members of the Committee in turn from each state member of the Corporation for the term of two years.

The procedure of the President's election is defined by the Collegium.

Article 14

The Committee takes decisions, elaborates recommendations and presents conclusions on the Corporation activities, stipulated under article 5 of the present charter, and introduces them to the states members of the Corporation.

The Committee establishes the agenda of its activities. Decisions of the Committee are mandatory for the states members of the Corporation.

Article 15

Administrative bodies of the Corporation are entitled to take decisions on questions under discussion in the case of presence of at least 2/3 of the number of members of the given administrative body.

The decision is considered valid if the number of voters constitutes at least 2/3 of the present members of the administrative body.

Article 16

The Arbitrary Commission is created to discuss disputable issues between the states members of the Corporation and to prepare the issues to be presented to the Committee, acts with the purpose guaranteeing fulfilment of economic obligations within the framework of the Corporation.

Article 17

The Auditory Commission controls the budget performance and other financial and economic issues of the Corporation activities.

The term and the regulations for the functioning of the Auditory Commission are approved by the Committee.

Article 18

In order to guarantee organisational and technical functioning of the Corporation, a Working Group is formed. The structure of the Working Group and regulations are approved by the Committee.

V. Fixed and Financial Assets of the Corporation

Article 19

Funding of the administrative bodies of the Corporation and maintaining of the Working Group takes place from the Corporation budget, formed at the expense of equal annual fees paid by the states members of the Corporation in accordance with the estimate of expenses approved by the Collegium.

Article 20

Monetary funds of the Corporation are established at the expense of annual fees paid by the states members of the Corporation receiving credits, voluntary contributions from legal and physical entities and other kinds of contributions.

Article 21

The Corporation may have in its property enterprises, buildings, constructions, transport, equipment, inventory and other property, necessary for securing its activities stipulated by the Charter, as well as monetary funds, stocks and shares, and can establish charity organisations.

Article 22

With the purpose of implementing its statutory objectives, the Corporation, in accordance with international agreements and the Law of the States members of the Corporation, can establish organisations enjoying the rights of legal entities.

VI. Procedure of Cessation of Activities of the Corporation

Article 23

Cessation of activities of the Corporation takes place by either its reorganising or liquidation by the unanimous decision of the states members of the Corporation. Activities of the Corporation can also be ceased in the case that fewer than two states members remain in the Corporation.

Article 24

On ceasing the activities of the Corporation, its property, by the decision of the Collegium, is used to reach the objectives stipulated by the present Charter.