DECISION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION NO. 723 OF NOVEMBER 29, 2003 ON THE REGULATION OF THE IMPORT OF FROZEN BEEF IN 2004

As to the regulation of the import of fresh and chilled beef in 2004, see <u>Decision</u> of the Government of the Russian Federation No. 722 of November 29, 2003

The Government of the Russian Federation resolves as follows:

Item 1 of this Decision shall enter into force as of January 1, 2004

1. To amend the <u>Customs Tariff</u> of the Russian Federation, approved by <u>Decision</u> of the Government of the Russian Federation No. 830 of November 30, 2001 on the Customs Tariff of the Russian Federation and the Commodity Classification to Be Applied in Foreign Economic Activity (Sobraniye Zakonodatelstva Rossiyskoy Federatsii, 2001, No. 50, item 4735; 2003, No. 36, item 3525), as follows:

a) to set forth <u>Additional Note 1</u> of the Russian Federation to <u>Chapter 02</u> of the Commodity Classification of Foreign Economic Activity of the Russian Federation (hereinafter - "Additional Note 1") in the following wording:

"1. In subheadings <u>0202 10 000 1</u>, <u>0202 20 100 1</u>, <u>0202 20 300 1</u>, <u>0202 20 500 1</u>, <u>0202 20 900 1</u>, <u>0202 30 100 1</u>, <u>0202 30 500 1</u> and <u>0202 30 900 1</u> there shall be included goods whose total volume of importation into the Russian Federation constitutes 420 thousand tonnes per year (in the presence of the license issued by a competent body), including from:

the European Union, and also from Hungary, Cyprus, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, Czechia, Estonia - 331.8 thousand tonnes;

USA - 17.2 thousand tonnes;

Paraguay - 3 thousand tonnes;

other countries - 68 thousand tonnes";

b) to approve the annexed <u>Rates</u> of Import Customs Duties with a period of effect from January 1 to December 31, 2004.

2. The State Customs Committee of the Russian Federation shall carry out the clearance of the goods indicated in <u>Additional Note 1</u> and imported in 2004 in accordance with the customs regime of release for internal consumption on the basis of the licences issued by the Ministry of Economic Development and Trade of the Russian Federation.

Item 3 of this Decision shall enter into force fifteen days after the day of its official publication

3. The Ministry of Economic Development and Trade of the Russian Federation shall within five days from the submission of an application in the established procedure:

a) before August 1, 2004 - the issuance of licences for the importation of 90 per cent of the volume of the goods indicated in <u>Additional Note 1</u> to the participants of foreign economic activity that in 2003 drew up the licences for the import of frozen beef, code <u>0202</u> of the CC FEA of Russia (hereinafter, "beef"), including:

40 per cent of the 90 per cent of beef - in proportion to the volumes of beef imported by the said participants into the customs territory of the Russian Federation from January 1, 2003 through September 30, 2003, except beef originating and imported from the CIS member states;

60 per cent of the 90 per cent of the volume of beef - with the distribution in the first quarter of 2004 in proportion to the annual volume of beef imported by said participants into the customs territory of the Russian Federation in the period from January 1, 2003 to December 31, 2003, except beef originating and imported from the CIS member states;

b) from September 15, 2004 - the issuance of licences for the import of the volume of beef not taken out as on August 1, 2004 on the basis of applications of the participants of foreign economic

activity that have drawn up the licences for the import of beef before August 1, 2004 in proportion to the average annual volume of the beef imported by them into the customs territory of the Russian Federation in the period from January 1, 2003 to December 31, 2003, except beef originating and imported from the CIS member states.

4. The Ministry of Economic Development and Trade of the Russian Federation shall:

a) within two months elaborate, in agreement with the Ministry of Agriculture of the Russian Federation and the Ministry of the Russian Federation for Anti-monopoly Policy and Support of Business, and submit to the Government of the Russian Federation the procedure for the conduct in 2004 of an auction for the sale of 10 per cent of the volume of the goods indicated in <u>Additional Note</u> 1 (hereinafter, "10 per cent of the volume of beef");

b) sign with a Russian commodity exchange recommended by the Ministry of the Russian Federation for the Anti-monopoly Policy and Support of Business an agreement on interaction in the conduct of the sale at an auction of the 10 per cent of the volume of beef;

c) ensure the conduct in April 2004 of an auction for the sale of the 10 per cent of the volume of beef;

d) ensure control over the course of the auction and the incoming of the funds gained to the federal budget;

e) carry out the issuance of licences for the importation of 10 per cent of the volume of beef by the results of the auction.

5. The State Customs Committee of the Russian Federation shall submit to the Ministry of Economic Development and Trade of the Russian Federation:

within five days - a list of the participants of foreign economic activity that imported beef in the period from January 1, 2003 to September 30, 2003 with an indication of the volumes of beef and a breakdown by the countries in accordance with <u>Additional Note 1</u>, except beef originating and imported from the CIS member states;

before March 1, 2004 - a list of the participants of foreign economic activity that imported beef in the period from January 1, 2003 to December 31, 2003 with an indication of the volumes of beef and a breakdown by the countries in accordance with <u>Additional Note 1</u>, except beef originating and imported from the CIS member states.

6. This Decision shall enter into force on the day of its <u>official publication</u>, except <u>Item 1</u>, entering into force as of January 1, 2004, and <u>Item 3</u> entering into force fifteen days after the day of its <u>official publication</u>.

Chairman of the Government of the Russian Federation

Mikhail Kasyanov

Rates of Import Customs Duties (approved by <u>Decision</u> of the Government of the Russian Federation No. 722 of November 29, 2003)

These rates have a period of effect from January 1 to December 31, 2004

CC FEA Code	Description	Suppl. unit of measu- rement	Rate of import customs duty (as a per cent of the customs value or in euros)
0202	Meat of bovine frozen:	animals,	
0202 10 000	- carcasses half-carcasses:	and	

0202 10 000 1	 - within volume and in order indicated in <u>Additional note 1</u> of the Russian Federation to Chapter 02 	15 but not less than 0.15 euro per kg
0202 10 000 9	other	60 but not less than 0.6 euro per kg
0202 20 0202 20 100 0202 20 100 1	 other cuts with bone in: - "compensated" quarters: within volume and in order indicated in Additional note 1 of the Russian 	15 but not less than 0.15 euro per kg
0202 20 100 9	Federation to <u>Chapter 02</u> other	60 but not less than 0.6 euro per kg
0202 20 300	 - unseparated or separated forequarters: 	
0202 20 300 1	within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02	15 but not less than 0.15 euro per kg
0202 20 300 9	other	60 but not less than 0.6 euro per kg
0202 20 500	unseparated or separated hindquarters:	
0202 20 500 1	within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02	15 but not less than 0.15 euro per kg
0202 20 500 9 0202 20 900	other	60 but not less than 0.6 euro per kg
0202 20 900 1	within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02	15 but not less than 0.15 euro per kg
0202 20 900 9	other	60 but not less than 0.6 euro per kg
0202 30 0202 30 100	<pre>- boneless: forequarters, whole or cut into a maximum of five pieces, each quarter being in a single block; "compensated" quarters in two blocks, one of which contains the forequarter, whole or cut into a maximum of five pieces, and the other, the hindquarter excluding the tenderloin, in one piece:</pre>	

0202 30 100 1	within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02	15 but not less than 0.2 euro per kg
0202 30 100 9	other	60 but not less than 0.6 euro per kg
0202 30 500	 - crop, chuck and blade, and brisket cuts: 	
0202 30 500 1	 within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02 	15 but not less than 0.2 euro per kg
0202 30 500 9	other	60 but not less than 0.6 euros per kg
0202 30 900	other:	
0202 30 900 1	 within volume and in order indicated in Additional <u>note 1</u> of the Russian Federation to Chapter 02 	15 but not less than 0.2 euro per kg
0202 30 900 9	other	60 but not less than 0.6 euro per kg