DECISION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION NO. 572 OF JULY 28, 2000 ON THE TARIFF REGULATION OF RAW SUGAR IMPORTS (with the Amendments and Additions of August 23, 2001)

In execution of the present Decision <u>Order</u> of the State Customs Committee of the Russian Federation No. 1141 of December 9, 2000 was issued

The Government of the Russian Federation hereby resolves:

According to <u>Decision</u> of the Government of the Russian Federation No. 622 of August 23, 2001 Item 1 of this Decision shall be abolished as of January 1, 2002

1. To establish, effective from December 16, 2000, an import customs duty rate of 30 per cent, but no less than Euro 0.09 per kg, on raw sugar (CC FEA code 1701 11 100 0, 1701 11 900 0, 1701 12 100 0, 1701 12 900 0, 1701 91 000 0) as a partial amendment to the <u>Customs Tariff</u> of the Russian Federation endorsed by <u>Decision</u> of the Government of the Russian Federation No. 148 of February 22, 2000 (Sobranie Zakkonodatelstva Rossiskoy Federatsii, item 1036, No. 9, 2000).

2. As a partial amendment to <u>Item 2</u> of Decision of the Government of the Russian Federation No. 414 of May 25, 2000 on Endorsing the List of Goods Originating from Developing and Least Developed Countries Enjoying Tariff Preferential Treatment in Case of Imports into the Territory of the Russian Federation (Sobranie Zakkonodatelstva Rossiskoy Federatsii, item 2321, No. 22, 2000) to establish, effective from December 16, 2000 through December 31, 2001, a tariff preference in the form of a tariff quota on the import of 3.65 million tons of raw sugar originating from developing countries being users of the national preferential treatment system of the Russian Federation, including, without limitation, within the period from December 16, 2000 through March 31, 2001 - 1.15 million tons, in the second quarter of 2001 - 1.5 million tons, in the fourth quarter of 2001 - 0.4 million tons (hereinafter referred to as "the tariff quota").

A five-per cent import customs duty rate is set as applicable to raw sugar imported within the tariff quota.

3. To establish that the provisions of <u>Items 1 and 2</u> of the present Decision are not covered by the respective provisions of <u>Decision</u> of the Government of the Russian Federation No. 1347 of October 22, 1997 "The Issues of Customs Tariff Policies" (Sobranie Zakkonodatelstva Rossiskoy Federatsii, item 4998, No. 43, 1997).

4. To establish that the tariff quota is distributed among Russian participants in foreign economic activities by means of an auction on commodity markets as effected under the <u>Regulations</u> on the Procedure for Holding Tenders and Auctions for the Sale of Export and Import Quotas when the Government of the Russian Federation Institutes Quantitative Limits endorsed by <u>Decision</u> of the Government of the Russian Federation No. 1299 of October 31, 1996 (Sobranie Zakkonodatelstva Rossiskoy Federatsii, item 5249, No. 46, 1996), given the observance of the following conditions:

a tariff quota put up for sale by auction is distributed in 146 lots each having 25 thousand tons; the minimum lot price is Euro 75 thousand;

a free resale of the lots is prohibited;

should a lot again be sold by auction at a price exceeding the original sale price, the original lot price shall be payable to the bidder who has returned the lot. A difference between the price of the repeated sale and the amount refunded to the first owner of the lot shall be entered in the federal budget;

should a lot again be sold by auction at a price below the original sale price, only the amount for which the lot was sold for the second time shall be refundable to the bidder who has returned the lot.

5. The Ministry of Economic Development and Commerce of the Russian Federation shall sign agreements on interaction in case of an auction tariff quota sale with Russian commodity markets

cleared to take part in auctioning on the approval of the Commission for Commodity Markets of the Ministry of Anti-Monopoly Policies and Promotion of Entrepreneurship of the Russian Federation.

6. The tariff quota shall be sold by auction within two months after the date of the <u>official</u> <u>publication</u> of the present Decision.

A repeated auction for selling unsold or unpaid lots (if necessary) shall be performed in the month of October 2000.

7. The Ministry of Economic Development and Commerce of the Russian Federation shall arrange for monitoring the performance of tariff quota auctioning and the receipt of proceeds as federal budget revenue.

8. When raw sugar is imported within the tariff quota the State Customs Committee of the Russian Federation shall levy import customs duty at the rate set in <u>Paragraph 2, Item 2</u> of the present Decision, under licences issued in due course by the Ministry of Economic Development and Trade of the Russian Federation.

9. The present Decision shall come into force as of the date of the <u>official publication</u> thereof.

Chairman of the Government of the Russian Federation

M.Kasyanov