

FEDERAL LAW
NO. 18-FZ OF JANUARY 7, 1999
ON THE INTRODUCTION OF AMENDMENTS AND ADDENDA INTO THE FEDERAL LAW
ON THE STATE REGULATION OF THE PRODUCTION AND TURNOVER
OF ETHYL ALCOHOL AND ALCOHOLIC PRODUCTS

Approved by the State Duma on December 17, 1998

Approved by the Federation Council on December 23, 1998

Article 1. Introduce amendments and addenda into the [Federal Law](#) on the State Regulation of the Production and Turnover of Ethyl Alcohol and Alcoholic Products (Collected Acts of the Russian Federation No. 48, Item 4553, 1995,; No. 3, Item 539, 1997) and change it as follows:

Federal Law
on the State Regulation of the Production and Turnover
of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Chapter I.	General Provisions	(Articles 1- 7)
Chapter II.	Requirements to the Production and Turnover of Ethyl Alcohol, Alcohol and Alcohol Containing Products	(Articles 8- 17)
Chapter III.	Licensing the Activities in the Production and Turnover of Ethyl Alcohol, Alcohol and Alcohol Containing Products	(Articles 18 - 22)
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Chapter I. General Provisions

Article 1. The Sphere of Application of the Present Federal Law

1. The present Federal Law lays down the legal frame work for the industrial production and turnover of ethyl alcohol, alcoholic and alcohol containing products in the Russian Federation.

The state regulation of the industrial production and turnover of ethyl alcohol, alcoholic and alcohol containing products is designed to protect economic interests of the Russian Federation, to secure the needs of consumers as regards such products and also to improve their quality as well as to enforce the existing legislation, norms and rules relevant to the regulated area of activity.

2. The present Federal Law shall cover relations involving as their participants legal entities (organizations) irrespective of their organizational and legal forms and forms of ownership, as well as individuals engaged in business activities in the retail sales of alcoholic and alcohol containing products.

3. The present Federal Law shall not cover:

- activities of individuals (natural persons) who produce products containing ethyl alcohol other than for sale;

- activities of organizations involved in the production and turnover of medical, medical and prophylactic preparations containing ethyl alcohol which were registered by an authorized federal body of executive power and placed in the State Register of Medications, Preparations of Medical Destinations and also in the activities of pharmaceutical establishments related to the production of preparations to individual prescriptions, as well as homeopathic preparations, veterinary preparations, cosmetics and perfumery products which were granted state registration with authorized federal bodies of executive power.

Article 2. Basic Concepts Used in the Present Federal Law

The following concepts are used for the purposes of the present Federal Law:

ethyl alcohol is alcohol produced from edible or nonedible raw materials using the method of alcohol fermentation or hydration of ethylene with the subsequent distillation and rectification, or without the latter;

denatured ethyl alcohol (denatured alcohol) is ethyl alcohol containing colorants or special substances to prohibit its further use in the production of alcoholic and alcohol containing edible products;

alcohol containing denatured product is a product containing colorants or special substances to prohibit its further use in the production of alcoholic and alcohol containing products;

alcohol containing products are alcohol containing nonedible products and alcohol containing edible products;

alcohol containing nonedible products mean nonedible products (including any solutions, emulsions, slurries and other kinds of nonedible products) produced with the use of ethyl alcohol made from edible raw material with 1.5 per cent of ethyl alcohol content of the final product volume;

alcohol containing edible products mean edible products (including any solutions, emulsions, slurries and other kinds of edible products other than alcoholic products) produced with the use of ethyl alcohol made from edible raw material with 1.5 per cent of ethyl alcohol content of the final product volume;

alcoholic products are edible products produced with the use of ethyl alcohol made from edible raw materials with 1.5 per cent of ethyl alcohol content of the final product volume. Alcoholic products are broken down into the following kinds: ethyl alcohol, potable, alcoholic beverages, wines (apart from beer which production and turnover are regulated by a separate federal law);

ethyl alcohol, potable is rectified ethyl alcohol produced from edible raw materials diluted with softened water up to 95 per cent of the final product volume;

alcoholic beverages are alcoholic products produced with the use of ethyl alcohol made from edible raw materials the former being classified as neither wine or beer;

wines are alcoholic products produced from wine materials containing no more than 22 per cent of ethyl alcohol made from edible raw materials to the final product volume;

wine materials are those raw materials used in wine production which are produced through alcohol fermentation of grape must, grape pomace or fruit juice with either addition or without addition of ethyl alcohol made from edible raw materials, the former containing no more than 22.5 per cent of ethyl alcohol made from edible raw materials to the final product volume;

cognac type products are cognacs (brandies) being a variety of alcoholic beverages;

absolute alcohol (one hundred per cent) is a theoretical term used in computations;

industrial production (hereafter referred to as the production) of ethyl alcohol, alcoholic and alcohol containing products is the production of such goods undertaken by a legal entity in amounts exceeding requirements of its own production with the aim of their further sales to generate profits;

turnover means procurement (including importation), deliveries (including exportation), storage and retail sale.

Article 3. Legislation on the State Regulation of the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Legislation on the State regulation of the production and turnover of ethyl alcohol, alcoholic and alcohol containing products comprises the present Federal Law, other federal laws and normative legal acts of the Russian Federation, as well as laws and other normative legal acts of the subjects of the Russian Federation adopted in accordance with the former.

Article 4. State Monopoly on the Production and/or Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Federal law may introduce state monopoly on the production and/or turnover of ethyl alcohol, alcoholic and alcohol containing products on the territory of the Russian Federation.

Article 5. Competence of the Russian Federation in the Sphere of Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

The competence of the Russian Federation in the sphere of production and turnover of ethyl alcohol, [alcoholic](#) and [alcohol containing](#) products shall include:

- regulation of prices of ethyl alcohol, alcoholic and alcohol containing products;

As to the minimum prices for alcoholic products, see the [Decision](#) of the Government of the Russian Federation of February 8, 1996 and the [Letter](#) of the Ministry of Economic of the Russian Federation No. SV-120/7-190 of March 17, 1997

- regulation of export, import of ethyl alcohol, alcoholic and alcohol containing products;
- establishing quotas to procure ethyl alcohol needed to meet the requirements of the Russian Federation and the subjects of the Russian Federation;
- organization of the State control over the production and [turnover](#) of ethyl alcohol, alcoholic and alcohol containing products;
- introduction of mandatory marking by excise tax stamps or special stamps for alcoholic products manufactured and sold on the territory of the Russian Federation;
- authorizing certain kinds of excisable products and excise tax rates for ethyl alcohol, alcoholic and alcohol containing products;
- establishing the State standards and approval of specifications in the sphere of production and turnover of ethyl alcohol, alcoholic and alcohol containing products;
- specifying what kinds of activities are subject to licensing, the procedure for granting licenses for the production and turnover of [ethyl alcohol](#), alcoholic and alcohol containing products, as well as granting federal licenses for the production and turnover of ethyl alcohol, alcoholic and alcohol containing products;
- formation and maintenance of the consolidated State register of licenses for the production and turnover of ethyl alcohol, alcoholic and alcohol containing products, apart from the licenses to engage in retail trade of alcoholic products;
- organization and maintenance of State accounting and reporting in the sphere of production and turnover of ethyl alcohol, alcoholic and alcohol containing products;
- drafting a program of measures to protect the health and rights of consumers of ethyl alcohol, alcoholic and alcohol containing products, including the establishment of a single accreditation procedure for organizations holding the licenses for the production, storage and deliveries of ethyl alcohol, alcoholic and alcohol containing products;

As to the state registration of ethyl alcohol and spirituous solutions, see the [Decision](#) of the Government of the Russian Federation No. 874 of July 23, 1996, the [Decision](#) of the Government of the Russian Federation No. 1030 of August 13, 1997, and the [Decision](#) of the Government of the Russian Federation No. 732 of July 9, 1998

- authorizing a procedure for certification of ethyl alcohol, denatured alcohol, denatured alcoholic and alcohol containing products and the procedure for State registration of names of the said products;
- authorizing a procedure for certification and State registration of the main production equipment used in the production of ethyl alcohol and alcoholic products;
- drafting and adopting federal target programs in the area of production and turnover of ethyl alcohol, alcoholic and alcohol containing products, as well as implementation of measures aimed at stopping unfair competition practices, improving the environmental protection;
- other issues related to the production and turnover of ethyl alcohol, alcoholic and alcohol containing products that according to other federal laws are within the competence of the Russian Federation.

Article 6. Matters of Joint Competence of the Russian Federation and the

Subjects of the Russian Federation in the Sphere of Production and/or Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. The following will constitute the matters of joint competence of the Russian Federation and the subjects of the Russian Federation in the sphere of [production](#) and turnover of ethyl alcohol, alcoholic and alcohol containing products:

- establishing quotas to procure ethyl alcohol required to meet the requirements of a corresponding subject of the Russian Federation as regards ethyl alcohol;
- allocation of quotas to procure ethyl alcohol between organizations based on amounts of authorized quotas;
- maintenance of State registration of issued, suspended and annulled licenses to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products;
- drafting and enforcing programs of measures to streamline deliveries and retail sales of [alcoholic products](#) in order to protect the health and lives of citizens, including by introducing the accreditation of organizations holding licenses to purchase, store and deliver alcoholic and alcohol containing products;
- performance of the State control to verify organizations' compliance with the legislation regulating the production and turnover of ethyl alcohol, alcoholic and alcohol containing products, as well as with conditions laid down by the licenses to engage in certain activities authorized by the present Federal Law;
- submission of proposals on drafting and implementation of joint programs for the production and turnover of ethyl alcohol, alcoholic and alcohol containing products;
- performance of the State control over the quality and amounts of the production and turnover of ethyl alcohol, alcoholic and alcohol containing products, including through the introduction of special protecting measures related to alcoholic beverages distributed through retail trade channels in accordance with [Item 4, Article 12](#) of the present Federal Law;
- performance of the control over the availability and performance of reference alcohol measuring instruments, as well as meters of alcohol containing liquids, instruments used to measure the concentration and volume of absolute alcohol in the final product (hereafter referred to as the alcohol measuring instruments).

2. Beyond the competence of the Russian Federation and the joint competence of the Russian Federation and the subjects of the Russian Federation the subjects of the Russian Federation will undertake their own legal regulation in the sphere of production and turnover of ethyl alcohol, alcoholic and alcohol containing products.

Article 7. Powers of Bodies of Local Self-Government in the Sphere of Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. Bodies of local self-government acting within their competence will exercise control over compliance with the legislation in the area of retail trade of alcoholic products and their quality.

2. Bodies of local self-government may be empowered by virtue of statute to exercise certain state authorities in the area of production and turnover of ethyl alcohol, alcoholic and alcohol containing products, such powers being supported by the transfer of relevant material and financial resources required.

Chapter II. Requirements to the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Article 8. Obligations of Organizations that Use Equipment in the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. Organizations producing ethyl alcohol and alcoholic products and using for the above purposes equipment manufactured either on the territory of the Russian Federation or abroad shall be in possession of certificate of compliance for the above equipment and the positive expert opinion of the state environmental expert examination issued in the manner established by the

legislation of the Russian Federation.

2. The [ethyl alcohol](#) production equipment shall be fitted with reference alcohol measuring instruments.

Paragraph two of Item 2 of Article 8 of this Federal Law [will be put into effect](#) as from January 1, 2000

The alcoholic products production equipment shall be fitted with meters of alcohol containing liquids, instruments to measure the concentration and volume of absolute alcohol in the final product.

The above instruments and meters shall have certificates issued in the manner established by the legislation of the Russian Federation and they shall be sealed by an agency which had issued the license to produce ethyl alcohol and/or alcoholic products.

3. The main production equipment used in the production of ethyl alcohol and/or alcoholic products shall be subject to State registration in the manner stipulated by the Government of the Russian Federation.

See of the [Regulations](#) on the State Registration of Basic Technological Equipment for the Production of Ethyl Alcohol and/or Alcohol Products approved by [Decision](#) of the Government of the Russian Federation No. 392 of April 8, 1999

As to the introduction of the state registration and control over the acquisition and importation into the customs territory of the Russian Federation the main technological equipment for the manufacture and bottling of spirituous and alcoholic products, see the [Decision](#) of the Government of the Russian Federation No. 728 of July 9, 1998

The main production equipment used in the production of ethyl alcohol and/or [alcoholic products](#) shall be re-registered only if the former is transferred in an established legal manner to another organization.

4. A fee charged for the registration of the main production equipment used in the production of ethyl alcohol and alcoholic products shall not exceed 10 fold statutory [minimal wages](#).

The [Procedure](#) for the Payment of the Fee for the State Registration of the Main Technological Equipment for the Manufacture of Ethyl Alcohol and/or Alcoholic Products and Its Targeted Use was approved by [Order](#) of the Ministry of Economics of the Russian Federation, the Ministry of Agriculture and Foodstuffs of the Russian Federation and the Ministry of Finance of the Russian Federation No. 482/682/76n of November 5, 1999

5. It is permitted to operate a newly installed (a new one or after a major repair) or undergoing modernization main production equipment used in the production of ethyl alcohol only provided equipment is used which is able to accomplish the complete processing or utilization of main waste products of the alcohol production (distillery dregs) and if there is a positive expert opinion of the state environmental expert examination. The above requirement does not cover the main production equipment used in the production of ethyl alcohol with daily production capacity not more than 100 decalitres of ethyl alcohol in the [absolute alcohol](#) equivalent which principal waste products are used in livestock farming.

6. It is not permitted to lease out the main production equipment used in the production of ethyl alcohol and alcoholic products.

7. It is not permitted to take actions aimed at reducing the stake held by the government in the overall amount of the authorized capital of joint stock companies operating in the production of ethyl alcohol.

Article 9. Turnover of Ethyl Alcohol

1. Ethyl alcohol shall be procured and delivered for the federal state needs on the basis of the

legislation of the Russian Federation on deliveries of products for the federal state needs by organizations which have the facilities and equipment for storage and distribution of ethyl alcohol, as well as laboratories required to monitor its quality.

See the Regulations on the Purchase and Delivery of Ethyl Alcohol of edible raw materials on the Territory of the Russian Federation, approved by the Decision of the Government of the Russian Federation No. 237 of March 1, 1997

The Decision of the Government of the Russian Federation No. 1139 of October 6, 1998 establishes that as from November 1, 1998 the delivery of ethyl alcohol and spirituous solutions shall be carried out by special permits

2. Organizations are permitted only to procure ethyl alcohol within the limits allocated for such purchases.

3. It is permitted to deliver ethyl alcohol to meet the requirements of a subject of the Russian Federation within quotas allocated to the subject of the Russian Federation in question.

As to the general volumes of the quotas for the purchase of ethyl denatured alcohol of non-edible raw materials for 1999 for the entities of the Russian Federation, see the Order of the Government of the Russian Federation No. 1735-r of December 9, 1998

4. Ethyl alcohol may be exported and imported only by unitary enterprises or companies in which the State holds at least 51 per cent of shares (stakes) and which have appropriate licenses to perform such activities.

According to Federal Law No. 61-FZ of March 31, 1999 a ban on the imports of ethyl alcohol from all kinds of raw materials is established, effective until January 1, 2002

The Decision of the Government of the Russian Federation No. 1159 of October 6, 1998 establishes that the export and import of the ethyl alcohol manufactured from any types of raw materials, and of spirituous solutions shall be carried out by organizations authorized there for by the Government of the Russian Federation

Article 10. Allocation of Quotas for the Procurement of Ethyl Alcohol

1. Quotas for the procurement of ethyl alcohol shall be allocated based on the balance of its production and consumption with due regard to declared needs of the Russian Federation and the subjects of the Russian Federation. In so doing aggregate amount of ethyl alcohol quotas to be used in the production of alcoholic products consumed in the Russian Federation domestic market may not exceed a similar figure for the last year by more than 10 per cent.

2. Quotas for the procurement of ethyl alcohol shall be issued to organizations provided they have licenses required under the law to engage in activities involving the use of ethyl alcohol.

3. The priority right to receive quotas for the production and consumption of ethyl alcohol shall be granted to organizations employing technologies that save resources and are environmentally safe.

4. The procedure for allocating quotas to procure ethyl alcohol shall be established by the Government of the Russian Federation.

The Procedure for the Quoting of the Purchase of Ethyl Alcohol was approved by the Decision of the Government of the Russian Federation No. 129 of February 8, 1996

The Decision of the Government of the Russian Federation No. 1159 of October 6, 1998 establishes that as from November 1, 1998 the manufacture of ethyl alcohol and spirituous solutions shall be carried out by the quotas only by state enterprises and joint-stock companies whose controlling block of shares belongs to the state

Article 11. Conditions for the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Edible Products

1. Organizations will engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products, provided they hold appropriate licenses.

As to the licensing of the activity in the manufacture, storage and turnover of alcoholic products, see the [Decision](#) of the Government of the Russian Federation No. 727 of July 9, 1998

As to the licensing of the retail trade in alcoholic products, see the [Regulations](#), approved by the [Decision](#) of the Government of the Russian Federation No. 987 of August 19, 1996

2. It is permitted to use only ethyl alcohol produced from edible raw materials in the production of alcoholic and alcohol containing edible products.

3. [Alcoholic products](#) offered for retail sale on the territory of the Russian Federation will have attached information in the Russian language which is to state:

- name of the alcoholic product;
- price of the alcoholic product;
- name of the producer (legal address);
- country of origin of the alcoholic product;
- certification of the alcoholic product;
- State standards which must be met by the alcoholic product;
- volume of the alcoholic product in the consumer tare;
- names of main components affecting the taste and flavor of the alcoholic product;
- contents of harmful substances compared to mandatory requirements of the State standards and counterindications to the product's use;
- the production date and expiration date or the final date of its use;

The above information will be brought to the notice of consumers in the manner established by the Government of the Russian Federation.

As to the importation and the realization on the territory of the Russian Federation of alcoholic products of foreign manufacture labelled with trademarks of Russian manufacturers, see the [Decision](#) of the Government of the Russian Federation No. 943 of August 6, 1996

Article 12. Taxation and Marking of Alcoholic Products

1. Taxes and duties on alcoholic products will be computed and paid in the manner established by laws of the Russian Federation.

As to the [rates](#) of the excise fee on alcoholic products, see the [Federal Law](#) No. 23-FZ of March 7, 1996

2. Alcoholic products with over nine per cent of ethyl alcohol content of the final product volume apart from alcoholic products shipped for export shall be subject to mandatory marking with excise tax stamps or special stamps. Samples of stamps, the procedure and amounts of payment therefor, rules for the marking will be established by the Government of the Russian Federation.

As to the introduction of special marking of alcoholic products, see [Decision](#) of the Government of the Russian Federation No. 17 of January 6, 2000 [Order](#) of the State Customs Committee of Russia No. 1230 of December 28, 2000

Excise tax stamps and special stamps for the marking of alcoholic products constitute documents of the State accountability, and are designed to certify the legality of production and turnover on the territory of the Russian Federation of excisable alcoholic products.

3. Alcoholic products with tare which can not be marked with excise tax stamps or special

stamps shall be exempted from such marking in the manner established by the Government of the Russian Federation, subject to full payment of excise taxes.

4. In order to guard against counterfeit products the subjects of the Russian Federation may introduce special protection measures as regards [alcoholic beverages](#) distributed through the retail trade with due regard to proposals made by bodies of the local self-government and suppliers.

5. An owner of alcoholic products, apart from individuals who buy alcoholic products in retail outlets shall be liable for correct marking with and authenticity of excise tax stamps or special stamps in accordance with the legislation of the Russian Federation.

Article 13. Regulation of Export and Import of Alcoholic Products

1. Alcohol products will be exported from the customs territory of the Russian Federation or imported into the customs territory of the Russian Federation in keeping with the procedure established by the customs legislation of the Russian Federation by organizations licensed to export or import, store and deliver [alcohol products](#).

According to [Federal Law](#) No. 61-FZ of March 31, 1999 a ban on the imports of ethyl alcohol from all kinds of raw materials is established, effective until January 1, 2002

See [Regulations](#) on the Specifics of the Customs Control over the Import and Export of Alcohol and Alcohol-Containing Foodstuffs, approved by [Order](#) of the State Customs Committee of the Russian Federation No. 831 of August 21, 2001

On the exportation and importation of alcoholic and spirituous food products (except products transferred in accordance with the customs regime of transit), see [Order](#) of the State Customs Committee of the Russian Federation No. 1170 of December 15, 2000

2. In the annual volume of alcoholic products turnover imported alcoholic products (except for wines, cognac items and beer) which are imported into the customs territory of the Russian Federation shall not make up more than 10 per cent of the overall annual volume of alcoholic products sold on the territory of the Russian Federation. In so doing the share of alcoholic products with not more than 15 per cent of ethyl alcohol content of the volume of the final product shall constitute at least 60 per cent of the overall annual volume of alcoholic products imported into the customs territory of the Russian Federation.

3. Quality of alcoholic products imported into the customs territory of the Russian Federation may not be inferior to the quality of alcoholic products stipulated by the State standards, specifications in the area of production and turnover of alcoholic products.

4. The Government of the Russian Federation will lay down the procedure for regulating the importation of alcoholic products and control over quality of alcoholic products imported into the customs territory of the Russian Federation.

As to state control over the turnover of alcoholic products of foreign manufacture, see the [Decree](#) of the President of the Russian Federation No. 161 of February 7, 1996

As to the measures for regulating the importation into the customs territory of the Russian Federation of the ethyl alcohol and vodka, see the [Decision](#) of the Government of the Russian Federation No. 1590 of December 30, 1996

Article 14. The Filing of Declarations on the Volume of Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Organizations engaged in the production, procurement and deliveries of ethyl alcohol, alcoholic and [alcohol containing products](#) shall be obliged to submit declarations to state the volume of production and turnover of the above.

As to the introduction of the control over the volumes of the manufacture of ethyl alcohol and the

ensuring of the state control over the conformance of the volumes of the acquired ethyl alcohol and the alcohol products manufactured therefrom, see the [Decree](#) of the President of the Russian Federation No. 1199 of October 6, 1998

As to the obligatory control over the actually manufactured volumes of ethyl alcohol from raw materials of all types, see the [Decision](#) of the Government of the Russian Federation No. 1076 of November 2, 1995

Organizations engaged in the procurement of ethyl alcohol for the production of alcoholic and alcohol containing products shall also be obliged to submit declarations on the use of ethyl alcohol.

The Government of the Russian Federation will lay down the procedure for submitting such declarations.

See the [Regulations](#) on the Declaration of the Manufacture and Turnover of Ethyl Alcohol, and Alcoholic and Spirituous Products approved by [Decision](#) of the Government of the Russian Federation No. 564 of May 25, 1999

Article 15. Accreditation of Organizations Engaged in the Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. In order to exercise control over quality and amounts of alcoholic and alcohol containing edible products in the retail trade the Government of the Russian Federation will lay down the single procedure to accredit organizations holding licenses to procure, store and deliver alcoholic and alcohol containing edible products.

See the [Rules](#) for the Accreditation of the Organizations Making the Deliveries of Alcoholic Products for Retail Trade and Public Catering, approved by the [Decision](#) of the Government of the Russian Federation No. 1493 of December 15, 1998

2. Subjects of the Russian Federation may accredit organizations in keeping with the single accreditation procedure specified in Item 1 of this Article.

Article 16. Procedure for Deliveries and Retail Trade of Alcoholic Products

The [Rules](#) for the Retail Trade in Alcoholic Products on the Territory of the Russian Federation were approved by the [Decision](#) of the Government of the Russian Federation No. 987 of August 19, 1996

1. Deliveries and retail trade in alcoholic products will be performed by organizations. Individual businessmen will engage in retail trade in alcoholic products. The above activity may be performed only subject to availability of an appropriate license.

2. No alcoholic products may be sold through retail trade:

- at children's, educational, religious and medical treatment establishments and on territories adjacent thereto;

- to individuals below 18 years of age;

- if there is no certificate of compliance, excise tax stamps or special stamps.

3. Shall be banned the retail trade in [alcoholic products](#) with over 13 per cent of ethyl alcohol content of the volume of the final product at locations of large gatherings of public and potentially hazardous locations (railway terminals, airports, metro stations, military facilities) and on territories adjacent thereto, as well as from booths, kiosks, stands, pavilions, containers, in premises not equipped for sale of such products, at wholesale food markets, and on territories adjacent thereto, by individuals by hand, from vendor's trays, from motor vehicles.

The adjacent territories will be designated by local selfgovernment bodies in the manner endorsed by the subjects of the Russian Federation.

4. Potable alcohol may be produced, delivered to and sold through retail trade only in the

areas of the Far North and territories equated thereto in keeping with the list endorsed by the Government of the Russian Federation.

5. Organizations engaged in cities in retail sales of alcoholic products with over 13 per cent of ethyl alcohol content of the volume of the final product shall have for these purposes permanent trade and storage facilities with overall area of at least 50 square meters, fitted with a burglary alarm system, safe boxes for safekeeping of documents and cash, cash register machines.

Article 17. Advertising of Alcoholic Products

1. Advertisement of alcoholic products with over 15 per cent of ethyl alcohol content of the volume of the final product shall be permitted only in organizations which engage in the production and turnover of alcohol containing products with due regard paid to the requirements stipulated by the legislation of the Russian Federation on advertising.

As to the requirements for the advertising of alcoholic products, see the Federal Law No. 108-FZ of July 18, 1995 on Advertising (the said requirements do not contain any restrictions on the activity of the organizations in which the advertising of alcoholic products is permissible)

2. Advertisements of alcoholic products with not more than 15 per cent of ethyl alcohol content of the volume of the final product shall take up at least half of the advertising time (area) to inform the audience about harmful consequences of the consumption of alcoholic beverages and ways to determine whether they are counterfeit.

Chapter III. Licensing of Activities in the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

Article 18. Types of Activities Subject to Licensing

1. Activities in the production, storage and deliveries of produced alcoholic and alcohol containing products, apart from retail sales of alcoholic and alcohol containing nonedible products will be performed only by legal entities irrespective of their forms of ownership on the basis of licenses granted by the federal bodies of executive power duly authorized by the Government of the Russian Federation and effective on the entire territory of the Russian Federation (federal licenses) as well as licenses granted by a body of State executive power as authorized by the legislation of a corresponding subject of the Russian Federation and effective on the territory of the subject of the Russian Federation in question, or also on the territories of other subjects of the Russian Federation with which the license issuing subject of the Russian Federation has appropriate agreements.

As to the licensing of the activity in the manufacture, storage and turnover of ethyl alcohol and alcoholic products, see the Decision of the Government of the Russian Federation No. 727 of July 9, 1998

2. Licenses will be issued to engage in the following kinds of activities:

- production, storage and deliveries of produced ethyl alcohol, including denatured alcohol;
- production, storage and deliveries of produced alcoholic and alcohol containing edible products;
- procurement, storage and export of ethyl alcohol and alcoholic products;
- storage of ethyl alcohol, alcoholic and alcohol containing edible products;
- procurement, storage and deliveries of alcoholic and alcohol containing edible products;
- export of alcoholic products;
- import, storage and deliveries of ethyl alcohol, alcoholic and alcohol containing edible products
- production, storage and deliveries of alcoholic and alcohol containing nonedible products, as well as other kinds of production activities which involve the use of ethyl alcohol as a raw material or auxiliary material;

retail trade in alcoholic products;

3. Subject to licensing shall be the production and turnover of produced ethyl alcohol, alcoholic and alcohol containing products as regards each kind of produced product, either being received or supplied for the retail trade, as specified in [Article 2](#) of the present Federal Law.

On the Procedure for issuance of licences to turnover of ethyl alcohol and spirituous and alcoholic products, see [Letter of the Ministry for Taxes and Fees of the Russian Federation No. VB-08a-31/372 of September 21, 1999](#)

4. Licenses for the performance of kinds of activities stipulated in Paragraphs four to eight of [Item 2](#) of this Article shall be issued separately as regards ethyl alcohol, alcoholic and alcohol containing edible products.

5. Licenses for the production and turnover of produced alcoholic and alcohol containing products will be granted only to organizations in possession of equipment that meets the requirements of [Article 8](#) of the present Federal Law.

6. Federal licenses shall be issued for:

- turnover of ethyl alcohol, alcoholic and alcohol containing edible products, other than retail trade in alcoholic products;
- production and turnover of produced ethyl alcohol, alcoholic and [alcohol containing edible products](#) with the production capacity and the amount of annual turnover not exceeding 0.02 million decalitres equivalent to absolute alcohol;
- production and turnover of produced ethyl alcohol, alcoholic and alcohol containing edible products with over 15 per cent of ethyl alcohol content of the volume of the final product.

7. Subjects of the Russian Federation shall grant licenses for:

- production and turnover of produced ethyl alcohol, alcoholic and alcohol containing edible products, processing of ethyl alcohol alcoholic and alcohol containing edible products that fail to meet the State standards and specifications under [Item 4 of Article 25](#) of the present Federal Law, processing of waste products generated by the production of ethyl alcohol with the production capacity and the amount of annual turnover not exceeding 0.02 million decalitres equivalent to absolute alcohol;
- production and turnover of produced ethyl alcohol, alcoholic and alcohol containing edible products with over 15 per cent of ethyl alcohol content of the volume of the final product.

8. Licenses for the performance of kinds of activities stipulated in [Item 2](#) of this Article, except for the kinds of activities indicated in [Paragraphs nine](#) and [ten](#) shall be issued in the manner laid down by the present Federal Law.

9. Licenses for the performance of kinds of activities stipulated in [Paragraph nine, Item 2](#) of this Article, shall be issued in the manner laid down by the Government of the Russian Federation. Accordingly, the said licenses shall be issued by the federal bodies of executive power authorized by the Government of the Russian Federation and by bodies authorized by the subjects of the Russian Federation.

10. Licenses for the retail trade in alcoholic products shall be issued by the subjects of the Russian Federation in the manner they stipulate with due regard to provisions of the present Federal Law. In accordance with [Article 7](#) of the present Federal Law the subjects of the Russian Federation may delegate to local self-government bodies their powers to license the retail trade in alcoholic products.

Article 19. The Procedure for Granting and the State Registration of Licenses

1. To obtain a license to perform a kind of activities involving the production of ethyl alcohol, alcoholic and alcohol containing products listed in [Item 2, Article 18](#) of the present Federal Law an organization (an applicant) shall submit to the licensor body the following documents: - an application to obtain the license including the name and organizational and legal form of the legal entity, its location, name of the bank and number of settlement account at the bank; what kind of

licensable activity this organization intends to perform and the period during which this kind of activity will be performed;

- copies of statutory documents and a copy of state registration of the applicant as the legal entity (originals of the documents shall be presented if the above copies are not notarized);

- certificate on the applicant's registration with the tax body;

- a document confirming the payment of the license fee;

- certificate of the tax body confirming that the applicant does not own any tax or duties payments;

- a written consent of a body being duly authorized by the subject of the Russian Federation on which territory will be located the organization or its subdivision to be engaged in the production and/or storage of ethyl alcohol, alcoholic and alcohol containing products (required to obtain the federal license) in keeping with [Item 11](#) of this Article;

- documents on technical equipment and measuring instruments available at the organization, availability of certified equipment to confirm the organization's ability to produce and store ethyl alcohol, alcoholic and alcohol containing products which meets the State standards, to carry out the State control over actual amounts of produced ethyl alcohol, alcoholic and alcohol containing products, to ensure the trade in the latter;

- copy of an information letter of the federal body of executive power in the area of statistics on its inclusion into the Single State Register of Enterprises and Organizations;

- conclusion of the ministry of interior authorities that the organization and/or its subdivisions engaged in the production and/or storage of ethyl alcohol, alcoholic and alcohol containing products are equipped with security alarm systems and fire warning devices;

- positive conclusions of specially authorized state authorities on compliance of production and storage premises of the organization (applicant) with the sanitary and epidemiological, fire safety, environmental norms and requirements, as well as with industrial safety requirements;

- a document confirming technical competence (accreditation) of the laboratory of chemical and production control over the production of ethyl alcohol, alcoholic and alcohol containing products or a contract with such a laboratory to exercise such control;

- a registration document of the main production equipment for the production of ethyl alcohol and/or alcoholic products issued in keeping with [Item 3 of Article 8](#) of the present Federal Law.

It is not permitted to demand from an organization other documents not listed in this Item.

2. To obtain a license to perform a kind of activities involving the turnover, except for retail trade of ethyl alcohol, alcoholic and alcohol containing products and those kinds listed in [Item 2, Article 18](#) of the present Federal Law an organization shall submit to the licensor body documents required by [Item 1](#) of this Article, except for the documents specified in [Paragraphs eight, twelve, thirteen](#) of Item 1 of this Article and also Paragraph eleven of [Item 1](#) of this Article in its part requiring to submit positive conclusion of specially authorized state authority in the area of environmental expert examination as regards premises intended for the storage of alcoholic products;

3. An organization already holding the license to perform a kind of activities involving the production of ethyl alcohol, alcoholic and alcohol containing products listed in [Item 2, Article 18](#) of the present Federal Law, when obtaining the license to perform another kind of activities apart from a production related one shall submit to the licensor body only an application to obtain the license, a document to confirm its payment of the license fee and a certificate of the tax body confirming that the applicant does not own any tax or duty payments.

4. The license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products granted to a legal entity shall cover activities of its organic subdivisions.

5. All documents filed to obtain the license to engage in production and turnover of ethyl alcohol, alcoholic and alcohol containing products shall be registered and are subject to expert examination by the licensor body.

A federal body of executive power authorized by the Government of the Russian Federation will maintain a consolidated State register of issued, suspended and cancelled licenses. The consolidated State register will include federal licenses and, upon representations made by the

subjects of the Russian Federation also licenses issued thereby.

6. A decision to grant the license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products or to deny the issue shall be taken within 30 days from the date of receipt of an application along with all the required documents. If there is a need to carry out an additional expert examination the above term may be extended for its duration, but for no more than 30 days.

A decision to grant the license or to deny its issue including the statement of reasons for the refusal shall be transmitted to an applicant in writing within three days after it is taken.

7. The following shall constitute the grounds for refusing to grant the license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products:

- if unauthentic or distorted information was revealed in the submitted documents, and in case of disparity between the licensing requirements laid down by the present Federal Law and the conditions of operations and status of the applicant;

- if the requirements of [Article 8](#) of the present Federal Law are violated.

8. In case of reorganization, change of the organization's name or loss of the license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products, within fifteen days the organization shall be obliged to submit an application to reissue the license.

The license will be reissued in the [manner](#) established for its issue.

Before the license is reissued an organization may operate on the basis of the license issued earlier. If the license was lost a new license will be granted on the basis of documents submitted earlier, provided their are still current, and its notification on the loss of the license.

9. Licenses to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products will be issued for no less than three years term. Validity of such license may be extended at request of an applicant. At request of an applicant such a license may be granted also for a period less than three years.

10. All conditions being equal, the priority right to obtain the license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products shall be enjoyed by organizations that use local raw materials, environmentally safe technology, and produce competitive goods.

11. The federal license shall be issued, provided the organization (applicant) will coordinate this issue with appropriate bodies of subjects of the Russian Federation on which territories will be situated this organization and/or its organic subdivision which will engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products.

12. In the manner and in the amounts laid down by a federal law fees shall be collected for issuing the licenses to engage in the activities listed in [Item 2 of Article 18](#) of the present Federal Law apart from the activities envisaged by [Paragraphs nine](#) and [ten](#) of Item 2 of the said Article.

As to the fees for the issuance of the licences and the right of the manufacture and turnover of ethyl alcohol and spirituous and alcoholic products, see the [Federal Law No. 5-FZ of January 8, 1998](#)

Article 20. Suspending, Resuming, Terminating a License Operation and Cancelling a License

1. The license to engage in the production and turnover of ethyl alcohol, [alcoholic](#) and [alcohol containing products](#) may be suspended by a decision of the licensor body on the basis of evidence presented by an authority in charge for the control and enforcement of the present Federal Law, as well as by the initiative of the very licensor body within its powers in the following cases:

- the organization's failure to execute orders of the licensor body to eliminate violations of the license's terms;

- failure to submit in due time an application to reissue the license;

- failure to pay the license fee by an established deadline;

- failure to remit in due time the payment for annual inspection of the organization to verify the organization's compliance with the conditions laid down by the present Federal Law and essential

for the performance of licensed kinds of activities;

- failure to keep the authorized minimal prices of alcoholic products;
- the production equipment and alcohol storage tanks being used in an organization engaged in the production of ethyl alcohol from edible raw materials, to produce and store products of nonedible destination, apart from waste generated by the main production;
- the production equipment being used to produce alcoholic products for the purposes of production of nonedible products, apart from waste generated by the main production;
- the production equipment without alcohol measuring instruments being used to produce ethyl alcohol and alcoholic products;
- the use of registered trade marks and inventions and industrial models protected with patents after entry into force of a court decision on their illegal use;

The license shall be suspended for a period required to eliminate uncovered violations. The above period may not be longer than six months. If an applicant fails to eliminate the discovered violations the licensor body shall be obliged to file a court suit requesting to cancel the license.

Within seven days after the decision is taken to suspend the license the licensor body will remove the remaining final products, raw materials and semi-finished products used in their production, it will also seal the equipment and communications to prevent any production and sale of ethyl alcohol, alcoholic and alcohol containing products.

Within 20 days after a notification is received from the organization that circumstances resulting in the suspension of the license have been eliminated, the licensor body which had suspended the license shall be obliged either to resume operation of the license or to refuse to resume its operation.

Decision of the licensor body to suspend the license may be appealed in court of law.

2. The license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products may be cancelled by a court decision based on a request of the very applicant or upon expiration of such license.

3. The license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products may be cancelled by a court decision based on an application of the licensor body.

The following will constitute the grounds for cancelling such a license in the judicial manner:

- unauthentic data uncovered in documents filed by the organization to obtain such license;
- ethyl alcohol and alcoholic products being produced without state registration of the said products' names;
- deliveries of ethyl alcohol to consumers that are not in possession of appropriate licenses and quotas to procure ethyl alcohol;
- turnover of alcoholic products without using excise tax stamps and special stamps, with the use of forfeited stamps;
- deliveries of alcoholic and alcohol containing edible products to organizations which hold no licenses required under law;
- failure to comply with the decision of the licensor body to suspend the license;
- repeatedly during one year filing declaration containing false data about amount of production and turnover of ethyl alcohol, alcoholic and alcohol containing products or repeatedly during one year failing to file on time the above declarations to the licensor body;
- nontarget use of quotas for the procurement of ethyl alcohol produced from nonedible raw materials;
- producing products that fail to meet the State standards;
- production and turnover of ethyl alcohol, alcoholic and alcohol containing products on contractual or noncontractual basis for organizations which hold no appropriate licenses;
- repeated suspension of the license for the same violation during one year;
- failure to provide the licensor body with the possibility to confirm whether the organization complies with the license requirements, to monitor operations of alcohol measuring instruments and to take their readings;
- operating the main production equipment with removed or damaged seals on

communications or alcohol measuring instruments which had been sealed by the licensor body;
- failure to eliminate within an established period circumstances which had resulted in the license suspension.

The licensor body shall have the right to suspend the license before a court decision enters into force.

4. Decision to suspend the license to engage in the production and turnover of ethyl alcohol, alcoholic and alcohol containing products or to file a court suit to cancel such license shall be brought by the licensor body to the notice of the applicant in writing including its justification within three days after such a decision is taken.

Article 21. Peculiarities of Licensing the Export and Import of Alcoholic and Alcohol Containing Products

1. The license to export alcoholic and alcohol containing products as well as the licenses to import, store and deliver alcoholic and alcohol containing edible products will be issued to organizations to grant them the right to export and import all types of alcoholic and alcohol containing edible products.

According to [Federal Law No. 61-FZ of March 31, 1999 a ban on the imports of ethyl alcohol from all kinds of raw materials is established, effective until January 1, 2002](#)

2. The licenses to import, store and deliver alcoholic products shall be issued only to organizations with the paid-up authorized capital of no less than 40 thousand federal statutory [minimal wages](#) and which have been performing deliveries of alcoholic products for at least one year (while having the turnover of imported alcoholic products of at least 50 thousand decalitres over one year in equivalent to absolute alcohol). In case of a reorganization of a legal entity its successor shall have the right to obtain the license to perform the above types of activities. In so doing the successor shall not be obliged to meet the requirement to have at least one year long history of alcoholic products deliveries. The requirement to have at least one year long history of alcoholic products deliveries neither shall be applied to affiliate organizations whose founders meet all the listed requirements essential to obtain the license to import, store and deliver alcoholic products.

3. One-time licenses shall be issued for a term of up to five months to organizations to export and import, store and deliver alcoholic and alcohol containing edible products amounting to no more than 500 decalitres in equivalent to absolute alcohol with their customs value not exceeding 100 thousand federal statutory [minimal wages](#).

As to the licensing of the import of ethyl alcohol and vodka, see the [Decision of the Government of the Russian Federation No. 1590 of December 30, 1996](#) and the [Order of the Ministry of Economics of the Russian Federation No. 12 of February 12, 1997](#)

Article 22. The Procedure for Appealing Decisions of the Licensor Body

Decisions of the licensor body may be appealed by an applicant at the licensor body and/or in court of law. To examine a complaint filed by an applicant an independent expert commission may be set up with the applicant included into its members along with representatives of licensor bodies and independent specialists to perform expert examinations. The Regulations for expert commissions will be endorsed correspondingly by the Government of the Russian Federation and the bodies of executive power of the subjects of the Russian Federation within their competence.

Chapter IV. Control over the Compliance with the Present Federal Law and the Liability for Breaches thereof

Article 23. Organization of the State Control over the Compliance with the Present Federal Law

The State control over the production and turnover of ethyl alcohol, alcoholic and alcohol containing products will be exercised by a federal body of executive power specifically authorized by the Government of the Russian Federation, by the bodies of executive power of the subjects of the Russian Federation and the local selfgovernment bodies within their competence and the former shall include:

See the [Regulation on the Governmental Commission for the Regulation of the Alcohol Market, endorsed by \[Decision of the Government of the Russian Federation No. 718 of September 22, 2000\]\(#\)](#)

See the [Procedure for the Interaction of the Bodies Ensuring the Control over the Manufacture and Turnover of Alcoholic and Tobacco Products and the Restraint of Offences in This Sphere, approved by the \[Decision of the Government of the Russian Federation No. 949 of August 12, 1996\]\(#\)](#)

- control over the compliance with terms of licenses for the [production](#) and [turnover](#) of ethyl alcohol, alcoholic and alcohol containing products;
- control over allocation to organizations of quotas for the procurement of ethyl alcohol, and their target use;
- control over submission of declarations on volumes of production and turnover of ethyl alcohol, alcoholic and alcohol containing edible products, as well as over presentation of declarations on the use of ethyl alcohol;
- control over compliance with the requirements to the equipment used in the production of ethyl alcohol, alcoholic and alcohol containing products, over compliance with the State standards and specifications for ethyl alcohol, alcoholic and alcohol containing products and raw materials used in their production;
- control over quality and production volumes of ethyl alcohol, alcoholic and alcohol containing products;
- control over export, import and procurement on the territory of the Russian Federation of ethyl alcohol, alcoholic and alcohol containing products;
- control over the procedure used to denature ethyl alcohol;
- annual inspection of organizations conducted by the licensor body to verify their compliance with the conditions laid down by the present Federal Law which are required to pursue the licensed kinds of activities.

As to the strengthening of the state control over the turnover of alcoholic products, see the [Decree of the President of the Russian Federation No. 1213 of August 18, 1996](#), the [Order of the State Antimonopoly Committee of the Russian Federation No. 23 of February 11, 1997](#), and the [Decision of the Government of the Russian Federation No. 406 of April 8, 1997](#)

Article 24. Public Control over the Compliance with the Present Federal Law

1. Individual citizens and public associations will exercise public control over the compliance with the present Federal Law.
2. State bodies and officials shall be obliged to support individual citizens and public associations in their performance of corresponding investigations of cases involving breaches of the present Federal Law and within ten days the former are to inform applicants on decisions taken.
3. Expert and consulting committees under the federal bodies of legislative and executive power, bodies of legislative and executive power of the subjects of the Russian Federation may be set up in order to study possible social and economic consequences of legislative initiatives on matters involving the regulation of production and turnover of ethyl alcohol, alcoholic and alcohol containing products, the practice of application of legislation and to draft relevant recommendations. The Regulations on expert and consulting committee will be endorsed by a body which decided to establish such a committee.

Article 25. Withdrawal from Illegal Turnover and Confiscation of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. Ethyl alcohol, alcoholic and alcohol containing products shall be subject to withdrawal from illegal turnover on the basis of decisions made by agencies authorized in keeping with the legislation of the Russian Federation if the former is realized:

- without appropriate licenses;
- without certificates of compliance;
- without being marked with excise tax stamps or special stamps, apart from realization of ethyl alcohol and alcohol containing products, as well as in cases provided by statute, or when marked with forfeited marks;

Federal Law No. 158-FZ of July 9, 1999 instituted the criminal responsibility for production, purchase, storage, transportation or sale of unmarked goods and products

- when not meeting the State standards and specifications;
- when containing ethyl alcohol produced from nonedible raw materials or containing denaturing additives, except for alcohol containing nonedible products;
- as ownerless property;
- without documents confirming the legal nature of its production and turnover.

2. Ethyl alcohol, alcoholic and alcohol containing products found in illegal turnover shall be withdrawn and confiscated in accordance with the legislation of the Russian Federation.

3. Withdrawn ethyl alcohol, alcoholic and alcohol containing products will be stored at locations authorized by decisions of bodies which perform such withdrawal.

4. Confiscated ethyl alcohol, alcoholic and alcohol containing products which fail to meet the State standards and specifications as well as alcohol containing products that contain ethyl alcohol produced from nonedible raw materials or containing denaturing additives shall be processed, on contractual basis, into ethyl alcohol for technical destination or alcohol containing nonedible products. Confiscated ethyl alcohol, alcoholic and alcohol containing products shall be destroyed if such processing can not be performed.

Article 26. Restrictions in the Sphere of the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol Containing Products

1. In the area of production and turnover of ethyl alcohol, alcoholic and alcohol containing products it is prohibited:

- to use ethyl alcohol produced from nonedible raw materials and alcohol containing products produced from nonedible raw materials to produce alcoholic and alcohol containing edible products;
- to produce ethyl alcohol without the use of reference and alcohol measuring instruments;

Paragraph four of Item 1 of Article 26 of this Federal Law will be put into effect as from January 1, 2000

- to produce alcohol products without the use of meters of alcohol containing liquids, instruments measuring the concentration and volume of absolute alcohol in the final products;
- to produce ethyl alcohol, denatured alcohol, alcoholic and alcohol containing denatured products without the State registration of name of the said products;
- to carry out retain sale of ethyl alcohol, apart from the case specified in Item 4, Article 16 of the present Federal Law;
- to sell ethyl alcohol to organizations holding no appropriate licenses or which were not given a quota to purchase it or to sell ethyl alcohol in excess of the said quotas;
- to carry out turnover of ethyl alcohol and alcohol containing products without properly completing the documentation to confirm the legality of their production and turnover;
- to realize alcoholic products without certificates of compliance, or not marked with excise tax stamps or special stamps, or when marked with forfeited marks;
- to deliver alcoholic products in tare failing to meet the requirements of the State standards;

- to lease the main production equipment for the production of ethyl alcohol and alcoholic products;
- to conclude contracts of barter if ethyl alcohol, alcoholic and alcohol containing products are used as goods being exchanged. Contracts concluded in such case shall be deemed null and void;
- to distort and/or fail to submit in due time declarations on production or turnover volume of ethyl alcohol, alcoholic and alcohol containing products;
- to breach statutory rules of sale of alcoholic products.

2. In addition to restrictions established by the present Federal Law in the area of production and turnover of ethyl alcohol, alcoholic and alcohol containing products other restrictions may be laid down by a federal law only.

3. Officials of organizations and individuals who violate the requirement of the present Federal Law shall be liable in keeping with the legislation of the Russian Federation."

On the administrative responsibility of legal entities (organizations) and individual entrepreneurs for offenses in the sphere of the production of and trading in ethyl alcohol , alcohol products and alcohol-containing products see [Federal Law No. 143-FZ of July 8, 1999](#)

Article 2. The present Federal Law shall be brought into force upon its [official publication](#).

[Paragraph two of Item 2, Article 8](#) and [Paragraph four of Item 1, Article 26](#) of the Federal Law on the State Regulation of the Production and Turnover of Ethyl Alcohol and Alcoholic Products (Collected Acts of the Russian shall enter into force as of January 1, 2000.

Article 3. Propose that the President of the Russian Federation will bring his legal acts into line with the present Federal Law.

Propose that the Government of the Russian Federation will bring its legal acts into line with the present Federal Law.

President of
the Russian Federation

B.Yeltsin

Moscow, the Kremlin