

**DECISION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION NO. 364 OF JUNE 9, 2005 ON
APPROVAL OF THE REGULATIONS ON LICENSING IN THE SPHERE OF FOREIGN TRADE IN
COMMODITIES AND ON CREATING AND KEEPING A FEDERAL DATA BANK OF ISSUED
LICENCES**

In execution of the Federal Law on the Principles for the State Regulation of Foreign Economic Activity, the Government of the Russian Federation hereby resolves:

1. To approve the hereto enclosed:
 - Regulations on Licensing in the Sphere of Foreign Trade in Commodities;
 - Regulations on Creating and Keeping a Federal Bank of Issued Licences.
2. To recognize as having lost force Item 1 of Decision of the Government of the Russian Federation No. 1299 of October 31, 1996 on the Procedure for Holding Tenders and Auctions on Selling Quotas When Quantitative Restrictions and the Licensing of the Export and Import of Commodities (Works, Services) Are Introduced in the Russian Federation (Sobraniye zakonodatelstva Rossiiskoi Federatsii, No. 46, 1996, Item 5249; No. 6, 1998, Item 746; No. 12, Item 1442; No. 1, 1999, Item 207; No. 52, 2000, Item 5153; No. 31, 2004, Item 3268; No. 7, 2005, Item 562) as concerns the approval of the Regulations on the Procedure for Licensing the Export of Commodities (Works, Services) in the Russian Federation.
3. To establish that licences for the export and import of commodities, issued before the entry into force of the present Decision, shall operate until the end of the term of their validity.
4. The present Decision shall come into force one month after its official publication.

Chairman of the Government
of the Russian Federation

M. Fradkov

**Regulations on Licensing in the Sphere of Foreign Trade in Commodities (approved by Decision
of the Government of the Russian Federation No. 364 of June 9, 2005)**

1. The present Regulations define the procedure for licensing in the sphere of foreign trade in commodities (hereinafter referred to as the licensing).

For the purposes of the present Regulations, licensing is interpreted as an administrative procedure for regulating foreign trade transactions, implemented by the issue of a document permitting the export and (or) import of individual kinds of commodities.

2. Licensing shall be carried out in the following cases:
 - a) imposition of temporary quantitative restrictions on the export and import of the individual kinds of commodities;
 - b) implementation of a permit procedure for the export and (or) import of individual kinds of commodities that may exert an unfavourable impact upon the state security, the life or health of citizens, the property of natural and legal persons, state and municipal property, the environment and the life or health of animals and plants;
 - c) granting an exclusive right to the export and (or) import of individual kinds of commodities;
 - d) fulfilment by the Russian Federation of international liabilities.

3. The Ministry of Economic Development and Trade of the Russian Federation shall issue to participants in foreign trade activity (hereinafter referred to as applicants) the following kinds of licences through its territorial bodies (hereinafter referred to as the licensing bodies):

- a) a one-off licence - a document, issued to the applicant on the grounds of an agreement (contract), which has formalized a foreign trade deal and whose object is the export or import of an individual kind of commodity in a definite amount. The term of validity of an one-off licence cannot exceed one year as from the day of its issue. If temporary quantitative restrictions are imposed with respect to the commodity, the term of validity of such licence shall end on January 1 of the next year;
- b) a general licence - a document, issued to the applicant on the grounds of a decision of the Government of the Russian Federation, permitting the export and (or) import of the individual kind of commodity in a definite amount. The term of validity of a general licence cannot exceed one year as from the day of its issue. If temporary quantitative restrictions are imposed with respect to the commodity, the term of validity of such licence shall end on January 1 of the next year;
- c) an exclusive licence - a document, granting the applicant an exclusive right to the export and (or) import of the individual kind of commodity, defined in the federal law.

4. The licence shall be formalized on blanks, whose forms shall be approved by the Ministry of Economic Development and Trade of the Russian Federation.

5. To obtain a licence, the applicant shall submit to the licensing body the following documents:

a) an application for being granted a licence in accordance with the form, approved by the Ministry of Economic Development and Trade of the Russian Federation, one copy each on paper and a magnetic medium;

b) a copy of the agreement (contract), that has formalized a foreign trade deal (if a one-off licence is formalized), certified by the applicant's signature and seal;

c) a copy of the certificate on being put onto the records in a tax body, certified by the applicant's signature and seal;

d) other documents, if they are stipulated in the legislation of the Russian Federation.

6. The licensing body shall register in the established order the document, submitted in conformity with Item 5 of the present Regulations.

7. Decision on the issue of a licence or on the refusal to issue a licence shall be adopted by the licensing body within twenty days as from the day of registering the documents, submitted in conformity with Item 5 of the present Regulations.

A notification on the refusal to issue a licence, containing a motivated substantiation of the refusal, shall be forwarded to the applicant.

8. If the organizational-legal form, the designation or the place of registration of the applicant - a legal entity - is changed, or if the surname, name, patronymic or place of residence of the applicant - an individual businessman - is changed, or if the licence is lost, the applicant (the licensee) is obliged to submit to the corresponding licensing body, no later than in fifteen days, a letter with a request to reformatize the licence, with an enclosure of a new application, mentioned in Subitem a) of Item 5 of the present Regulations, and the document confirming such changes or the loss of the licence.

A reformatized licence shall be issued within a time term of up to five days as from the day of registration of the applicant's documents.

9. It is inadmissible to introduce any amendments into an issued licence.

10. The applicant may be refused in the issue of a licence on the following grounds:

a) incorrect formalization of an application for being granted a licence;

b) supply of inaccurate information;

c) exhaustion of the quota (if the licensing is carried out in case of the imposition of temporary quantitative restrictions upon the export or import of the individual kinds of commodities).

11. Decision on the suspension of validity of an issued licence or on its cancellation shall be taken by the licensing body that issued the licence, in the following cases:

a) filing of the corresponding application by the licensee;

b) violation of the licence terms by the licensee.

12. A notification on the suspension of the issued licence's validity or on its cancellation shall be sent to the licensee and to the Federal Customs Service with the substantiation of the reasons behind the adoption of such decision.

A notification on the resumption of validity of the issued licence shall be forwarded to the licensee and to the Federal Customs Service with the substantiation of the reasons behind the adoption of such decision within a term of up to five days as from the day of adoption of the decision on the suspension of the issued licence's validity.

13. For the consideration of an application for being granted a licence, for granting a licence and for reformatizing the document, confirming the possession of a licence, state duty shall be paid in the amounts defined in the legislation of the Russian Federation.

14. The licensee shall not hand over the licence to other persons.

15. Absence of the licence is a ground for the refusal by the customs bodies of the Russian Federation to release the commodities.

16. The original licence and a copy of the licence, certified by the licensee, shall be submitted:

- to the customs body of the Russian Federation - if the customs formalization of the commodity is to be carried out in this particular customs body of the Russian Federation;

- to the customs body of the Russian Federation at the place of the licensee's location - if the customs formalization is to take place in several customs bodies of the Russian Federation.

17. If a one-off licence is issued, the licensee is obliged to submit within ten days after the end of the term of its validity to the licensing body, which has issued it, a photocopy of the licence original, on which notes were made by the customs bodies of the Russian Federation on the actual volume of the commodity, allowed across the customs border of the Russian Federation.

18. The licensing body's decisions and actions may be appealed against in accordance with the established procedure.

Regulations on Creating and Keeping a Federal Data Bank of Issued Licences (approved by Decision of the Government of the Russian Federation No. 364 of June 9, 2005)

1. The present Regulations establish the procedure for creating and keeping a federal data bank of the issued licences. The Ministry of Economic Development and Trade of the Russian Federation shall issue these licences through its territorial bodies in the following cases:

a) imposition of temporary quantitative restrictions upon the export or import of the individual kinds of commodities;

b) implementation of a permit procedure for the export and (or) import of individual kinds of commodities, which may exert an unfavourable impact upon the state security, the life or the health of citizens, the property of legal or natural persons, state or municipal property, the environment, or the life or health of animals and plants;

c) granting an exclusive right to the export and (or) import of the individual kinds of commodities;

d) fulfilment by the Russian Federation of its international liabilities.

2. The Federal Data Bank of the Issued Licences shall be created by the Ministry of Economic Development and Trade of the Russian Federation and shall contain:

a) information on the issued licences, including the following data:

- designation, the organizational-legal form and the legal address - for a legal entity;

- surname, Christian name and patronymic, the place of residence and the data of the document, identifying the person - for an individual businessman;

- taxpayer identification number;

- kind, number and term of the licence validity;

- number of the agreement that formalized the foreign trade deal, and the date of its signing;

- designation of the foreign person (the buyer or seller) and his legal address;

- name of the commodity with an indication of its code in accordance with the Commodity Classification for Foreign Economic Activity of the Russian Federation;

- amount of the commodity and its statistical cost;

b) information on the suspension of the licence validity or on its cancellation;

c) information on the course of execution of one-off licences.

3. The Federal Data Bank of the Issued Licences shall be created on the basis of information, received from the territorial bodies of the Ministry of Economic Development and Trade of the Russian Federation (hereinafter referred to as the territorial bodies of the Ministry) in the form of electronic copies of licences through specialized software with the functions of informational exchange.

4. Information, contained in the Federal Data Bank of Issued Licences, shall be kept and processed at locations inaccessible to outsiders, under the conditions providing for the prevention of the theft, loss, distortion and forgery of information. To prevent the complete loss of this information, the Ministry of Economic Development and Trade of the Russian Federation shall create reserve copies of such information on electronic media, which shall be kept in locations, precluding the loss thereof simultaneously with the originals.

5. Information, contained in the Federal Data Bank of Issued Licences, shall be issued by the Ministry of Economic Development and Trade of the Russian Federation at the inquiries from the state power bodies of the Russian Federation, from the state power bodies of the subjects of the Russian Federation and from the local self-government bodies free of charge, taking account of the restrictions established in the legislation of the Russian Federation. The time term for the issue of this information shall not exceed five days as from the day of receipt of the corresponding inquiry.

6. Information, contained in the Federal Data Bank of Issued Licences, shall be used in preparing information on the issued licences for foreign states, if the issue of such information is stipulated in an international agreement of the Russian Federation.