

GOVERNMENT OF THE REPUBLIC OF TAJIKISTAN

RESOLUTION

ON RULES FOR PURCHASE AND SALE, EXPORT AND IMPORT OF PRECIOUS METALS, PRECIOUS STONES AND RAW MATERIALS CONTAINING PRECIOUS AND NONFERROUS METALS

of May 6, 2006

no. 215

Dushanbe City

Following Article 11 of the Law of the Republic of Tajikistan “On Precious Metals and Precious Stones” and Article 28 of the Constitutional Law of the Republic of Tajikistan “On the Government of the Republic of Tajikistan” the Government of the Republic of Tajikistan hereby decrees:

1. To approve attached Rules for Purchase and Sale, Export and Import of Precious Metals, Precious Stones and Raw Materials Containing Precious and Nonferrous Metals.

2. To approve attached composition of the Commission of the Government of the Republic of Tajikistan on expert’s review and evaluation of unique precious stones.

3. To deem invalid Resolution of the Government of the Republic of Tajikistan “On Approval of Regulation on Procedure for Sale of Precious Metals” of February 12, 1997, No. 88.

Head of the Government
of the Republic of Tajikistan

E. Rakhmonov

Approved by
Resolution of the Government
of the Republic of Tajikistan
of May 6, 2000, No. 215

RULES FOR PURCHASE AND SALE, EXPORT AND IMPORT OF PRECIOUS METALS,
PRECIOUS STONES AND RAW MATERIALS CONTAINING PRECIOUS AND
NONFERROUS METALS

1. The Present Rules shall set the procedure for purchase and sale, importation into the customs territory of the Republic of Tajikistan (hereinafter referred to as “importation into Tajikistan”) and exportation from the customs territory of the Republic of Tajikistan (hereinafter referred to as “exportation from Tajikistan”) of precious metals, precious stones under the list of the appendix 1 (hereinafter referred to as “precious metals and precious stones”) and raw materials containing precious and non-ferrous metals under the list of the appendix 2 (hereinafter referred to as “raw materials”).

The given Rules shall not cover:

- Importation into and exportation from Tajikistan of cultural property containing precious metals and precious stones not listed in the State Fund of Precious Metals and Precious Stones of the Republic of Tajikistan;

- Importation into the territory of special economic zones, free customs zones and free warehouses;

- Production, sale, export and import of jewelry of precious metals and stones;

2. The basic notions shall be used for the given Rules:

a) Fine gold, platinum, metals of platinum group and silver in the form of bullions shall include:

- Bullions complying with standards approved by the Republic of Tajikistan (“the RT”) and international standards;

- Bullions of foreign production, manufactured, stamped and certified under the legislation of a country of origin and meeting requirements of international quality standard adopted by London Bullion Market Association;

b) Fine gold, platinum, metals of platinum group and silver in the form of powder and granules shall be powder and granules complying with standards set in the RT and international standard.

c) Precious and unique precious stones shall imply:

- Precious stones defined by appendix 1 of the present Rules.

- Unique precious stones shall be precious stones having high and rare natural features of formation by size and decorative qualities identified by the Commission of the RT Government on expert’s review and evaluation of unique precious stones.

d) An authorized body of the RT Government shall be:

- State Depository of Valuables of the RT under the RT Ministry of Finance and the National Bank of Tajikistan (hereinafter referred to as “the RT authorized government bodies”);

e) Tax benefits shall imply VAT benefit (zero rate) in accordance with Article 211 of the RT Tax Code and recovered (or charged) to entities that extract them and sale under Article 226 of the RT Tax Code;

f) specially authorized bodies and organizations enjoying preferential right for purchase of precious metals and stones shall imply purchase by these organizations of precious metals and stones with conclusion of a preliminary purchase and sale contracts (for precious metals, at least two months prior to anticipated date of purchase), with entities that extract them and manufacture, and advance payments due by these bodies and organizations under contracts mentioned, resulting from terms of subparagraph “e”, paragraph 2 of present Rules, and advance payment for extraction and manufacture of precious metals and stones related to their terms and conditions of a production cycle;

g) A permanent special Commission of the Government of the RT on expert’s review and evaluation of unique precious metals shall be the Commission set by the Government of the RT (hereinafter referred to as “the Commission of the Government of the RT”).

3. Importation of precious metals, stones and raw materials into Tajikistan shall be made by legal entities and individuals in accordance with the RT Law “On Licensing of Certain Types of Activity” and the Customs Code of the Republic of Tajikistan.

4. Exportation of fine gold, platinum, metals of platinum group in the form of bullions, powder and granules, precious stones and raw materials containing precious and non-ferrous metals out of the RT shall be allowed for:

a) entities extracting and manufacturing precious metals and stones (with respect to mentioned precious metals owned by them, due to extraction, manufacture and purchase of precious metals and stones under contracts);

b) The National Bank of Tajikistan;

c) credit organizations licensed by the National Bank of Tajikistan to perform transactions with precious metals (with respect to mentioned precious metals owned by them, and being sold on foreign market under contract’s of the Commission concluded with owners of such precious metals);

d) The State Depository of Valuables of the Republic of Tajikistan under the RT Ministry of Finance;

e) Organizations licensed for wholesale and retail trade in precious metals, stones and raw materials.

5. Fine precious metals manufactured in the Republic of Tajikistan shall be sold on domestic and foreign markets given world market prices; precious metals extracted shall be sold at prices identified by expert’s conclusion based on price lists.

6. Plans for formation of the State Fund of Precious Metals and Precious Stones of the Republic of Tajikistan and Gold Reserve of the Republic of Tajikistan shall be approved in accordance with the Tajik Law “On Public Budget of the Republic of Tajikistan” for next fiscal year and Decisions of the Government of the Republic of Tajikistan taking into account grounded applications for need in precious metals and stones.
7. Annually, by November 15, the Ministry of Energy and Industry of the RT shall submit forecast production output of precious metals and extraction of precious stones for next calendar year with breakdown by extracting and manufacturing entity to authorized bodies of the RT Government. (RGRT No. 419 of 3.08.07)
8. The Government of the RT may establish additional sales volume of precious metals and stones to replenish the State Fund of Precious Metals and Precious Stones of the RT and Gold Reserve of the RT, when necessary.
9. Cost of precious metals being sold for authorized bodies of the RT Government shall be determined on the basis of prices set at morning fixing of London Bullion Market Association as of the date of sale, without VAT (zero rate) determined by laws of the RT, and minus costs for transportation, refinement, and other charges related to delivery and sale.
10. Cost of precious metals and stones sold to other entities shall be determined according to the order established by the Tax Code of the Republic of Tajikistan.
11. Sale of precious metals and stones on domestic market shall only be made in national currency.
12. Cost of unique nuggets of precious metals shall be not less than the cost of chemically pure metal determined at morning fixing of London Bullion Market Association.
13. Classification procedure of nuggets of precious metals as a class of nuggets not subject to refinement shall be determined by the Ministry of Finance of the Republic of Tajikistan under agreement with the Ministry of Energy and Industry of the RT, and the RT Ministry of Economic Development and Trade. (RGRT No. 419 of 3.08.07)
14. Exportation of coins of precious metals being a legal instrument of payment from the Republic of Tajikistan shall be performed by the National Bank of Tajikistan and credit organizations according to the procedure established by the National Bank of Tajikistan.
15. Exportation of precious metals and stones listed in Appendix 1 to present Rules from the Republic of Tajikistan shall not be allowed if contractual cost set in a foreign trade agreement is less than the cost of contained precious metals and stones.
16. Right for export of nuggets of precious metals not subject to refinement from the Republic of Tajikistan shall have extracting entities and organizations licensed for wholesale trade in precious metals.
17. Sale of concentrates, ores and wastes containing precious or non-ferrous metals (under appendix 2) of which precious metals or other metals can be industrially extracted by extracting entities based on the license for their extraction and production, conclusions (expert’s review) for contracts made by the Ministry of Economic Development and Trade and the Ministry of Energy and Industry of the RT regarding their economic feasibility. (RGRT No. 419 of 3.08.07)
18. Sale on foreign market of concentrates, ores and wastes containing precious or non-ferrous metals from which it is impossible or economical not feasible to extract industrially precious or other metals, shall be performed with no restrictions based on conclusion of expert’s review of contracts by the RT Ministry of Economic Development and Trade and the Ministry of Energy and Industry of the RT, certificate of chemical content given by certified laboratories of the Agency for Standardization, Metrology, Certification and Trade Inspection under the

Government of the RT, other certified accredited laboratories or international laboratories (RGRT No. 419 of 3.08.07)

19. Processing and sale of precious metals alloys, concentrates, ores and wastes containing precious or non-ferrous metals abroad to determine and fix prices and sale on the foreign market is permitted only when its economically feasible and due to impossibility (lack of relevant production capacities) to process them in the territory of the Republic of Tajikistan, based on conclusion of the Ministry of Economic Development and Trade and the Ministry of Energy and Industry of the RT, State Anti-Monopoly Body of the RT and permission from the Customs Service under the Government. (RGRT No. 419 of 3.08.07)

20. Evaluation of precious and unique stones shall be undertaken by prices set by experts based on price lists similar to those on the world market, considering market fluctuations as of the date of sale, agreed upon with the State Anti-Monopoly Body.

21. Primary evaluation of precious and unique stones (under Appendix 1) and jewelry stones (spinel, tourmaline, scaploite, topaz, etc.) is performed after enrichment, sorting, primary classification and evaluation by extracting entities based on acting GOST and OST; unique precious stones are given for consideration and approval by the Commission of the RT Government.

22. After expert's review and evaluation of precious stones under price-lists and unique precious stones by the Commission of the RT Government, extracting entities suggest them for purchase to the authorized bodies of the RT Government according to the plan of formation of the State Fund approved by the RT Government, after advance payment to extracting entities as contracts stipulate.

23. Precious stones and unique precious stones not purchased by authorized bodies during 20 days shall be sold by entities that extracted them in domestic and foreign markets at the price not less than its primary evaluation.

24. Downward reevaluation of precious and unique jewelry stones may be performed after primary bids on domestic and foreign market by extracting entities upon agreement with the State Anti-Monopoly Body of the Republic of Tajikistan, and unique precious stones upon approval with the Commission of the RT Government based on conclusions on reasons that caused it (low quality, color, clearness, forms, demand and others).

25. The right to perform exportation of unprocessed and processed precious stones from the Republic of Tajikistan shall have all extracting and production entities (regarding self-produced goods) and organizations with license for wholesale of precious stones.

26. State control over exportation from the Republic of Tajikistan and importation into the Republic of Tajikistan of precious metals stated in appendices 1, 2 shall be performed in accordance with the present Rules and other normative and legal acts of the RT.

State control over prices according to the procedure established by the present Rules is performed at exportation of precious metals, precious stones and raw materials stated in appendices 1, and 2, and the source of origin of precious metals, stones, and raw materials is determined, as well as the procedure for observance of the present Rules is undertaken.

If violation of the RT legislation is identified in the course of state control over transactions with precious metals, stones and raw materials, their exportation from the RT shall not be allowed, and the information on violations identified shall be transferred to state supervisors in relevant licensing and law enforcement bodies.

27. Exportation of precious metals and stones from the State Fund of Tajikistan shall be performed within limits established by the plan for distribution of precious metals and stones approved by the RT Government, State Depository of Valuables of the RT Ministry of Finance.

28. Temporary exportation of precious stones from the RT for the purpose of exhibit or scientific study shall be performed by extracting entities and authorized bodies of the RT Government according to the procedure established by the RT Government. A guarantee of return of these valuables to Tajikistan by organizers of the exhibit (scientific study) is stipulated, and documentary confirmation that temporarily exported valuables are not a subject of dispute on right of ownership is required.

29. Importation and exportation of precious metals, stones and raw materials under free trade circulation regime and for processing may only be performed by extracting and production entities, authorized bodies of the RT Government, organizations and private entrepreneurs, licensed on the basis of approved calculation of customs value, through preliminary preparation with involvement of customs bodies officers on places of their preparation and packaging for import and export.

30. Import and export of raw materials specified in appendix 2 shall be carried out following the conditions below:

a) lot of raw materials if they are designated for import and export shall have certificates of chemical composition, certificates of origin of a good and a country of origin issued by analytical laboratories accredited by the Agency on Standardization, Metrology, Certification, and Trade Inspection under the RT Government or other international accredited laboratories (RGRT No. 419 of 3.08.07)

b) Export of raw materials of which it is impossible or economically not feasibly to extract industrially precious and other metals shall be performed with no quantitative restrictions. The condition for customs formalities of such goods is submission of the certificate of chemical content, certificate of goods origin and relevant conclusion of the Ministry of Economic Development and Trade of the RT and the Ministry of Energy and Industry confirming the above stated circumstances (RGRT No. 419 of 3.08.07)

31. Individuals (residents and non-residents) may export from the Republic of Tajikistan:

a) precious metals and stones earlier imported into the RT by such individuals with submission of documents registered by customs bodies that confirm importation;

b) Precious metals and stones not designated for production or other commercial activity classified as other imported goods, the export procedure for which is regulated by the RT legislation. The total cost of exported goods shall not exceed the state norms established. The total cost does not include cost of earlier imported precious metals and stones by individuals, and goods temporarily exported from the RT.

Customs formalities for precious metals and stones not designated for production or other commercial activity, being imported/exported into/from the Republic of Tajikistan by individuals shall be performed in accordance with the procedure envisaged by the RT Customs Code.

Appendix 1
To Rules for Purchase and Sale,
Export and Import of Precious Metals,
Precious Stones and Raw Materials
Containing Precious and Nonferrous Metals

LIST

of precious metals and precious stones, and articles thereof, which purchase and sale, importation into and exportation from the republic of Tajikistan is carried out on the basis of a license for extracting, processing and manufacturing entities, authorized bodies of the government of the RT, and licensed organizations and private entrepreneurs

Goods Description	TN VED Code	Note
1	2	3
Natural precious (worked and not worked) and unique stones: - Natural pearls; - Diamonds, whether worked or not worked, but not mounted or set; - Precious stones (other than diamonds) and semi-precious stones, whether or not worked or graded but not strung, mounted or set; ungraded precious stones (other than diamonds) and semi-precious stones, temporarily strung for convenience of transport: - Rubies, sapphires, emeralds and alexandrite; - other.	7101 7102 7103 7103 91 000 710399000	Based on acts of expert's review according to GOST, OST and price list
Synthetic or reconstructed precious or semi-precious stones, whether or not worked or graded but not strung, mounted or set; ungraded synthetic or reconstructed precious or semi-precious stones, temporarily strung for convenience of transport.	7104	Based on acts of expert's review of the Commission of the RT Government
Precious metals: Silver (including silver plated with gold or platinum), unwrought or in semi-manufactured forms, or in powder form: - other; - silver unwrought; Gold (including gold plated with platinum) unwrought or in semi-manufactured forms, or in powder form: - gold in other unwrought forms; Platinum, unwrought or in semi-manufactured forms, or in powder form: - Platinum unwrought or in powder form; - Palladium unwrought or in powder form; - Rhodium unwrought or in powder form; - Iridium, osmium and ruthenium unwrought or in powder form;	7106 7106 10 000 7106 91 7108 7108 12 000 7110 7110 11 000 7110 21 000 7110 31 000 7110 41 000	Fined, in form of bullion, plates, powder and granules, and gold used for coining, alloys of precious metals; sample measuring bullion; nuggets of precious metals
Other articles of precious metal or of metal clad with precious metal: - other Coin: - of silver; - other.	7115 7115 90 7118 7118 10 100 7118 10 900	Commemorative signs Only of precious metals

Appendix 2
To Rules for Purchase and Sale,
Export and Import of Precious Metals,
Precious Stones and Raw Materials
Containing Precious and Nonferrous Metals

LIST

of raw materials, containing precious or non-ferrous metals, which purchase and sale, importation into and exportation from the Republic of Tajikistan is performed based on the license to extracting and manufacturing entities, licensed organizations and private entrepreneurs

Goods Description	TN VED Code	Note
Iron ores and concentrates, including roasted iron pyrites;	2601	Containing precious metals and having economic expediency according to present Rules
Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20 % or more, calculated on the dry weight;	2602 00 000	
Copper ores and concentrates;	2603 00 000	
Nickel ores and concentrates;	2604 00 000	
Aluminium ores and concentrates;	2606 00 000	
Lead ores and concentrates;	2607 00 000	
Zinc ores and concentrates;	2608 00 000	
Tin ores and concentrates;	2609 00 000	
Chromium ores and concentrates;	2610 00 000	
Tungsten ores and concentrates;	2611 00 000	
Uranium or thorium ores and concentrates;	2612	
Molybdenum ores and concentrates;	2613	
Titanium ores and concentrates;	2614 00	
Niobium, tantalum, vanadium or zirconium ores and concentrates;	2615	
Precious metal ores and concentrates;	2616	
Silver ores and concentrates;	2616 10 000	
Other ores and concentrates:	2617	
- Antimony ores and concentrates;	2617 10 000	
- Other.	2617 90 000	
Granulated slag (slag sand) from the manufacture of iron or steel;	2618 00 000	
Slag, dross (other than granulated slag), scalings and other waste from the manufacture of iron or steel;	2619 00	
Ash and residues (other than from the manufacture of iron or steel), containing arsenic, metals or their compounds;	2620	
Other slag and ash, including seaweed ash (kelp); ash and residues from the incineration of municipal waste;	2621	
Ash containing precious metal or precious metal compounds	7112 30 000	

Appendix 3
To Rules for Purchase and Sale,
Export and Import of Precious Metals,
Precious Stones and Raw Materials
Containing Precious and Nonferrous Metals

LIST

Of precious metals which are not exported from the Republic of Tajikistan

Goods Description	TN VED Code	Note
Waste and scrap of precious metal or of metal clad with precious metal; other waste and scrap containing precious metal or precious metal compounds, of a kind used principally for the recovery of precious metal;	7112	Excluding subheading (711230000)

APPROVED
By Resolution of the Government
of the Republic of Tajikistan
of May 6, 2006, No. 215

COMPOSITION
OF THE COMMISSION OF THE GOVERNMENT OF THE REPUBLIC OF TAJIKISTAN
ON EXPERT'S REVIEW AND EVALUATION OF UNIQUE PRECIOUS STONES

1. Deputy Minister of Economic Development and Trade of the RT supervising the sector: the Chairman. (RGRT No. 419 of 3.08.07)
2. Deputy Minister of Energy and Industry of the RT, Head of Department for Mining Industry and Precious Metals: Deputy Chairman. (RGRT No. 419 of 3.08.07)
3. Deputy Minister of Finance supervising the sector: a member of the Commission.
4. Head of Division of Anti-Monopoly Policy and Competition Development of the Ministry of Economic Development and Trade of the RT: a member of the Commission. (RGRT No. 419 of 3.08.07)
5. Expert in gemology of the Ministry of Finance of the RT: a member of the Commission
6. Expert in gemology of the Ministry of Energy and Industry of the RT: a member of the Commission (RGRT No. 419 of 3.08.07)
7. Specialist in mineralogy of the Main Division on Geology under the RT Government. (RGRT No. 419 of 3.08.07)
8. Specialist in mineralogy of the Institute of Geology of the RT Academy of Science.
9. Executive representative of an extracting and processing entity of precious and unique stones: a member of the Commission.