

ANNEX II

Agreement on Re-export of Goods and Procedure of Granting Permissions for Re-export

The Governments of signatory States to this Agreement, hereinafter referred to as the Parties,

Proceeding from the provisions of the Agreement on Cooperation in the Area of Foreign Economic Activity, of 15 May 1992, and of the Agreement on the Creation of Economic Union, of 24 September 1993.

Aspiring to assist each other in providing and protecting their mutual interests in the area of foreign economic activity,

Hereby agreed as follows:

Article 1

The subject of this Agreement is re-export of goods. With respect to export of these goods planned for re-export, the Parties of the customs territory from which these goods originate shall apply measures of tariff and/or non-tariff regulation or shall grant foreign economic privileges during their export from customs territory.

Re-export of the goods specified in Part I of this Article may be carried out only if there is a properly prepared written permission issued by an authorized agency of the country of origin of the goods.

The Parties shall exchange schedules of goods, whose re-export may be carried out only if there is such a properly prepared written permission.

This Agreement shall not apply to re-export of specific goods (arms, drugs, medicine, precious metals and stones, and etc.), re-export of which is carried out in accordance with a specific procedure.

Re-export of other goods shall be carried out in accordance with rules generally accepted in international trade.

Article 2

For the purposes of this Agreement, *re-export* shall mean the export of goods which originate from within the customs territory of one of the Parties, into the customs territory of a second Party with the view to further export the goods to a customs territory of a country not a Party to this Agreement.

A sanctioned re-export shall mean the re-export of goods carried out having a properly prepared written permission available, issued by the authorized agency of the country of origin of the goods.

A non-sanctioned re-export shall mean the re-export of goods declared by the Parties in the schedules, that is carried out without having a properly prepared permission issued by the authorized agency of the country of origin of the goods.

Country of Origin of Goods shall be defined in accordance with the Rules of Country of Origin of Goods approved by the Decision/Resolution of the Government Heads' Council of the Community of Independent States, of 24 September 1993,

Article 3

The Parties shall not permit a non-sanctioned re-export.

Article 4

The Parties have agreed:

When granting permissions for re-exporting goods, the authorized agency of the country of origin of goods shall be guided by national legislation, agreements on trade economic cooperation and trade regime with a re-exporting State, and norms of international law;

To obtain a permission for re-exporting goods, interested business entities shall refer to the authorized agency of the country of origin of goods with a motivated application for re-export, to which a copy of the Contract on Acquiring Goods and substantial terms and conditions of the re-export transaction (a country of destination, quantity, prices and quality of goods to be re-exported, basis of delivery, time of delivery, a code of the Harmonized Commodity Description and Coding System) are attached;

The authorized agency of the country of origin of goods shall, within ten days from the date on which the application has been received, consider the request and inform the interested entities and the authorized agency of the re-exporting State of the decision made, and if the decision is positive - of terms and conditions of re-export.

As one of the terms and conditions, the country of origin of goods can require from a re-exporting business entity to take a commitment on reimbursing a part, but not more than a half, of difference between the transaction value of the re-export of goods and the transaction value of the export of goods from the country of origin, by transferring this difference in currency of the Goods Re-export Transaction to the account specified by the authorized agency of the country of origin of the goods.

In the event that the interested business entity agrees with the terms and conditions of re-export, the authorized agency of the country of origin of goods shall, within a two-week period, grant a properly prepared written permission for the re-export of the goods.

The authorized agency of the country of origin of goods shall have the right, if a positive decision is made, to refer to the authorized agency of the re-exporting State requesting to control the fulfilment of the re-export contract, officially notifying about the actual compliance of the substantial terms and conditions of the re-export transaction that are declared [specified] in the motivated application of the business entity.

Article 5

The Parties have agreed that refusal of permissions may be, if:

- inadequate data on the transaction are deliberately provided;
- dumping prices or other elements of unfair trade practice are used, causing damage to the economic interests of the country of origin of goods;

- there are restrictions on the part of third countries with respect to the importation of relevant goods to their customs territory.

Article 6

In case of a non-sanctioned re-export, the country of origin of goods may require indemnity and apply sanctions.

The Parties shall favour the adoption of national normative acts that provide responsibility of business entities for a non-sanctioned re-export.

Article 7

The Parties have agreed that in cases where the volume of a non-sanctioned re-export of goods inflicts economic damage to the country of origin of goods, the Party suffered may suspend deliveries of these goods to the State whose business entities have carried out a non-sanctioned re-export, or it may apply other sanctions provided by norms of international law.

The authorized agency of the country of origin of goods shall prove the fact of a non-sanctioned re-export. It should provide the authorized agency of the re-exporting State with necessary and sufficient exhibits of violation of this Agreement by specific business entities.

Article 8

The Parties have agreed that the authorized agency of the re-exporting State shall render assistance to the authorized agency of the country of origin of goods in establishing facts of a non-sanctioned re-export and punishing business entities, that have carried out that, in accordance with its national legislation.

Article 9

The Parties have agreed that any disputes and disagreements, while the Parties fulfill mutual commitments of this Agreement, shall be settled by way of consultations between the authorized representatives of the Parties.

Article 10

This Agreement shall be open to any member State of the Community of Independent States to join.

Article 11

This Agreement shall come into force from the date on which the third notification on the fulfilment by the Parties of necessary inner-State procedures is given to a depositary for keeping.

The Agreement is concluded for the period of five years and shall be automatically extended for the following five-year period. Any Party may leave this Agreement by sending the depositary, six months before leaving, an official notification on its intention to leave the Agreement.

Done in the city of Moscow on 15 April 1994, in one original, in Russian. The original of the Agreement shall be kept in the Archive of the Government of the Republic of Belarus, the depositary of this Agreement, that will send its certified copy to the signatories to this Agreement.