

GOVERNMENT OF THE REPUBLIC OF LITHUANIA

RESOLUTION No 1122

**ON TEMPORARY ECONOMIC MEASURES TO FACILITATE THE EXPORT OF
LITHUANIAN GOODS, PROTECT THE INTERNAL MARKET AND
STRENGTHEN LITHUANIA'S POSITION THEREIN**

17 September 1998

Vilnius

Taking into account the changes on the Russian monetary and financial market and increased import duties levied on goods imported to Russia, the Government of the Republic of Lithuania has resolved:

1. To approve temporary economic measures to facilitate the export of Lithuanian goods, protect the internal market and strengthen Lithuania's position therein (attached hereto).

2. To assign the Ministry of National Economy to co-ordinate and supervise the enforcement of the present resolution.

Prime Minister

Gediminas Vagnorius

Minister of Economy

Vincas Babilius

APPROVED

Resolution No. 1122
of 17 September 1998

by the Government of the Republic of Lithuania

Temporary Economic Measures to Facilitate the Export of Lithuanian Goods, Protect the Internal Market and Strengthen Lithuania's Position Therein

Measure (comments)	Expected effect or substantiation	Legal acts	Date of implementation	Responsible executive authority
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Measures to promote export (improved formation of working capital and funding possibilities)

Measure (comments)	Expected effect or substantiation	Legal acts	Date of implementation	Responsible executive authority
adopted on 7 August 1998 by the Customs Department under the Ministry of Finance to the effect that the goods have been dispatched from the territory of the Republic of Lithuania.				
3. To recognise the fact of export by sound economic entities on the basis of information stored in the magnetic carriers of a territorial customs office.	It will improve the financial possibilities of enterprises.		Implemented: Order No. 183 "On the Recognition of Goods as Exported" adopted on 7 August 1998 by the Customs Department under the Ministry of Finance.	Customs Department under the Ministry of Finance
Profit tax				
4. To ensure the implementation of the provisions of the Law on Taxes on Profits of Legal Persons of the Republic of Lithuania: territorial customs offices shall immediately examine and make relevant decisions about the reduction of advance payments of profit tax or relief from such payments due to diminished income from sales related to the Russian financial crisis.	It will help the specified enterprises resolve the problem of working capital shortage related to the Russian financial crisis.	To draft a decision by the head of the State Tax Inspectorate under the Ministry of Finance.	Without delay.	State Tax Inspectorate under the Ministry of Finance

Measure (comments)	Expected effect or substantiation	Legal acts	Date of implementation	Responsible executive authority
Arrears				
5. To draft an Order of the Minister of Finance concerning Article 52 ¹ of the Law on the Administration of Taxes of the Republic of Lithuania (procedure of postponement of payment of tax arrears to the budget and funds) by the Minister of Finance.	It will help the specified enterprises resolve the problem of working capital shortage related to the Russian financial crisis.	To draw up an order by the Minister of Finance.	25 September 1998	Ministry of Finance, State Tax Inspectorate under the Ministry of Finance
Export and import insurance				
6. To supplement Government resolutions regulating the activities of the Lithuanian Export and Import Insurance Company in order to remove the remaining obstacles to the company's successful performance and expand political risk insurance (insurance settlements from the Export Development Fund).	It would enable to release the working capital by utilising LTL 60 million allocated to guarantee the company's activities (commodity loans and political risk insurance)	Government Resolution No. 713 "On Business Development Measures" of 3 July 1997 (<i>Official Gazette</i> , 1997, No. 65–1587)	25 September 1998	Ministry of National Economy, Lithuanian Export and Import Insurance Company, Ministry of Finance, Bank of Lithuania
7. To establish a procedure for partial coverage of commodity loan commercial risk insurance contributions from the Lithuanian Export Development Fund.	This measure is currently used to subsidise export loan insurance contributions. Such subsidy assistance will be expanded.	To draw up an order by the Minister of Economy.	20 October 1998	Business Development Council under the Ministry of National Economy
8. To authorise the Ministry of Finance which is the holder of the Government shares in the public company Lithuanian Insurance as well as the Ministry of National Economy which is the holder of Government shares in	It will provide for guarantees in case of an insurance event.	To draft a resolution of the Government of the Republic of Lithuania.	October 1998	Ministry of Finance, Ministry of National Economy

Measure (comments)	Expected effect or substantiation	Legal acts	Date of implementation	Responsible executive authority
the private company Lithuanian Export and Import Insurance to find reinsurers.				
Measures to regulate foreign trade				
Import duties				
9. To amend and supplement Government Resolution No. 268 “On the Procedure of Export and Import Regulation in the Republic of Lithuania” of 24 March 1997 (<i>Official Gazette</i> , 1997, No. 27–645).	It would enable to adequately react to changes in import duties levied on Lithuanian goods by Russia.	To submit a draft resolution of the Government of the Republic of Lithuania	September 1998	Ministry of National Economy, Ministry of Agriculture, Customs Department under the Ministry of Finance

Measure (comments)

Expected effect or
substantiation

Legal acts

Date of
implementation

Measure (comments)	Expected effect or substantiation	Legal acts	Date of implementation	Responsible executive authority
implementation of the adopted legal acts which protect the internal market from contraband goods harmful to consumers and create more favourable conditions to sell locally produced goods:				
18.1. to ensure that the goods imported to and produced in Lithuania are labelled in accordance with the Regulations approved by Order of the Ministry of National Economy No. 137 of 16 April 1998;	It would enable to sell more goods produced in Lithuania and identify illegal importers more easily.		by 1 January 1999	Ministry of National Economy, State Competition and Consumer Protection Office under the Government of the Republic of Lithuania, State Quality Inspection, State Public Health Centre, State Hygiene Inspection, State Nutrition Centre, State Tobacco and Alcohol Control Service under the Government of the Republic of Lithuania
18.2. to reduce the import of goods with an almost expired shelf life and ensure that the shelf life of goods is not extended.	It would increase the competitiveness of Lithuanian-made goods and their sales.		Without delay.	State Competition and Consumer Protection Office under the Government of the Republic of Lithuania, State Quality Inspection, State Public Health Centre, State Hygiene Inspection, State Nutrition Centre
19. To monitor the quality and safety of foodstuffs brought to Lithuania in order to find out the reasons behind	It would prevent imports of low-quality goods.	In accordance with the monitoring results, to draft amendments to the	by 15 October 1998	Ministry of Health Care, Veterinary Service under the Government of the Republic

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		of Conformity to Safety Requirements for Household and General Use Electronic Devices” adopted on 29 June 1998 by the Ministry of Industry and Trade and the Lithuanian Standards Board under the Ministry of Public Administration Reforms and Local Authorities		
		Government Resolution “On Obligatory Certification of Computing Machinery” of 26 June 1997	by 15 October 1998	Ministry of Communications
21. To draw up proposals on strengthening the structural unit within the State Competition and Consumer Protection Office under the Government of the Republic of Lithuania to analyse and supervise anti-dumping issues.	In an effort to prevent foreign export to Lithuania at dumping prices, it is necessary to strengthen the specified structural unit which addresses antidumping issues in order to speed up the solution to these questions.	To draft a Government Resolution on the appointment of 2-3 additional full-time employees in the antidumping unit.	September 1998	State Competition and Consumer Protection Office under the Government of the Republic of Lithuania, Ministry of Finance, Ministry of National Economy
22. To speed up the enforcement of „Codex Alimentarius“ and European Union veterinary and phytosanitary standards and regulations.	It would impede the import of low-quality, harmful or possibly harmful goods.	implementation of Government resolutions	subject to provided terms	State Veterinary Service, State Plant Protection Service

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	provides for measures to liberalise bilateral trade and facilitate the export of goods originating in Lithuania.			
27. To draft a protocol between the Lithuanian Ministry of National Economy and the Russian Ministry of Industry and Trade on additional measures to liberalise bilateral trade.	The draft protocol provides for the co-ordination of a list of exported and imported goods whereon zero or preferential customs tariffs are levied and respective quotas are set.	To sign a protocol between the Lithuanian Ministry of National Economy and the Russian Ministry of Industry and Trade (after having signed an agreement on additional measures to develop bilateral trade)	September-October 1998	Ministry of National Economy, Ministry of Foreign Affairs, Ministry of Agriculture, Lithuanian Industrialists' Confederation, National Employers' Confederation
28. Taking into account the current changes on the Russian monetary and financial market, to discuss possible economic measures at a meeting of the Lithuanian group of the Lithuanian and Russian bilateral governmental commission for commercial, economic, scientific and technical, and cultural co-operation.	The commission will discuss measures to boost the activities of both working groups and speed up the preparation of agreements to be signed during the Lithuanian Prime Minister's visit to Russia.		September 1998	Ministry of Foreign Affairs, Ministry of National Economy, Ministry of Finance, Bank of Lithuania
29. To speed up the co-ordination of the draft agreement between the Government of the Republic of Lithuania and the Government of the Russian Federation for the avoidance of double taxation of income and on			1998	Ministry of Finance, State Tax Inspectorate under the Ministry of Finance, Ministry of Justice, Ministry of Foreign Affairs

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capital.				

30. To speed up the co-ordination of the draft agreement between the

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	environment.			
