

LAW OF UKRAINE

On Amendments to Article 16 of the Law of Ukraine "On Foreign Economic Activities"

The Supreme Rada of Ukraine hereby resolves:

1. To restate Article 16 in the Law of Ukraine "On Foreign Economic Activities" (959-12) (Vidomosti Verkhovnoji Rady URSR, 1991, No. 29, page 377; Vidomosti Verkhovnoji Ukrainy, 1993, No. 5, page 33, No. 12, page 109, No. 17, page 184; 1994, No. 20, page 120; 1999, No. 7, page 49; 2000, No. 24, page 186, No. 38, page 318; 2002, No. 17, page 121) as follows:

"Article 16. Licensing of Foreign Economic Operations

Licensing of foreign economic operations is defined as a set of actions by an agency of executive power that are concerned with a grant of permission to a subject of foreign economic activities to export (import) goods.

Exports (imports) of goods shall be licensed in the form of automatic or non-automatic licensing.

Automatic licensing is defined as a set of actions by an agency of executive power that are concerned with a grant of permission to a subject of foreign economic activities to export (import) goods for a specified period of time, with respect to which goods no quotas (qualitative or other restrictions) have been prescribed. Automatic licensing of exports (imports) as an administrative procedure for completion and issuance of licenses shall not have a restricting impact on goods whose exportation (importation) is subject to licensing.

Non-automatic licensing is defined as a set of actions by an agency of executive power that are concerned with a grant of permission to a subject of foreign economic activities to export (import) goods for a specified period of time, with respect to which goods there have been prescribed quotas (qualitative or other restrictions). Non-automatic licensing of exports (imports) as an administrative procedure for completion and issuance t

abrupt deterioration of the balance of payments and external payments (if other measures are ineffective);

an abrupt decrease in or a minimal amount of gold reserves;

a need to ensure protections for human, animal or plant life and health, the environment, public morals, national artistic, historical or archeological riches or protection of intellectual property rights, as well as pursuant to national security requirements;

importation of precious metals, except for bank metals;

a need to apply measures aimed to protect domestic producers;

a need to ensure protections for patents, trademarks and copyright;

a need to secure compliance with Ukraine's international treaties and agreements.

Decisions to introduce a regime of licensing for exports (imports) of goods, including imposition of quotas (quantitative or other restrictions), shall be adopted by the Cabinet of Ministers of Ukraine upon submissions of the central agency of executive power for economic policies with indication of a list of specific goods whose export (import) is subject to the regime of licensing, and time periods during which such regime and quantitative or other restrictions will be in effect with respect to each of the goods.

In the event that anti-dumping, countervailing or special measures aimed to protect domestic producers are applied, a decision to introduce a regime of licensing shall be adopted by the Inter-Agency Commission on Foreign Trade pursuant to law.

Only one type of license may be introduced for each type of goods.

Licenses shall be issued by the central agency of executive power on economic policy affairs and, within the limits of powers granted thereto, by a competent agency of the Autonomous Crimean Republic, a structural unit of the Oblast, Kyiv and Sevastopol City State Administrations.

Licenses shall be issued on the basis of applications filed by subjects of foreign economic activities, which applications must be filed in the form as is prescribed by the central agency of executive power on economic policy affairs.

As a rule, applicants must apply to one agency of executive power. If it is necessary to obtain confirmation, it shall be possible to apply to several agencies of executive power, but not more than three such agencies.

Applications for licenses shall be reviewed in the order as they have been received, which order will be determined by dates, on which such applications were registered, or shall be reviewed altogether upon the lapse of the deadline for their filing.

The following details must be indicated in an application for a license: the full name of a subject of foreign economic activities, the last name and first name of its manager, the name and code of a good (goods) pursuant to the Ukrainian Classification of Good in Foreign Economic Activities (the UCG FEA) (2371-14), the name of a producer, a customer of the good (goods), the code and name of a country (countries) of origin and designation – in the event of exportation, the code and name of a country (countries) of origin and shipment – in the event of importation, the term of the license, the quantity and value of the good (goods), the code and name of a customs office, the full name and address of a seller and a buyer, the type of a transaction, currency of payment, the main and additional units of measure and the price of the good (goods), confirmations with agencies of executive power (if need be), and special terms and conditions of the license.

Documents and information, which are considered as necessary to confirm data specified in an application and a foreign economic agreement (contract), may be required to be filed together with the application.

An application may not be rejected in the event of errors committed in documents that are submitted in order to obtain a license, if such errors do not change the basic data contained in the application. Data contemplated by terms and conditions of the foreign economic agreement (contract) shall be re

The central agency of executive power in the customs area shall provide the central agency of executive power on economic policy affairs with information on quantities of exports (imports) of goods under the issued licenses.

Commodity exchange (barter) operations shall be licensed in the event that the subject matter of these operations is goods whose exportation (importation) is subject to licensing.

Exportation (importation) of disks for laser re