

## **Draft Law of Ukraine 7127**

### **On Introduction of Changes to the Law of Ukraine “On Application of the Special Measures to Ukrainian Imports”**

Verkhovna Rada of Ukraine resolves:

1. To make the following changes to the Law of Ukraine “On Application of the Special Measures to Ukrainian Imports”:

1). In the preamble of the Law the wording “from other countries, custom unions or economic groupings” shall be changed for “irrespective of the country of origin and goods export”;

2). In Article 1:

Item 4 shall be supplemented with the following paragraph after paragraph 6: “consumers, association of consumers”.

In this connection paragraph 7 shall be acknowledged as paragraph 8;

Item 12 shall read;

“12) period of investigation – period during which the Ministry investigates the dynamics of increase of quantity of import of goods, which is the object of investigation, and trade and financial state of a national goods producer.”;

3). First part of Article 2 shall read:

“1. This Law shall be applied with regard to transactions dealing with import of any goods irrespective of the country of origin and export”;

4). In Article 7:

in paragraph two of part 1 the wording “on the tenth day” shall be changed for “in a month”;

Part two after paragraph 5 shall be supplemented with new paragraphs of the following content:

“At the meetings of the Commission the decisions on the following issues are taken:  
institution or refusal in institution of a special examination as for goods import;

application of the previous special measures with regard to import of goods which is the object of examination;

application the measures of supervision after the import of goods which is the object of investigation;

application of special measures with regard to import of goods which is the object of investigation;

application of a special investigation without application of special measures;

liberalization of special measures with regard to goods import;

reviewing of special measures with regard to import of goods;

cancellation of special measures with regard to goods import;

others for this Law execution.

In this connection paragraph 6 shall be acknowledged as paragraph 16;

Second part of Article 8 shall read:

“2. Investigation period lasts, as a rule, from one to three years. Sometimes this period may exceed three years.

The duration of the period of investigation shall be determined by the Ministry”;

6). In the second part of Article 9 :

in paragraph 1 the wording “ within the period of 5 days after the decision, mentioned in the first part of this Article, has been taken by the Commission” shall be eliminated;

item 3 shall be eliminated;

7). Second sentence of paragraph 3 of the third part of Article 10 shall be eliminated;

8). In the first part of Article 11:

item 4 shall read:

“4). The Ministry has preliminarily stated that there exist circumstances when the delay in application of the preliminary special measures could be harmful and it would be difficult to eliminate the consequences of it”;

In point 5 the word “significant” shall be eliminated;

9). In the second part of Article 13:

the second sentence of item 3 after the wording “(in other words drop in prices or obstacles for rise in prices which, as a rule, took place) shall be supplemented with the wording “the productiveness of labor; use of basic assets”, and after the wording “the amount of revenue” – with the wording “or losses”;

The part shall be supplemented with the following paragraph:

“In case when besides the increase of import volumes there simultaneously exist other factors which can be harmful for a national goods producer, increase of import volumes shall not be considered to be the reason for damaging”;

10). The seventh part of Article 14 shall read:

“7. The period of application of measures of supervision is limited and can not exceed the period of implementation of a special investigation”;

11). In item 1 of the fourth part of Article 15 the wording “the price of goods for transaction implementation exceeds the price stated in permit for import by more than 5 percents, or” shall be implemented;

12). In Article 16:

item 1 of the first part shall be eliminated;

in paragraph 3 of the third part the wording ‘the name of exporting country’ shall be eliminated;  
the sixth part shall read:

“6. In case there is no sufficient rationale of necessity to determine another level in order to prevent or eliminate consequences of significant damage, the marginal quote level can not be lower than the weighted average of the volume of import of goods for the last three years, which is the object of a special investigation”;

the Article shall be supplemented with a new part of the following content after the ninth part:

“10. During the process of investigation the Commission can take a decision on cessation of a special investigation without application of special measures. The indicated decision shall be taken by the Commission by a majority vote after the Ministry has submitted conclusions and a report on the results of a special investigation “.

In this connection, parts 10 and 11 shall be acknowledges as parts 11 and 12 correspondingly;

Part 11 after the wording “on the instructions of Commission” shall be supplemented with the wording “publish in a newspaper a relevant notification and”;

13). In Article 18:

the first part shall read:

“1. Special measures shall be applied during the period necessary to prevent and eliminate consequences of significant damage and to facilitate the process of economic adaptation of a national goods producer to the conditions of competition. This period can not exceed 4 years, unless prolonged in the case when the Commission has revealed the circumstances mentioned in the second part of this Article”;

paragraphs 2 and 3 of the second part shall read”

“there still exists the need to apply the measures in order to prevent and eliminate consequences of significant damage;

there exist proves that an interested national goods producer is in the process of adaptation to the conditions of competition”;

The fourth part shall read:

“4. In case when the period of application of special measures exceeds one year such measures shall be gradually liberalized in regular (equal) intervals during the period of their application”;

14). In the first part of Article 19:

paragraph 2 shall be eliminated;

the part shall be supplemented with the following paragraphs:

“In case when the period of application of special measures exceeds three years, such measures are subject to liberalization not later than after the end of the half of this period. When possible, special measures shall be cancelled or their liberalization is speed up.

Measures, period of application of which is prolonged in accordance with the second part of Article 18 of the Law, can not be limiting to more extent than they have been at the end of the previous period, and shall be subject to further liberalization”.

2. This Law comes into effect on the day of its publication.