

**Regulation on Allocation of Tariff Rate Quota
on Raw Cane Sugar Importation Into Ukraine
(31.01.2006)**

1. General

- 1.1. This Regulation establishes the procedure of the annual allocation of a tariff rate quota on raw cane sugar imported into Ukraine from WTO member-states.
- 1.2. The tariff rate quota amounts shall be set by a Law of Ukraine and shall constitute not less than 260 thousand tons annually from the moment of Ukraine's accession to the WTO.

2. Quota Allocation Procedure

- 2.1. During the first year upon Ukraine's WTO accession, the respective tariff rate quota shares of the supplying countries shall be determined in proportion to the volumes of supplies during preceding three years when import of raw cane sugar into Ukraine was subject to quota. The share of 20 % of the global tariff rate quota shall be reserved for new countries interested in supplying raw cane sugar to Ukraine.
- 2.2. In the following years, a supplying country which supplied raw cane sugar in preceding year shall be granted a quota share in proportion to the volume of raw cane sugar supplied in preceding year. The share of 80 % of the global tariff rate quota shall be reserved in the following year for the countries which supplied raw cane sugar into Ukraine in preceding year. The share of 20 % of the global tariff rate quota shall be distributed in equal proportion among countries which didn't supply raw cane sugar in preceding year.
- 2.3. The share of 20 % of the global tariff rate quota reserved for new supplying countries shall remain in effect until October 1 of the current year. In the absence of the aforementioned new entrants, the reserved proportion of the quota shall be distributed within a one-month's term following the procedure as determined in Para. 2.1.
20 percent for new suppliers will be reserved each year. After supplying raw sugar during the first year, new suppliers will be included in the "supplying countries" category for following years.
- 2.4. The notification regarding the introduction of the quota, its amount and shares of supplying countries shall be published in an official governmental publication of Ukraine not later than 90 days prior to January 1 of the following year (hereinafter quota year). The copies of such notification shall be forwarded to the WTO Secretariat for further notification of WTO member-states interested in supplying these products.
- 2.5. The Ministry of Economy of Ukraine shall provide responses to the queries concerning breakdown of the tariff rate quota for raw cane sugar within 10 working days.
- 2.6. The Ministry of Economy of Ukraine shall accept applications from importers requesting a license to supply the respective proportion of the quota as established for each supplying country.

- 2.7. Licenses authorizing raw cane sugar supplies shall be issued by the Ministry of Economy of Ukraine on “first come – first served” basis pursuant to the Regulation "On the Procedure for Import Licensing",. Each share of the tariff rate quota shall be allocated in transparent and fair way to ensure its complete utilization.
- 2.8. An importer failing to meet in full the volumes of the allocated tariff rate quota as stipulated in its license, will be obliged to return it to the Ministry of Economy of Ukraine for its urgent re-allocation before September 1 of the quota year.
- 2.9. The Ministry of Economy shall, before September 5 of the quota year, submit a notice on re-allocation of tariff rate quota to the supplying country, to which the unused share belongs.
- 2.10. The supplying country, which returned the unused share of tariff rate quota, shall inform the Ministry of Economy before September 20 of the quota year about its decision on further utilization of the returned tariff rate quota.
- 2.11. By means of official publication of the Government of Ukraine, the Government shall give a notice before October 1 of the quota year that it is accepting applications for the issuance of licenses corresponding to the allocations of tariff rate quota refused by the supplying country.

The applications requesting a license shall be considered on “first come – first served” basis. Licenses authorizing raw cane sugar supplies shall be issued by the Ministry of Economy of Ukraine on “first come – first served” basis

- 2.12. An importer failing to meet in full the volumes of the allocated tariff rate quota as stipulated in its license and failing to furnish a timely notice that it will surrender the unused share shall be penalized pursuant to the “Regulation on the Procedure for Import Licensing”.
- 2.13. In the event of force-majeure circumstances have caused the delay in the delivery and handling of a shipment during the period that the tariff rate quota is in effect, such period may be extended for the respective duration of the force-majeure. The fact of force-majeure circumstances must be confirmed by the Chamber of Commerce or other authorised bodies of the relevant country.
- 2.14. Should a shipment delivered within the tariff rate quota framework fail to get clearance envisaged by the legislation of Ukraine at the time of entering the customs territory of Ukraine, such shipment shall be removed from the customs territory of Ukraine and the corresponding quota share shall be considered unused.

3. Control Over Raw Cane Sugar Importation

- 3.1 The Ministry of Economy of Ukraine shall, before the first day of each month following the reporting month, notify the State Customs Service of Ukraine of licenses issued during the preceding month.
- 3.2 The State Customs Service of Ukraine shall, on a monthly basis and before each tenth day of the month following the reporting month, furnish statistical data on the

actual tariff rate quota utilization to the Ministry of Economy of Ukraine and to the Ministry of Agrarian Policy of Ukraine.

- 3.3 The Ministry of Economy of Ukraine shall, on a monthly basis, publish information concerning the actual tariff rate quota utilization in an official governmental publication of Ukraine.
- 3.4 Importation of raw cane sugar into the customs territory of Ukraine shall be permitted on the basis of licenses issued by the Ministry of Economy of Ukraine and payment of applicable customs duties and fees.
- 3.5 Control over observance of applicable laws governing raw cane sugar importation shall be the responsibility of the State Customs Service of Ukraine.

4. Consultations

- 4.1 Seeking to ensure transparent, fair and non-discriminatory allocation of tariff rate quotas Ukraine shall, subject to requests from any WTO member-state, carry out consultations with WTO member-states on all relevant matters.