

AGREEMENT

on General Conditions and Mechanism of Support of the Development of Industrial Cooperation of Enterprises and Branches of Member States of the Commonwealth of Independent States.

The governments of Member States of this Agreement, hereinafter referred to as Parties, with the aim of implementing decisions of the Council of Heads of the CIS Countries adopted on May 14, 1993 and September 24, 1993 in Moscow, as well as for achieving goals and implementing principles of the Economic Union;

taking into account the current technological interaction between scientific, technical and industrial potentials of the states;

acknowledging a decisive role of direct industrial cooperation of economic agents of the CIS states in creating of a common economic zone based on free market principles;

in an effort to ensure favorable conditions for sustaining and enhancing industrial cooperation and direct links among enterprises and branches within the CIS for mutual benefit,

have agreed upon the following:

Article 1

The Parties will take effective measures to ensure government support for the implementation and development of cooperation among enterprises of all types of ownership, as well as among sectoral and intersectoral complexes on the basis of their direct industrial links and within the framework of financial and industrial groups, transnational industrial associations, and joint ventures.

Article 2

The Parties will pursue coordinated policy in developing international specialization and industrial cooperation, conditions of their implementation; in determining priorities in industrial branches; in facilitating the development and implementation of joint projects and programs; in conducting multilateral industrial coordination, including conversion of the defense sector.

Article 3

The Parties have agreed that:

Deliveries of goods made along cooperation lines are deliveries of raw materials, materials, units, machine components, spare parts, billets, semifinished products,

components and other articles of sectoral and intersectoral significance, which are technologically interrelated and necessary for joint production of the final product;

provision of services are project and repair works, technical maintenance and technological operations;

deliveries within the framework of customs regimes of goods processing are deliveries of goods made in compliance with the conditions, established by the Parties' customs legislation, unless this Agreement states otherwise.

Article 4.

The Parties admit, that the main element of industrial cooperation and direct links are agreements (contracts), concluded by economic agents on the basis of appropriate intergovernmental, sectoral and interdepartmental agreements, which prior to the establishment of a customs union serve as a basis for customs bodies for allowing goods delivered along cooperation lines across the border. Customs clearance of goods is accomplished in accordance with this Agreement and the procedure provided for in the customs legislation of the Parties.

Article 5.

The Parties shall commit themselves not to apply import and export duties, taxes, excise taxes and quantitative restrictions concerning goods, delivered along cooperation lines within the framework of customs processing regimes.

The Parties have agreed that their competent organizations will elaborate a specific procedure for enforcing this article.

Article 6.

The order of deliveries of special components for the production of arms and military equipment, as well as the order of deliveries of other special goods, liable to non-tariff regulation measures to ensure the observance of established international guarantees, shall be determined by individual intergovernmental agreements.

Article 7.

The Parties shall not block the opening of accounts with their banks, performed in compliance with the procedure and terms, provided for in their national legislation. The Parties shall charge appropriate organizations with bringing together the legislation and management practice in this field.

The Parties have agreed to refrain from demanding payment for delivered goods (works, services) in hard currency.

Article 8.

The Parties proceed from the assumption that enterprises of the Parties which concluded this Agreement sell goods (works, services) produced by them at prices, established by them by mutual consent.

The Parties have agreed to ensure necessary conditions for free payment for deliveries of goods and services, indicated in Article 3 of this Agreement.

The order of opening and keeping mutual accounts shall be established as agreed among central (national) banks of the Parties.

Article 9.

If need be, the Parties shall coordinate the conditions of granting credits and investments, which enhance cooperation in science-intensive industries and export-based branches and production of import-substituting goods.

Article 10.

The Parties have agreed that raw materials, materials and components delivered under this Agreement, shall not be liable to reexport into the third countries, including foreign natural persons, legal entities or international organizations without written consent of an authorized body of the state-supplier.

Article 11.

With the aim of strengthening integration in the production sector, the Parties have agreed to consistently work on coordination and bringing together national legislation with respect to economic agents concerning the regulation of cooperation among enterprises and sectors.

Article 12.

The Parties organize joint work on the following issues:

- drafting model agreements and long-term production cooperation agreements;**
- carrying out marketing, leasing surveys and organizing exhibitions, providing advertising services;**
- developing up-to-date information communication channels facilitating search for partners, preparation, conclusion and implementation of agreements (contracts) among the CIS countries and other interested countries;**
- implementation of joint preparation of specialists.**

Article 13.

This Agreement is subject to ratification by the Parties in accordance with their constitutional procedure and shall come into force upon submission of the third ratification deed to the state-depositary.

The ratification deeds shall be submitted to the depositary of this Agreement - the Government of the Republic of Belarus. The Depositary shall notify all the contracting Parties and states that have acceded to the Agreement of each deposited document.

Any CIS country is eligible to join this Agreement as are the third countries that recognize its provisions, upon approval of the participants of the Agreement.

Article 14.

This Agreement shall be concluded for an unlimited time period. The Agreement can be denounced by the Parties. The denunciation shall come into force for the Party, that has made the appropriate statement, within 6 months of receipt of the statement by other Parties.

Done in the city of Ashgabat on December 23, 1993 in one authentic copy in the Russian language. The authentic copy is kept in the Archives of the Government of the Republic of Belarus that will send a certified copy of it to the states that signed this Agreement.