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**Working Party on the
Accession of Ukraine**

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ACCESSION OF UKRAINE

Replies to the Additional Questions posed to the Memorandum on Agricultural Trade Policy of Ukraine

Addendum

The following information has been received from the Governmental Commission on Ukraine's Accession to WTO.

Question 1.

Please provide the Working Party with an updates on the implementation of the transfer of shares program. To what extent has this been completed?

Reply:

We are not certain what is meant by this question.

We assume, hopefully correctly, that it refers to the privatization of agricultural entities. As stipulated in the Memorandum of Economic Policy for the Period from 1 July 1998 to 30 June 2001, adopted by the Cabinet of Ministers of Ukraine, the National Bank of Ukraine and the International Monetary Fund¹, four hundred forty-three grain processing plants have already been privatized with private placement of more than 70 per cent. Total amount of grain processing plants in Ukraine is 543. 100 plants are still held by the State Stock Company "Khlib Ukrainy" which also is in the process of an ownership transformation.²

Question 2.

How are agricultural subsidies provided in Ukraine?

¹ As a matter of information, the Supreme Rada passed a resolution stating that the National Bank and the Cabinet of Ministers exceeded their powers in adopting the Memorandum. The Rada further alleged that these bodies had no right to undertake many of the obligations stipulated in the Memorandum. Thus, according to the Rada, the National Bank and the Cabinet of Ministers violated the Constitution of Ukraine (Article 85), as the Constitution provides that it is the sole prerogative of the Rada to determine the fundamental directions of Ukraine's foreign policy. The Rada demanded that the Memorandum be amended immediately (See Resolution of the Supreme Rada "On the Memorandum of Economic Policy for the Period from 1 July 1998 to 30 June 2001, adopted by the Cabinet of Ministers of Ukraine and the National Bank of Ukraine," No.565-XIV, of 26 March 1999). However, the Rada did not specify what amendments are required.

² Detailed information concerning privatization has been circulated in documents WT/ACC/UKR/72 and WT/ACC/UKR/72/Add.1.

Reply:

See reply to Question 9.

Question 3.

When are they paid (end of year? end of sowing season? at the start of year as a credit or as a loan?)? If the latter, what levels of interest are applied?

Reply:

See reply to Question 9.

Question 4.

Which Ukrainian banks (if any) are involved in the disbursement of Government subsidies?

Reply:

See reply to Question 9.

Question 5.

Which Ukrainian Government agency is responsible for the provision of subsidies to the regions of Ukraine?

Reply:

See reply to Question 9.

Question 6.

Which Ukrainian Government organization determines where the subsidies should be directed?

Reply:

See reply to Question 9.

Question 7.

What is the criteria used to determine which enterprise should be subsidized?

Reply:

See reply to Question 9.

Question 8.

What mechanism is in place to track the delivery of subsidies to ensure that they are received by the designated recipient?

Reply:

See reply to Question 9.

Question 9.**How is inflation factored into subsidy payments?**Reply:

The state budget provides some funds for the support of agriculture (such support was envisaged in the amount of 104 mln. hryvnas for 1999). In reality, due to a chronic annual budget deficit no agricultural subsidies are disbursed in Ukraine. There is not even a mechanism in existence to disburse subsidies. The only way the Government becomes involved in agricultural production is through the distribution of fuel, lubricants, seeds and fertilizers supplied from the State Reserves. These supplies are distributed from the state reserves, and they must be paid for. The amount budgeted for this purpose in 1999 was 4.7 billion hryvnas. Invoices are submitted with respect to them, and claims are made for the payment of the invoices. In some cases, where the respective farms have funds, the payments are made in cash or in kind. Most of the agricultural enterprises (about 86 per cent) are unable to pay. Lacking liquidity, they are not able to pay wages (more than 2 billion hryvnas in wage arrears), and they certainly cannot pay for the supplies they receive from the government. The state, to the extent the supplies are available, continues to distribute them in order to prevent people literally from starving.

Due to a total lack of funds, exacerbated by a generally poor economic situation, farms are not in a position to meet any of their debts. There is no question of agricultural enterprises being subsidized. The government has serious budget constraints. Consequently it is unable to provide financial resources for agriculture either on a central or a local level. The government, as it has been extensively documented, is not in a position to alleviate the impecunious condition of agriculture beyond the supplies mentioned above. And even for such supplies it expects to be reimbursed.

Current conditions prevent the development of an effective production system for the agricultural sector of the economy. To bring about a change in the agricultural sector, it will have to be extensively recapitalized, but this will be impossible without massive outside help.

About 1,400 private farms reported to exist in Ukraine are supposed to operate successfully without any aid. On 3 December 1999, the President issued a decree ordering the breaking up of the collective farms and dividing the property among individual farmers. The decree requires the process to be completed by 2000.

Question 10.**How does Ukraine propose to list the kinds of support mechanism it details in the memorandum in its AMS tables?**Reply:

AMS tables have been circulated in document WT/ACC/SPEC/UKR/1/Add.4.

Question 11.**What is the criteria used to write off debt?**

Reply:

According to the Decree of the President "On the Writing Off and Restructuring of Tax Debts of Agricultural Enterprises and Sugar Plants, Which are Taxpayers as of January 1, 1998," No.651, of June 18, 1998, all agricultural enterprises are eligible for the write-off of fines for overdue tax payments. The enterprises also have the right to request the restructuring of their tax debts. As mentioned in the answer to question 9, most agricultural enterprises are heavily indebted. They are not in a position to satisfy their financial commitments, and their solvency is in question. Write-offs take place for bad debts due for long periods of time. Write-offs also occur in mergers and restructuring situations.

Question 12.

How is inflation factored into tax write-off calculations?

Reply:

Inflation is not taken into account in tax write-off calculations

Question 13.

What is this "experimental tax" referred to in the Memorandum?

Reply:

The essence of the experimental (or fixed) tax lies in the simplification and transparency of tax payment procedures and bookkeeping requirements for agricultural enterprises (one fixed payment instead of numerous taxes, e.g. income tax, social security, land tax and so on).

Secondly, it is considered (and already confirmed in practice) that the use of simplified tax will increase the amount of taxes collected despite the new fixed tax rate being lower than the rates of the former taxes. In other words, there is a simple explanation for the "experimental tax": its purpose is to simplify the tax regime which, in turn, is expected to increase revenues.

Question 14.

What precisely are the 'climatic and historic conditions' referred to in WT/ACC/UKR/62/Add 1 which exempt Starobeshevsky and Uzhhorod regions from VAT?

Reply:

First of all it should be pointed out that the Law "On the Experimental Introduction of the Single Fixed Agricultural Tax," No.25, of 15 January 1998 is not operative. A new law (the Law "On a Fixed Agricultural Tax," No.320-XIV, of 17 December 1998) effectively replaces it³. The fixed agricultural rate, described in the answer to question 13, is extended to the whole territory of Ukraine. The purpose of the experiment was to determine the functionality of the new method in different regions of the country. Selected regions of Ukraine have completely different climates, soil and agricultural practices. There are variations in different regions, and in the regions selected for the experiment they differ quite extensively from the rest of the country.

³ See answers to Questions 13 and 15 for further details.

There were no climatic reasons for exempting Starobeshevsky and Uzhhorod Regions from VAT. It was simply decided to experiment in both areas with the inclusion of VAT within the scope of the fixed tax in the one region and to exclude it in the other. Later on it was decided to exclude VAT from the list of taxes covered by the fixed agricultural tax. Consequently, the Law "On a Fixed Agricultural Tax," No.320-XIV, of 17 December 1998, which is currently in effect, provides that the fixed agricultural tax does not include VAT.

Question 15.

How were the rates of tax calculated (e.g.why 79.48 hryvna or 338 kgs of soft wheat...)? Please provide details of the formula used to develop these taxation rates.

Reply:

The fixed tax rate (FTR) is calculated as a percentage (K) of the land value (LV). The land value is determined in accordance with a special procedure adopted by the Cabinet of Ministers. The value varies depending on the terrain and the agricultural quality of land. The rates also vary from region to region for the same reason. Considering that there is no private ownership of the land used for agricultural production, the reason for the use of the above procedures as a method for the demonstration of land values becomes obvious.

The formula is as follows:

$$FTR = K \times LV$$

Fixed tax can be paid either in cash or in kind. The quantity of wheat mentioned in the Memorandum on the Agricultural Trade Policy of Ukraine (338 kgs) corresponds to the fixed tax due when it is paid in monetary form.

Question 16.

The Memorandum states that "In general, Ukraine used foreign loans for total amount 379.2 million...". Who used these foreign loans? Is that a reference to farmers, the collectives or the regional governments?

Reply:

The foreign loans mentioned in the Memorandum were provided to various Ukrainian companies and guaranteed by the government. The companies supplied agricultural sector enterprises with products (machinery, fertilizers, etc.) purchased with the funds they had borrowed through banks.

Question 17.

What is the value of the assistance to poultry and pork farms?

Reply:

The use of the term "assistance" is not clear.

If it refers to direct subsidies (availability of funds, supply of goods or services free of charge, etc.), then the answer is that there is no such assistance.

Question 18.

What are the conditions on the loan? When does the loan have to be paid back/how?

Reply:

The loans were repayable from profits derived from the sales of poultry and pork products. There were no express provisions for the methods and conditions of payment. Interest was not specified in any of the loan arrangements. Records of payments are not available.

The situation of farms growing poultry and pork became seriously critical in 1997. To prevent such farms from completely closing down the Cabinet of Ministers resolved on 29 December 1997, to grant loans to about four hundred and ten farms, selected by the Ministry of Agro-Industrial Complex together with local regional governments, amounting in total to about US \$30 million. These loans were required to be repaid prior to 1 December 1998. There were no specific criteria for the loans. They were granted simply to prevent mass insolvency which would aggravate even further the living conditions of rural population. The loans had no effect on population, and did not prevent further depletion of existing poultry and pork stocks.

Question 19.

Can Ukraine advise which pieces of legislation referred to in the Memorandum have actually been implemented and which have not?

Reply:

The following normative acts are in effect:

- The Land Code as amended by the Law "On the Introduction of Changes and Additions to the Land Code of Ukraine," No.2196-XII, of 13 March 1992.
- The Resolution of the Supreme Rada of Ukraine "On the Acceleration of Land Reform and Land Privatization," No.2200-XII, of 13 March 1992.
- The Law "On Ownership," No.697-12, of 7 February 1991.
- The Law "On Types of Ownership of Land," No.2073-12, of 30 January 1992.
- The Resolution of the Cabinet of Ministers "On the Privatization of Land Plots," No.15, of 26 December 1992.
- The Decree of the President of Ukraine "On the Urgent Measures on the Acceleration of Land Reform in the Field of Agricultural Production," No.666, of 10 November 1994.
- The Law "On Peculiarities of Property Privatization in the Agro-Industrial Complex," No.290-96, of 10 July 1996, as amended.
- The Law "On State Property Privatization," No.2163, of 4 March 1992.
- The Decree of the Cabinet of Ministers "On the List of Property Complexes of State-Owned -Enterprises, Organizations and Their Structural Units of the Main Production for Which Privatization and Transfer into Lease is not Permitted," No.26-92, of 31 December 1992 (with substantial amendments).
- A Resolution of the Supreme Rada of Ukraine "On Changes and Amendments to the List of Objects not Subject to Privatization Because of their All-State Importance," No.542/96 – VR, of 22 November 1996.
- The Law "On Changes to the List of Property Complexes of State-Owned Enterprises, Organizations and their Structural Units of the Main Production for which Privatization is not Permitted," No.537/97-VR, of 23 September 1997.

- The Resolution of the Cabinet of Ministers of Ukraine "On the Acceleration of Privatization of the Grain Procurement Enterprises," No.1218, of 5 November 1997.
- The Law "On the Fixed Agricultural Tax," No.320-XIV, of 17 December 1998.
- The Resolution of the Cabinet of Ministers "On the Establishing of the State Joint Stock Company "Khib Ukrainy," No.1000, of 22 August 1996.
- A protocol decision of the Cabinet of Ministers of Ukraine No.14, of 23 May 1997.
- The Decree of the President of Ukraine "On Measures for State Support of Agricultural Production," No.215 of 23 March 1998.
- The Law No.770, of 29 December 1997.
- The Resolution of the Cabinet of Ministers of Ukraine "On the Introduction of Amendments and Additions to the Resolution of the Cabinet of Ministers of Ukraine, No.977, of 3 September 1997," No.84, of 24 January 1998.
- The Law "On Value Added Tax," No.168, of 3 April 1997, as amended⁴.
- The Resolution of the Cabinet of Ministers "On Establishing the Interdepartmental Committee on Issues of Regulation of Food-Stuffs Market, Prices and Income of Agricultural Goods Producers," No.1026, of 6 July 1997, as amended.
- The Decree of the President of Ukraine "On the Main Directions of the Ukrainian Agro-Industrial Complex Development," No.389, of 29 April 1998.
- The Resolution of the Cabinet of Ministers "On Peculiarities of Carrying out Restoration (Sanation) of the Agro-Industrial Complex Enterprises," No.922, of 16 June 1998, as amended by Resolution of the Cabinet of Ministers "On Amending Certain Resolutions of the Cabinet of Ministers of Ukraine," No.996, of 9 June 1999.
- The Law "On Foreign Economic Activity," No.959-XII, of 16 April 1991, as amended.
- The Law "On the State Regulation of Import of Agricultural Produce," No.468, of 17 July 1997, as amended.
- The Law "On Introduction of Changes to the Law "On State Regulation of Import of Agricultural Produce," No.321, of 16 January 1998.
- The Law "On Introduction of Changes to Article 7 of the Law "On State Regulation of Import of Agricultural Produce," No.198, of 5 March 1998.
- The Resolution of the Cabinet of Ministers "On Introduction of Changes to the Rates of Import Duties for Certain Types of Agricultural Machinery and Equipment Thereto," No.1215, of 3 August 1998.
- The Law "On Export Duties for Alive Animals and Leather Raw Materials," No.180, of 7 May 1996.
- The Resolution of the Cabinet of Ministers "On the Mechanism of Regulation of Cane Sugar Supplies in 1998," No.892, of 16 June 1998.
- The Law "On the State Regulation of the Production and Trade in Ethyl Alcohol, Cognac and Fruit Spirits, Alcoholic Beverages and Tobacco Products," No.481, of 19 December 1995, as amended⁵.
- The Resolution of the Supreme Rada "On the Procedure for the Enactment of the Law "On State Regulation of Production and Trade in Ethyl Alcohol, Cognac and Fruit Spirits, Alcoholic Beverages and Tobacco Products," No.482/95, of 19 December 1995.
- The Resolution of the Cabinet of Ministers "On the Temporary Limitation of Export of Leather Raw Materials Used In Foreign Give-and-Take Raw Materials Transactions," No.353, of 23 March 1998.
- The Law "On Foreign Give-and-Take Raw Materials Transactions," No.327, of 15 September 1995, as amended by Law "On Adding and Amending the Law On

⁴ During the three year period (1997-1999) this law was amended 34 times.

⁵ This law was amended twice (in 1996).

Foreign Give-and-Take Raw Materials Transactions (On Oil Products Sold in the Ukrainian market)," No.958-XIV, of 15 July 1998.

- The Law "On the Taxation System," No.1251-XII, of 25 June 1991⁶.

The following normative acts are not in force:

- The Decree of the Cabinet of Ministers "On the Peculiarities of Property Privatization in the Agro-Industrial Complex," No.51-93, of 17 May 1993.
- The Resolution of the Cabinet of Ministers, No.452, of 13 May 1997.
- The Decree of the President of Ukraine "On the Fixed Agricultural Tax," No.652, of 18 June 1998.
- The Decree of the President of Ukraine "On the Measures of Support to Agricultural Goods Producers of Mountain Zones and Woodlands," No.870, of 10 August 1998.
- The Resolution of the Cabinet of Ministers "On the Procedure for the Calculation and Payment of Subsidies to Agricultural Goods Producers for Milk and Animals for Slaughtering Sold by such Producers to Processing Enterprises," No.145, of 26 February 1998.
- The Resolution of the Cabinet of Ministers "On the Introduction of Amendments and Additions to the Resolution of the Cabinet of Ministers No.145, of 16 February 1998," No.1096, of 15 July 1998.
- The Resolution of the Cabinet of Ministers "On Establishing the Terms of Seasonal Import Duties for Agricultural Produce in 1998," No.754, of 28 May 1998.
- The Decree of the President "On the Procedure of Importation into Ukraine of Certain Types of Oil in 1998," No.444, of 8 May 1998.
- The Resolution of the Cabinet of Ministers "On Quotas and Licensing of Export of White Sugar that will be Supplied to the Russian Federation in 1998 without Taxation with Import Duties," No.443, of 6 April 1998; 1 March 1999
- The Law "On the Rates of Excise Duty and Import Duties for Certain Goods (Produce)," No.313, of 11 July 1996, as amended⁷.
- The Resolution of the Cabinet of Ministers Ukraine "On the List of Goods of Critical Imports," No.1145, of 28 July 1998.
- The Resolution of the Cabinet of Ministers "On the List of Goods of Critical Imports Importation of Which is Carried Out Without Value Added Tax Payment," No.1106, of 10 October 1997.

The following normative acts are replaced by the Resolution of the Cabinet of Ministers "On the List of Critical Imports," No. 1080, of 18 June 1999:

- The Resolution of the Cabinet of Ministers of Ukraine "On the Introduction of Changes to the Resolution of Cabinet of Ministers of Ukraine, No.1200, of 3 August 1998," No.1552, of 29 September 1998;
- The Resolution of the Cabinet of Ministers "On the Rates of Excise Duty for Certain Goods and Produce," No.1200, of 3 August 1998.
- The Decree of the President of Ukraine "On the Rates of Excise Duty for Ethyl Alcohol Used by Domestic Goods Producers to Produce Medicinal Preparations," No.1616, of 12 October 1998.

⁶ This law is in force, but its text has been amended many times, and the law is now totally different from what it was at the time of its original enactment.

⁷ This law was amended six times in the course of 1997-1999.

The following normative acts are not enforced:

- The Law "On the Experimental Introduction of the Single Fixed Agricultural Tax," No.25, of 15 January 1998.
- The Resolution of the Cabinet of Ministers "On the Conditions of Supply of Agricultural Enterprises with Mineral Resources in 1998," No.977, of 3 September 1997
- The Resolution of the Cabinet of Ministers "On the Mechanism of Providing the Agro-Industrial Production with Oils and Lubricants," No.161, of 27 July 1998.
- The Resolution of the Cabinet of Ministers "On Overcoming the Crisis Situation in Stock-Raising and Poultry Farming and the Stabilization of the Industry Development," No.1474, of 29 December 1997.
- The Decree of the President "On the Measures to Support Prices and Income of Agricultural Goods Producers," No.614, of 11 June 1998.

Question 20.

Are prices being “supported?”

Reply:

See reply to Question 24.

Question 21.

If so, how are prices supported?

Reply:

See reply to Question 24.

Question 22.

Which Government Agency manages the country’s price support mechanism?

Reply:

See reply to Question 24.

Question 23.

On what criteria is a decision to support prices made?

Reply:

See the composite answer to Question 24.

Question 24.

Please advise the relevant legislative documents outlining such criteria.

Reply:

No mechanism has been developed for the implementation of the Decree of the President of Ukraine "On Measures to Support Prices and Income of Agricultural Goods Producers," No.614, of 11 June 1998 (which, in fact, was a framework action plan), and the decree is not in force any more (see the answer to question 19).

There are no funds available for the introduction of any price support measures. In any event, the decree expressly states that all measures, if they are introduced, should be in line with the international treaty obligations of Ukraine.

Question 25.

Could Ukraine explain why the measures outlined in Section 2 (d) of the memorandum are necessary?

Reply:

See reply to Question 27.

Question 26.

How much funding will be provided for the establishment of an infrastructure for the development of an agriculture produce market?

Reply:

See reply to Question 27.

Question 27.

Please provide more information about the State Fund for the Support of Prices and Incomes.

Reply:

These measures were introduced to stimulate the development of Ukraine's agro-industrial complex. Similarly to the other attempted reforms, the funding efforts, referred to above, resulted in no more than a framework action plan. They have never been implemented because there are no funds. In any event, the whole funding scheme seems rather controversial. As it is not in effect, an analysis of its character and content would be academic.

The State Fund for the Support of Prices and Incomes has not been created.

Question 28.

Please provide a more detailed explanation than that contained in WT/ACC/UKR/62/Add 1 about the Law on State Regulation of the Import of Agriculture Produce. Why are there preferential rates on machinery?

Reply:

Preferential rates on machinery are not included in the Law "On State Regulation of Import of Agricultural Produce," No.468, of 17 July 1997. High rates on agricultural machinery, which existed up to August 1998, resulted in increased prices for agricultural products. Because of the high rates, the

machinery prices were also too high to be affordable to Ukrainian agricultural sector entities. That is why the rates were considerably decreased (down to 0.2%).

Question 29.

Please advise the goods which will be charged a higher import duty rate as a result of Resolution 98/99 “On Measures Aimed at Protecting the Domestic Market from Imported Products and Foodstuff”.

Reply:

See reply to Question 30.

Question 30.

How was the decision reached to increase the rates on particular goods and not on others?

Reply:

The Directive of the President “On Measures Aimed at Protecting the Domestic Market from Imported Products and Foodstuff,” No.98/99-RP, of 17 May 1999 (ref. in Question 29 above as Resolution 98/99 “On Measures Aimed at Protecting the Domestic Market from Imported Products and Foodstuff”) is a framework action plan. It has not been implemented, and there is no normative legislation relating to it.

Question 31.

Which Government Agency is responsible for collating the statistical information on agricultural imports?

Reply:

The State Customs Committee is in charge of collating the statistical information on agricultural imports.

Question 32.

Which Government Agency decided to recommend certain goods for duty increases?

Reply:

It can be any executive agency whose mandate includes dealing with trade and tariff policy issues for certain types of products. For agricultural products the Ministry of Agri-Industrial Complex, the Ministry of Foreign Economic Relations and Trade, and the Ministry of Economy can recommend import measures. But the final decision is made either by the Parliament (in the case of agricultural products) or by the Cabinet of Ministers (in other cases).

Question 33.

We are confused as to why the Law of Ukraine of 7 May 1996, No.180 “On Export Duties” has lapsed. Please advise the legislation which annulled Law No.180.

Reply:

Memorandum of Economic Policy for the Period from 1 July 1998 to 30 June 2001, adopted by the Cabinet of Ministers of Ukraine, the National Bank of Ukraine and the International Monetary Fund, stipulated that Ukraine undertakes to repeal (article 19 of the Memorandum) the Law of Ukraine "On Export Duty for Live Cattle and Leather Raw Materials," No. 180/96, 7 May 1996 (ref. above as Law of Ukraine of 7 May 1996, No.180 "On Export Duties"), before 15 November 1998. Unfortunately this obligation has not been fulfilled yet. A decision on this issue is pending. It is expected to be made in the nearest future.

Question 34.

Please provide more information on the "national interests and goals" referred to in WT/ACC/UKR/62/Add 1.

Reply:

National interests and goals include a balance between imported and home-made agricultural products. Taking into account the difficult economic situation of the Ukrainian agricultural sector, it is very important to preserve this balance simply to keep the sector alive. Maintaining the balance includes such artificial methods as temporary quotas.

The agriculture of Ukraine is in a precarious situation right now. It is completely decapitalized. An additional market shrinkage can mean a death knell. The domestic producers are experiencing very hard times and should be protected from large imports of similar foreign products. After the stabilization of the agricultural sector is achieved, all support measures (even the framework measures) shall be eliminated.

Question 35.

More detail on the formula used to calculate the "proportions between imported and domestic agricultural goods" (refer WT/ACC/UKR/62/Add 1) is also required as we are unsure what Ukraine means in this regard.

Reply:

These proportions are calculated by means of a comparison of imports and the domestic production and consumption volumes for the respective types of goods, and by projecting the relevant indices for a certain period of time into the future.

Question 36.

Why have new quotas been introduced?

Reply:

See reply to Question 39.

Question 37.

When will the quota system be eliminated?

Reply:

See reply to Question 39.

Question 38.

With reference to the auction process, who can apply? It is unclear whether national treatment applies in this process. Is this the case? If not, why not?

Reply:

See reply to Question 39.

Question 39.

The Memorandum notes that the Ministry of Agriculture has not sold or auctioned quotas. What has it done instead? How is the system administered?

Reply:

During 1991-1999 no quotas were applied to any types of imported products. A mechanism for their introduction was enacted, but it has not been used. No auctions or other means of license awards have taken place. In fact, there has been no need for quotas.

The development of a fixed schedule for the abrogation of the relevant Ukrainian legislation is in progress. Concerning the auction procedures, it should be mentioned that every subject (person) is allowed to participate in an auction when one is held.

Question 40.

Please explain why quantitative restrictions have been introduced.

Reply:

Quantitative restrictions are introduced either to implement the relevant international agreements (for example the quotas imposed by Russia on Ukrainian white sugar) or to counteract a shortfall in the production of specific products.

Question 41.

Which Government Agency is responsible for implementing these restrictions?

Reply:

The Ministry of Foreign Economic Relations and Trade and/or any other ministry designated by the Cabinet of Ministers is in charge of the administration of the quantitative restrictions.

The State Customs Committee is responsible for the collection of information about the volume of quotas used.

Question 42.

When will these be removed?

Reply:

See reply to Question 40.
