



# Legal framework governing activities of foreign investors in the Republic of Belarus

Ministry of Economy  
of the Republic of Belarus



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This overview was prepared on the basis of the laws and regulations of the Republic of Belarus effective as of 1 September 2009.

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This overview is intended to provide only a general outline of the subjects covered. Although we have sought to present information as accurately as possible, this publication should be regarded as neither comprehensive nor sufficient to disclose certain matters which could be of interest to individual readers. In particular, this overview is not intended to describe all aspects of the Belarusian legislation which may be encountered by foreign investors, or detail their application and interpretation by various Belarusian authorities when complex or disputable issues are dealt with. Ernst & Young LLC accepts no responsibility for any loss arising from any action taken or not taken by anyone using this material. On any specific matter, reference should be made to the appropriate advisor.

# To our readers

The Ministry of Economy of the Republic of Belarus and Ernst & Young are pleased to offer the sixth revised edition of the overview *Legal framework governing activities of foreign investors in the Republic of Belarus*. The sixth revised edition takes into account the changes that have appeared in the Belarusian legislation since our previous publication.

We would like to stress again that this overview is not intended to offer extensive clarifications on Belarusian law; rather, it provides coverage of the areas of legislation which are key to foreign investors with a view to start doing business in Belarus.

Throughout its 20 years of working experience in the CIS, Ernst & Young has been providing advisory and other professional services to clients and helping international companies enter markets in this region. For 19 years, the Belarusian Ministry of Economy has offered regulatory and administrative guidance, coordinating the work of other state agencies in this sphere, and helping create a transparent and competitive legal framework for foreign companies in the Republic of Belarus.

With the same view, the Foreign Investment Advisory Council under the Council of Ministers of the Republic of Belarus was created in 2001 with strong support from Ernst & Young, the Ministry of Economy and the Ministry of Foreign Affairs of the Republic of Belarus, which has certainly improved the legal framework governing the work of foreign companies in Belarus.

At the same time, the expectations of the foreign business community have been growing regarding their awareness in the sphere of the Belarusian legislation which applies to businesses with foreign investment in the Republic's territory.

Therefore, in November 2002 Ernst & Young and the Ministry of Economy issued the detailed overview of the legal framework governing activities of foreign investors in the Republic of Belarus. This edition as well as all the following ones has received a positive response from both Western investors and the government institutions in the Republic of Belarus.

The Ministry of Economy of the Republic of Belarus and Ernst & Young would like to acknowledge the National Bank of the Republic of Belarus, Ministry of Taxes and Dues of the Republic of Belarus, Ministry of Finance of the Republic of Belarus, Ministry of Foreign Affairs of the Republic of Belarus, State Committee on Property of the Republic of Belarus, State Committee for Science and Technology of the Republic of Belarus, and Minsk City Executive Committee for their contributions in preparation of the sixth edition of the overview *Legal framework governing activities of foreign investors in the Republic of Belarus*.

We hope that this joint project will contribute to the future enhancement of this country's investment climate and help to inform foreign investors considering Belarus as an object for investments about the measures taken by the Belarusian Government to improve legal framework governing activities of foreign investors in the Republic of Belarus.

Ministry of Economy of the Republic of Belarus

Ernst & Young



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# Regulation of investment activities

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
Principle sources of legal regulation of investment activities	Relations arising from investment activity in the territory of the Republic of Belarus shall be regulated by the Investment Code, regulatory legal acts of the Republic of Belarus, civil and other legislation of the Republic of Belarus, including the international agreements, and investment agreements signed with the Republic of Belarus.	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 6
1. Investment	Investment means any assets, including cash, securities, equipment and intellectual property owned by the investor based on proprietary rights or other substantive law, and the property rights which the investor invests in investees to generate income (revenue), and/or achieve other material result.	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 1
2. Foreign investor	<p>The following entities are deemed foreign investors in the Republic of Belarus: foreign states and their administrative and territorial entities represented by authorized bodies; international organizations; foreign legal entities; foreign organizations, which are not legal entities, set up in accordance with the legislation of foreign states; foreign citizens; individuals (citizens of the Republic of Belarus and stateless citizens) permanently residing outside the Republic of Belarus.</p> <p>Specific procedures regulating the activities of foreign investors are governed by the Investment Code, other legislative acts of the Republic of Belarus, including international agreements to which the Republic of Belarus is signatory.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 3
3. Investees	<p>The following are deemed investees: real estate, including assets of an enterprise; securities; intellectual property.</p> <p>Legislative acts of the Republic of Belarus specify entities owned solely by the Republic of Belarus, which does not preclude investment activity in relation to such entities.</p> <p>Legislative acts of the Republic of Belarus specify the list of entities in respect of which it is prohibited to carry out investment activity by all investors, except for the Republic of Belarus.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 4
4. Forms of investment activities	<p>Investment activities in the Republic of Belarus may have the following forms:</p> <ul style="list-style-type: none"> <li>▸ establishment of a legal entity;</li> <li>▸ acquisition of property or property rights, e.g.: interest in the charter capital of a legal entity, including increase of the charter capital of a legal entity; real estate, securities, intellectual property rights, concessions, equipment, other fixed assets.</li> </ul>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 5



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
5. Sources of investment	<p>Unless otherwise specified by legislative acts of the Republic of Belarus, the sources of investments may include:</p> <ul style="list-style-type: none"> <li>▶ Investors' own funds, including amortization funds, profit after taxation and other obligatory payments, including funds received from sale of shares in the charter capital of a legal entity</li> <li>▶ Borrowed and attracted funds, including loans of banks and non-bank credit and financial organizations, loans of founders (participants) and other legal entities and individuals, bonded loans.</li> </ul>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 5
6. Activity of foreign investors	<p>Foreign investors are entitled to establish in the territory of the Republic of Belarus Belarusian legal entities without restrictions on the amount of foreign investment or the organizational and legal form, as well as to set up their subsidiaries and representative offices, in accordance with the legislation of Belarus, including the international agreements to which the Republic of Belarus is a signatory.</p> <p>Legal entities with the share of foreign investments in their charter capital equivalent to at least US\$20,000 and with the main objective of profit (earnings) generation and/or distribution of the earned profit among the participants shall be recognized in the territory of the Republic of Belarus as commercial organizations with foreign investments. Legal entities shall acquire the status of commercial organizations with foreign investments from the date of the state registration of commercial organizations with foreign investments.</p> <p>The minimum charter capital of other organizations and the procedure for their establishment are specified by the legislation of the Republic of Belarus. Such organizations shall not be eligible for the exemptions established by the Investment Code and the Belarusian legislation for commercial organizations with foreign investments.</p> <p>Commercial organizations with foreign investments as well as foreign investors shall pay taxes, dues (duties) and enjoy tax and customs exemptions in accordance with the tax and customs legislation of the Republic of Belarus unless otherwise specified by the international agreements of the Republic of Belarus.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 77, 91

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
7. Exemptions available to foreign investors:		
7.1. Carrying out their activities in locations with population under 50,000 people	<p>Commercial organizations both with and without foreign investments established (excluding reorganizations) after 1 April 2008 in locations with the population under 50,000 people and carrying out their activity in such locations in accordance with the list approved by the Council of Ministers of the Republic of Belarus and on the consent of the President of the Republic of Belarus, are exempt from a number of taxes and collections for a period of five years from the date of establishment (see the detailed information in article 5.9 of the Section <i>Taxes and other obligatory payments</i>).</p> <p>Commercial organizations with foreign investments are exempt from the requirement to sell on an obligatory basis foreign currency received from operations with non-resident legal entities and non-resident individuals on sale of goods (works, services) of own production, including receipts from the leased property. The said exemption is applicable for five years from the date of establishment of a commercial organization with foreign investments.</p> <p>The following is not applicable in respect of commercial organizations with foreign investments engaged in purchase of raw materials, assembling parts and materials for the purpose of own production, as well as foreign trade in goods of own production:</p> <ul style="list-style-type: none"> <li>▸ Measures of non-tariff regulation by means of establishing quantitative and/or other limitations</li> <li>▸ Exceptional rights on carrying out foreign trade in certain types of goods</li> <li>▸ Requirement on obligatory entering into deals at the exchange market of joint stock company Belarusian Universal Commodity Exchange</li> <li>▸ Establishing floor price on imported goods and price ceiling on exported goods</li> <li>▸ Special procedures on purchase, supply or tenders, held by the authorized state bodies or committees.</li> </ul> <p>Commercial organizations with foreign investments carrying out business activities in the territory of the Republic of Belarus on production and sale of own goods (works, services) have the right to the following:</p>	<p>Decree #1 of the President of the Republic of Belarus of 28 January 2008 <i>Concerning the Production Stimulation and Sale of Goods (Works, Services, etc.)</i> with subsequent amendments and additions, Articles 1, 2</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ Autonomous determination of terms, volumes, types of purchased raw materials, assembling parts and materials, as well as terms, volumes, types of sale of goods (works, services) of own production</li> <li>▶ Autonomous establishment and application of free prices (tariffs) on goods (works, services) of own production, except for goods of social importance, as per list approved by the Council of Ministers of the Republic of Belarus</li> <li>▶ Autonomous determination of suppliers or buyers of goods (works, services) for own production and of own production</li> <li>▶ Autonomous determination of salary paid to employees, but not less than the minimum amount determined by the Council of Ministers of the Republic of Belarus</li> <li>▶ Insurance of own proprietary interests with insurance companies and insurance brokers established outside the Republic of Belarus.</li> </ul> <p>The above mentioned exemptions are not applicable for the following:</p> <ul style="list-style-type: none"> <li>▶ Banks, non-banking financial organizations, investment funds, insurance companies</li> <li>▶ Professional participants of the securities market</li> <li>▶ Residents of free economic zones and the Park of High Technologies</li> <li>▶ Commercial organizations with foreign investments subject to simplified taxation</li> <li>▶ Commercial organizations with foreign investments carrying out the following types of activity: <ul style="list-style-type: none"> <li>– Production of goods (works, services) with the use of fixed assets that belong to the organization subject to property rights or other proprietary interests and/or labor of employees of the same organization, outside the location in which the organization carries out its main activity</li> <li>– Production of agricultural goods, provided the organization pays the unified tax for agricultural producers</li> <li>– Gambling business</li> <li>– Organization and holding electronic interactive games</li> </ul> </li> </ul>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>– Activities associated with state defense in part of investments, entrepreneurship and other economic activities</li> <li>– Processing, storage, sale of weapons, ammunition, explosive materials and devices</li> <li>– Processing, storage, deactivation, sale of radioactive and other hazardous materials</li> <li>– Processing, storage, deactivation, sale of drugs, psychotropic substances and their precursors</li> <li>– Seeding, growing, processing, storage, sale of crop plants, containing drugs, psychotropic or toxic substances</li> <li>– Production and/or sale of alcohol and tobacco production</li> <li>– Producing of securities, currency notes and coins, post stamps</li> <li>– Publishing, establishment of mass media, production and broadcasting of mass media, including radio and TV broadcasting, as well as preparation and broadcasting of radio and TV programs, and excluding technical servicing of radio and TV</li> <li>– Medical treatment of persons suffering from diseases that are of serious hazard to the health of population</li> <li>– Medical treatment of animals suffering from dangerous illnesses.</li> </ul> <p>Commercial organizations with foreign investments, except for organizations that are not subject to the above mentioned exemptions, importing production equipment, assembling and spare parts to it as a contribution to the charter fund (subject to the customs regime of free circulation) are exempt from import duties of such goods and VAT on them.</p> <p>The total amount of such goods should not exceed the amount of non-monetary contribution stated in the constituting documents of such organizations.</p> <p>In case of loss of status of a commercial organization with foreign investments, liquidation or termination of activities by a commercial organization with foreign investments through the reorganization process, or loss of the right on exemptions during the five year period since the date of state registration or during the three year period after the end of this period the organization is obliged to pay taxes and duties for the whole</p>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
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period the organization was exempt from them within the time-frame established by the legislation of the Republic of Belarus.

Tax liability on customs duties and VAT on imported goods that are exempt from customs duties and VAT is subject to settlement in case of liquidation of the organization following the founders' decision, and in case of carrying out by this organization of operations providing for transfer of the right for ownership on the imported goods or in case of transfer of such goods into temporary use (except for transfer to organizations applying the above said exemptions), and also in case of loss by the organization of the right to apply the exemptions during the three year period after the goods have been released into free circulation.

## 7.2. Organizations registered in free economic zones ("FEZ")

A free economic zone is a part of the territory of the Republic of Belarus within the defined borders in which in respect of residents of the FEZ there is established and in force a special legal regime for carrying out an investment and entrepreneurial activity.

A resident of FEZ is a legal entity of the Republic of Belarus or an individual entrepreneur of the Republic of Belarus registered with the FEZ administration as a resident of FEZ in accordance with the procedure established by the legislation in respect of FEZ.

The declared amount of investments into implementation of an investment project of a legal entity or an individual entrepreneur applying for registration as a resident of FEZ after 1 April 2008 should constitute the amount 1 million euro or above.

At present, there are six free economic zones in the Republic of Belarus.

The registration procedure for residents of free economic zones is regulated by the regulation on free economic zones. For example, in order to be registered in the Minsk FEZ an organization should provide the documents stipulated by the legislation and its investment project should meet the following criteria:

- The amount of investments into implementation of an investment project should constitute the amount 1 million euro or above

Law #213-3 of the Republic of Belarus of 7 December 1998 *Concerning the Activities of Free Economic Zones* with subsequent amendments and additions

Edict #262 of the President of the Republic of Belarus of 9 June 2005 *Concerning the Activity of Free Economic Zones in the Republic of Belarus* with subsequent amendments and additions

Resolution #657 of the Council of Ministers of the Republic of Belarus of 21 May 2009 *On Approval of Regulations on Free Economic Zones and Introduction of Amendments and Additions into Resolutions of the Council of Ministers of the Republic of Belarus (Recognition of some of them or provisions thereof as no longer valid) Concerning the Activities of Free Economic Zones*

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>► Creation and/or development of export oriented or import substitution production.</p> <p>Detailed information on the concessional taxation terms for residents of free economic zones is presented in article 5.6 of the Section Taxes and other obligatory payments.</p>	
8. Legal regime of foreign investments:	The legal regime governing foreign investments within the Republic of Belarus and the business conditions for foreign investors and legal entities established with their participation shall not be less favorable than the equivalent regime governing property and property rights and investment conditions for Belarusian legal entities and individuals, with the exception of the instances established by the Investment Code.	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 79
8.1. For organizations carrying out their activity in locations with population under 50,000 people	<p>When the legislative acts of the Republic of Belarus adopted subsequent to the creation of a commercial organization with foreign investments established after 1 April 2008 (except for reorganizations) and situated in locations with the population under 50,000 people (and carrying out their activities in these locations) impair the situation and business conditions for such organizations in comparison to those existing at the moment of state registration, including taxation conditions and tax rates, the activities of commercial organizations with foreign investments, during the five-year period from the date of obtaining the status of a commercial organization with foreign investments, are subject to regulations that were in force at the moment of its state registration.</p> <p>These requirements do not affect revision of legislative acts in respect of securing defense potential, national and environmental safety and health protection of the citizens of the Republic of Belarus.</p> <p>The described special legal regime is not applicable for the following:</p> <ul style="list-style-type: none"> <li>► Banks, non-banking credit and financial institutions, investment funds, insurance organizations</li> <li>► Professional participants of the securities market</li> <li>► Residents of free economic zones and the Park of High Technologies</li> <li>► Commercial organizations, commercial organizations with foreign investments subject to simplified taxation</li> <li>► Commercial organizations, commercial organizations with foreign investments carrying out the following types of activity: production of goods (works, services) with the</li> </ul>	Decree #1 of the President of the Republic of Belarus of 28 January 2008 <i>Concerning the Production Stimulation and Sale of Goods (Works, Services, etc.)</i> with subsequent amendments and additions, Article 3



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>use of fixed assets that belong to the organization subject to property rights or other proprietary interests and/or labor of the employees of the same organization in the location in which the organization carries out its main activity with population over 50,000 people.</p>	
8.2. Organizations registered in free economic zones	<p>The special legal regime for residents of free economic zones registered before 1 April 2008 is in force from 1 April 2008 to 31 March 2015; for residents of free economic zones registered after 1 April 2008 it is in force for a seven-year period from the date of registration as residents of a free economic zone.</p>	<p>Edict #262 of the President of the Republic of Belarus of 9 June 2005 <i>Concerning the Activity of Free Economic Zones in the Republic of Belarus</i> with subsequent amendments and additions, Subarticles 1.14-2., 1.11</p>
9. Guarantees of investors' rights	<p>The state guarantees investors' legally acquired ownership and other material rights, as well as property rights, and undertakes to protect those rights.</p> <p>The state guarantees equal rights to all investors engaged in investment activity regardless of the form of ownership, as well as equal, discrimination-free protection of the rights and lawful interests of investors.</p> <p>The state guarantees stability of investors' rights, as set out in the Investment Code, to engage in and disengage from investment activity.</p> <p>Investors have the right, at their sole discretion, to decide upon and engage, in compliance with the legislation of the Republic of Belarus, in all actions arising from the ownership, utilization and disposal of objects and results of investment activity.</p> <p>Investors may appeal to a court for challenging actions (non-feasance) of state authorities or their officers, administrative and territorial government bodies or their officers, and acts of state authorities of the Republic of Belarus or administrative and territorial government bodies of the Republic of Belarus, if such actions/nonfeasance or acts violate the rights of an investor and/or cause losses and any other damage.</p> <p>Damage, including losses incurred as a result of actions or non-feasance of state authorities or their officers, administrative and territorial government bodies or their officers, and acts of state authorities of the Republic of Belarus or administrative and territorial government bodies of the Republic of Belarus, shall be reimbursed from the respective budget as determined by a court ruling.</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 9, 13</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
10. Guarantees to use results and other individual provisions of performing investment activities	<p>Investors may at their sole discretion dispose of profit (income) generated as a result of investment activities, including reinvesting in the Republic of Belarus in accordance with the legislative acts of the Republic of Belarus.</p> <p>Reinvestment means investment by the investor of profit (income) generated as a result of investment activities in investees located in the Republic of Belarus.</p> <p>Foreign investors are guaranteed the right, following the payment of all taxes and other mandatory charges as established by the legislation of the Republic of Belarus, to repatriate to locations outside the Republic of Belarus any profits (income) received in the territory of the Republic of Belarus as a result of investment activity, as well as any proceeds from the full or partial sale of invested assets upon termination of investment activity.</p> <p>Commercial organizations with foreign investments carry out foreign economic activity in compliance with the legislation of the Republic of Belarus.</p> <p>Commercial organizations with foreign investments enjoy the right to establish prices for goods (works and services) and conditions for their sale in compliance with the legislation of the Republic of Belarus.</p> <p>Commercial organizations with foreign investments manage their currency earnings in compliance with the legislation of the Republic of Belarus.</p> <p>The protection and exercising of the intellectual property rights of foreign investors and commercial organizations with foreign investments shall be guaranteed by the legislation of the Republic of Belarus and the international agreements of the Republic of Belarus.</p> <p>The state guarantees protection of investments in accordance with the legislative acts of the Republic of Belarus.</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 10, 92, 94, 96</p>
11. Protection of investments	<p>Investments may not be nationalized or requisitioned without consideration, nor may any measures equivalent to nationalization and requisition in terms of their consequences be applied to such investments. Nationalization and requisitioning shall only be possible subject to the timely and full compensation of the cost of the nationalized or requisitioned investment assets and other damages caused as a result of nationalization or requisition. The procedure and conditions for nationalization and requisition and the payment of compensation with regard to nationalized or requisitioned investment assets and other</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 11</p> <p>Civil Code of the Republic of Belarus #218-3 of with subsequent amendments and additions, Articles 243, 245</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>damages caused as a result of nationalization or requisition, are established by the Investment Code and the laws of the Republic of Belarus.</p> <p>Requisitioning is expropriation in emergency circumstances, accidents, epidemics, epizooties and other cases of emergency of the owners' investment assets, upon the decision of the state authorities, subject to paying the compensation for the assets expropriated. The procedures of requisitioning are governed by the acting legislation.</p> <p>Nationalization is the appropriation of the assets owned by individuals and legal entities into state owned property.</p>	
12. Compensation	<p>Compensation of the value of nationalized or requisitioned investment assets should be equal to the actual value of such assets as of the date immediately preceding nationalization or requisition or a public announcement whichever is earlier. In addition, such compensation should include interest calculated at the official rate of Belarusian ruble to the respective foreign currency for the period from the date of actual nationalization or requisition or a public announcement to the same effect until the date of actual payment of the compensation. The specified interest should not be lower than the respective interest rates established in the London Interbank Market (LIBOR).</p> <p>The value of nationalized or requisitioned investment assets is reimbursed in the official monetary unit of the Republic of Belarus to domestic investors and in the currency of the original investment to foreign investors. Investor may challenge the amount of compensation for nationalized or requisitioned investment assets in court.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 12
13. State support of investment activities	<p>The state supports investment activities with a view to attracting investments in the economy of the Republic of Belarus.</p> <p>State support of investment activities is rendered in the following forms:</p> <ul style="list-style-type: none"> <li>▸ Guarantees of the Government of the Republic of Belarus</li> <li>▸ Centralized investment resources.</li> </ul> <p>State support of investment activities may be rendered in other ways and the state may provide investors with additional guarantees.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 14-21, 26, 33, 37, 40, 44

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The type, scope and duration of government support provided to each organization implementing new and advanced technologies is determined on a case-by-case basis by the decision of the President of the Republic of Belarus.</p> <p>Guarantees of the Government of the Republic of Belarus are provided to lenders with respect to foreign loans or loans from the banks of the Republic of Belarus extended to implement investment projects.</p> <p>Government support in the form of direct allocations from centralized investment resources (financial resources of the state, including funds from the state budget) is provided on condition that the investors' own funds account for at least 20% of the total investments made under the investment project in question.</p> <p>Decisions on government support of investment projects implemented using foreign loans or loans of the banks of the Republic of Belarus against the guarantees of the Government of the Republic of Belarus; use of funds of centralized investment resources; government participation in establishing companies with foreign investments are made based on the government comprehensive expert examination of investment projects performed by the Ministry of Economy.</p> <p>The main criteria of investment project evaluation by means of government comprehensive expert examination are as follows:</p> <ul style="list-style-type: none"> <li>▸ Relevance of the investment project and its appropriateness to the industry development strategy</li> <li>▸ Financial position of investing organization</li> <li>▸ Technical, technological and financial feasibility and expediency of the investment project in the light of the expected conditions for the investment activity;</li> <li>▸ Feasibility of investment costs and the expediency of government participation in the investment project</li> <li>▸ Scientific and technological level of technologies involved and/or created</li> <li>▸ Competitiveness of manufactured products (works, services), the prospects for the market, and the effectiveness of the investor's marketing strategy</li> <li>▸ Comparative analysis of the effectiveness and sustainability of the investment project.</li> </ul>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
14. Conclusion of investment agreements	<p>Investment agreements are concluded upon resolutions of the following authorities:</p> <ul style="list-style-type: none"> <li>▶ A state administration body, another state organization subordinate to the Government of the Republic of Belarus, regional (Minsk City) executive committee if the investment project is implemented within the relevant field of industry or administrative territorial unit and within the competence of the state authority or executive committee</li> <li>▶ The Council of Ministers of the Republic of Belarus in cases when the investment agreement does not stipulate the provision to the investor of concessions and preferences other than envisaged in the legislative acts, decisions of the President of the Republic of Belarus, including those concerning privatization, as of the date of conclusion of the agreement</li> <li>▶ The Council of Ministers of the Republic of Belarus with the concurrence of the President of the Republic of Belarus in case the investor is provided with concessions and preferences not envisaged in the legislative acts, decisions of the President of the Republic of Belarus, including those concerning privatization.</li> </ul> <p>Drafts of investment agreements are subject to mandatory legal review by legal departments of relevant state bodies and executive committees that take decisions on conclusion of investment agreements or the Ministry of Justice if decisions to conclude investment agreements, including those with the concurrence of the President of the Republic of Belarus, are taken by the Council of Ministers of the Republic of Belarus. Concluded investment agreements are subject to registration in the State Register of Investment Agreements of the Republic of Belarus which is kept according to the requirements set by the Council of Ministers of the Republic of Belarus.</p> <p>The following items should be stipulated in the investment agreement:</p> <ul style="list-style-type: none"> <li>▶ The target of the investment, its volume and terms, duration of the investment agreement</li> <li>▶ Rights and obligations of the investor and the Republic of Belarus – the parties to the investment agreement</li> </ul>	Decree #10 of the President of the Republic of Belarus of 6 August 2009 <i>On Creating Additional Conditions for Investment Activity in the Republic of Belarus*</i>

\* As of 1 September 2009 Decree #10 of the President of the Republic of Belarus of 6 August 2009 did not come into full force and effect.

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	<ul style="list-style-type: none"> <li>▸ Liabilities of the parties to the investment agreement should they fail to comply with the provisions thereof, including compensation to the investor for any damage suffered due to unlawful actions (nonfeasance) of the officials of state bodies and/or executive committees, and the right of the Republic of Belarus to unilateral renunciation to perform its obligations according to the investment agreement in case of non-fulfillment or improper fulfillment of the obligations by the investor</li> <li>▸ The procedure and the body adjudicating disputes between the parties to the investment agreement relating to the provisions of the investment agreement</li> <li>▸ The procedure of amending the investment agreement</li> <li>▸ Other conditions as agreed by the parties to the investment agreement.</li> </ul> <p>Upon the conclusion of the investment agreement and its registration in the State Register of Investment Agreements of the Republic of Belarus, an investor and/or an organization duly established in the Republic of Belarus by this investor or with the participation of this investor while implementing the investment project have the following rights:</p> <ul style="list-style-type: none"> <li>▸ To construct facilities envisaged by the investment project concurrently with the development, expert review and due approval of necessary construction documents per each stage of construction together with the development of projects for the subsequent stages of this construction</li> <li>▸ To be leased a land plot of the necessary area without auction bidding for the construction of objects envisaged by the investment project (hereinafter referred to as "land plot") with preparation of necessary documents for land allotment concurrently with construction work. Lease payments for the land plot established as at the date of the conclusion of the lease agreement cannot be increased within the whole period of the investment project's implementation.</li> </ul> <p>Upon conclusion of an investment agreement, an investor and/or an organization also have a number of preferences.</p>	
15. Investment activities on the basis of concessions	Investment activity with regard to the subsoil, bodies of water, forests, lands, and assets that are wholly owned by the state, or activities over which the state enjoys exclusive rights may be carried out on the basis of concessions.	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 49, 50, 52



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>A concession represents an agreement concluded by the Republic of Belarus with an investor (concessionary) envisaging the transfer in exchange for a consideration and for a specified period of time of the right to engage in a particular activity within the territory of the Republic of Belarus, which is normally the sole prerogative of the state, or the right to use property owned by the Republic of Belarus.</p> <p>Concessionaries may include any individuals and legal entities, except for legal entities in which the Republic of Belarus, its administrative and territorial units, or government organizations hold over 25% of the capital.</p> <p>Concessionary is determined through a tender or an auction. Concession agreements may be concluded without tender or auction only in the following cases: single bid is received; according to the decision of the President of the Republic of Belarus, when conclusion of concession agreement through direct negotiations with a specific investor is required for reasons of national security or defense of the Republic of Belarus.</p> <p>Mandatory provisions of concession agreements include:</p> <ul style="list-style-type: none"> <li>▸ Validity term of the concession agreement</li> <li>▸ Types of activities carried out under the agreement, or description of assets being the object of concession</li> <li>▸ Rights of the parties to make decisions in respect to execution of the agreement</li> <li>▸ Obligations of the concession body to the concessionary to issue permits and licenses necessary to carry out activities stipulated by the agreement</li> <li>▸ Right of ownership to the produced products and earned profits (income) and revenues according to the requirements of the Investment Code</li> <li>▸ The territory of the Republic of Belarus or its part in which the concessionary has the right, including the exclusive right, to carry out certain types of activities (if the object of concession is the right to carry out certain types of activities), as well as the program and schedule of works carried out under the agreement</li> <li>▸ Obligations of concessionary to comply with the labor legislation of the Republic of Belarus and work safety regulations</li> <li>▸ Obligations of concessionary to comply with the environmental legislation of the Republic of Belarus and requirements related to the efficient use of natural resources</li> </ul>	<p>Decree #44 of the President of the Republic of Belarus of 28 January 2009 <i>On Approval of the List of Facilities Offered for Transfer to Concession</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ The procedure of control over the activities of concessionary</li> <li>▶ Liability of the parties under the agreement</li> <li>▶ The procedure for and body charged with the settlement of disputes (including international arbitration for foreign investor) arising out of the concession agreement.</li> </ul> <p>It is also stipulated that terms and conditions of concession agreements shall remain in force throughout the validity term of such agreements. These terms and conditions may be amended only by mutual consent of the parties, unless otherwise envisaged by the concession agreement.</p> <p>The list of facilities offered for transfer to concession has been approved by the President of the Republic of Belarus.</p>	
16. Cancellation of the state's special right to participate in administration of business entities	The state's special right to participate in administration of business entities ("golden share") has been cancelled in the Republic of Belarus for the purpose of creation of favorable conditions for foreign investment attraction.	Decree #144 of the President of the Republic of Belarus of 4 March 2008 <i>Concerning Recognition of Some Decrees of the President of the Republic of Belarus (specific provision of the Decree) As No Longer Valid</i> , Article 1

# Establishment of legal entities with foreign investments

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Commercial organizations with foreign investments	<p>A commercial organization with foreign investments means a legal entity whose charter capital fully or partially consists of foreign investments in the amount of at least the equivalent of US\$20,000, which carries out its activities with the main purpose of earning profit and/or allocating the earned profit among the participants.</p> <p>For the purposes of determining specific registration procedures, all commercial organizations with foreign investments are classified as commercial joint organizations or commercial foreign organizations.</p> <p>A commercial joint organization in the Republic of Belarus means a legal entity of the Republic of Belarus whose charter capital includes contributions both by a foreign investor and private individuals and/or legal entities of the Republic of Belarus.</p> <p>A commercial foreign organization means a legal entity of the Republic of Belarus, where foreign investments account for 100% of the charter capital.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Articles 77, 80
2. Subsidiaries and affiliates of commercial organizations with foreign investments, and status thereof	<p>A commercial organization with foreign investments may have subsidiaries, affiliates, and subsidiary unitary enterprises, and establish branches and representative offices within and outside the Republic of Belarus, provided the conditions stipulated by the legislative acts of the Republic of Belarus and respective laws of foreign countries are complied with.</p> <p>Branches and representative offices of commercial organizations with foreign investments are not regarded as legal entities within the Republic of Belarus.</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 82
3. Establishing commercial organizations with foreign investments	<p>The establishment of a commercial organization with foreign investments may take place through the following:</p> <ol style="list-style-type: none"> <li>1. Its incorporation</li> <li>2. Following the acquisition by a foreign investor of an interest (shares) in an existing legal entity that did not previously have foreign investments</li> <li>3. Through the acquisition of all (or part of) enterprise's assets whose owner is not a foreign investor.</li> </ol> <p>Decisions on the establishment of a commercial organization with foreign investments are taken by the founders (participants) at their sole discretion, including the cases when a foreign investor buys an interest (shares) in an existing legal entity that did not previously have foreign investments, as a</p>	Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 81

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>result of which the amount of foreign investments in the charter capital totals at least the equivalent of US\$20,000.</p> <p>If Belarusian founders (participants) of a commercial joint organization are legal entities or individuals who have no ownership right to the invested assets, decision on the participation of such entities in the establishment of a commercial organization with foreign investments is taken by the owner of the invested assets or its authorized body in accordance with the legislation of the Republic of Belarus.</p>	
<b>4. State registration of commercial organizations with foreign investments</b>	<p>State registration procedure is governed by the legislation.</p> <p>State registration is provided by the following registration authorities:</p> <ul style="list-style-type: none"> <li>► For commercial organizations with foreign investments - regional executive committees and Minsk City Executive Committee</li> <li>► For banks and non-banking credit and financial organizations, including those with foreign investments and in free economic zones – the National Bank of the Republic of Belarus</li> <li>► For insurance organizations, insurance brokers, insurers' alliances, including those with foreign investments and in free economic zones – the Ministry of Finance</li> <li>► For commercial and non-commercial organizations, including commercial organizations with foreign investments – administration of free economic zones.</li> </ul> <p>The state registration fee for newly created (reorganized) commercial organizations, including commercial organizations with foreign investments, amounts to 5 base totals*.</p>	<p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i></p> <p>The Law of the Republic of Belarus #1394-XII of 10 January 1992 <i>Concerning Registration Fee</i> with subsequent amendments and additions, Attachment 9, Article 1.1</p>
<b>5. Documents submitted by foreign investors for state registration of commercial organizations with foreign investments</b>	<p>For state registration of commercial and non-commercial organizations, including commercial organizations with foreign investments, the following documents are to be submitted to the registration authority:</p> <ul style="list-style-type: none"> <li>► An application for state registration</li> <li>► Charter (Articles of Incorporation – for a commercial organization acting only on the basis of Articles of Incorporation) in duplicate without notarization, its electronic version (in .doc or .rtf format)</li> </ul>	<p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i></p>

\* As of 1 September 2009 the base total was equal to BYR 35,000 (the equivalent of US\$12.3, or EUR 8.6, at the exchange rate of the National Bank of the Republic of Belarus effective as of 1 September 2009)

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ For founding parties which are foreign organizations – a legalized extract from the trade register of the country of incorporation or another similar document validating the legal status of the entity in conformity with the legislation of the country of incorporation (the extract must be dated not later than one year prior to the submission of the state registration application), with the translation into the Belarusian/Russian language (the translator's signature must be notarized)</li> <li>▶ For founding parties which are citizens of foreign states – a copy of the identification document with the translation into the Belarusian/Russian language (the translator's signature must be notarized)</li> <li>▶ A document confirming the payment of the state registration fee or its copy.</li> </ul> <p>It is prohibited to demand other documents for state registration of commercial and non-commercial organizations, including commercial organizations with foreign investments.</p>	
<b>6. Procedure of state registration, failure and appeal against failure of registration</b>	<p>Before submitting the documents to the registration authority for state registration, the property owner and the founders (participants) of the established commercial organization with foreign investments should:</p> <ul style="list-style-type: none"> <li>▶ Agree its name with the registration authority</li> <li>▶ Define the planned location of the organization taking into account the requirements of the legislation in force</li> <li>▶ Decide on the establishment of the organization and prepare its Charter (Articles of Incorporation – for a commercial organization acting only on the basis of Articles of Incorporation)</li> <li>▶ Form the charter capital (only for open joint stock companies): open a provisional account in a bank, non-banking credit and financial institution in case of contributing a cash deposit to the charter capital; estimate the cost of the contribution in kind in case of contributing in kind.</li> </ul> <p>The day the documents for state registration are submitted, the authorized officer of the registration authority: puts a stamp on the charter of a commercial organization with foreign investments testifying state registration, gives one copy of the charter to the person that submitted it and makes an entry about state registration of a business entity in the Unified State Registry of Legal Entities and Individual Entrepreneurs.</p>	<p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>An authorized official of a registration authority does not register an organization in the following cases:</p> <ul style="list-style-type: none"> <li>▶ Failure to provide all the documents necessary for state registration according to the legislation of the Republic of Belarus to the registration authority</li> <li>▶ Filing an application for state registration with violation of the legislation of the Republic of Belarus</li> <li>▶ Submission of the documents to the improper registration authority.</li> </ul> <p>Failure or denials to register a commercial organization with foreign investments on other grounds are not allowed.</p> <p>Failure to register the organization by the registration authority may be appealed in the Economic Court.</p>	
7. Procedure of charter capital formation	<p>Procedure of charter capital formation by commercial organizations with foreign investments is the following:</p> <ul style="list-style-type: none"> <li>▶ At least 50% of the charter capital stated in the constituent documents of a commercial organization with foreign investments (except for a commercial organization with foreign investments in the form of an open joint stock company) shall be formed within the first year from the date of state registration of this organization by means of each founder (participant) contributing at least 50% of their respective interests. The remaining balance must be settled within the period of two years following state registration.*</li> <li>▶ The charter capital stated in the constituent documents of a commercial organization with foreign investments in the form of an open joint stock company shall be formed in full prior to state registration of such an organization.</li> </ul> <p>Procedure of charter capital formation by banks and insurance organizations:</p> <ul style="list-style-type: none"> <li>▶ On the establishment of a bank, the minimum amount of its charter capital should be formed in full prior to state registration. Illegally obtained monetary funds and/or income cannot be used to form or increase the charter capital of the bank.</li> <li>▶ The charter capital of an insurer should be formed in full by its founders before the date of state registration. Payment by foreign investors of their shares (interests) in the charter</li> </ul>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 87</p> <p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 75, 76</p> <p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions, Article 16</p>

\* The Government of the Republic of Belarus or a Republican state administration body authorized by it have the right to extend the period of charter capital formation by commercial organizations with foreign investments.



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>capital of insurers and insurance brokers is effected only by means of monetary funds.</p> <p>A commercial organization with foreign investments (except for a commercial organization with foreign investments in the form of a joint stock company) shall provide the registration authority, by which it was registered, with the documentary proof of the charter capital formation within the prescribed limits not later than 30 days from the date of the respective period end. The auditors' report is a documentary proof of the fact of the charter capital formation.</p> <p>Once a commercial organization with foreign investments has presented the documentary proof of charter capital formation, the registration authority shall issue the certificate of charter capital formation within 10 days of the receipt of the indicated documentary proof.</p>	
<b>8. Participants' contributions to the charter capital of commercial organizations with foreign investments</b>	<p>The charter capital of commercial organizations with foreign investments shall be declared in US dollars. In the event when a commercial organization with foreign investments takes the form of a joint stock company or includes assets of the Republic of Belarus in its charter capital, the charter capital shall be also declared in the official currency of the Republic of Belarus.</p> <p>Founders (participants) of a commercial organization with foreign investments are entitled to make both monetary and/or in kind contributions to the charter capital of such an organization.</p> <p>The charter capital and contributions thereto are translated at the official exchange rate of BYR to the respective foreign currency at the date of signing the agreement on the establishment of a commercial organization with foreign investments and/or charter approval, and in the event of taking a decision to increase the charter capital of a commercial organization with foreign investments or a decision to register an existing legal entity as a commercial organization with foreign investments, the portion by which the charter capital is increased and additional contributions are translated at the official exchange rate at the date of the adoption of such decision.</p> <p>Making a contribution, one should take into account the difference arising between the official exchange rates of Belarusian rubles to United States dollars or difference between the cross-rates of respective foreign currencies to United States dollars based on the official exchange rate quoted by the National Bank of the Republic of Belarus at the date of signing the</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 88</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>agreement on the establishment of a commercial organization with foreign investments and/or the date of the approval of its charter, and the date the contribution was actually made.</p> <p>In case of the decision to increase the charter capital amount or decision on the acquisition of the status of a commercial organization with foreign investments by a legal entity, the founder (participant) of this organization making contribution in the official currency of the Republic of Belarus or in a foreign currency is obliged to take into account the difference arising between the official exchange rates of Belarusian rubles to foreign currencies quoted by the National Bank of the Republic of Belarus at the date this decision was taken and the date the contribution was actually made.</p> <p>Any summary difference arising as a result of the above mentioned recalculation shall be taken to the reserve fund of the commercial organization with foreign investments.</p> <p>Non-monetary contribution by a foreign investor must be either imported into the Republic of Belarus or acquired in Belarus for payment in foreign or official currency of the Republic of Belarus provided that the sum has been received by the investor in the form of the investor's share of the profits earned as a result of the investor's participation in the commercial organization with foreign investments, from another permitted activity, or via the exchange of foreign currency in Belarusian banks.</p> <p>Non-monetary contributions by founders (participants) of a commercial organization with foreign investments shall be subject to appraisal of the accuracy of the valuation thereof at the date they were included in the books of the commercial organization with foreign investments. The valuation is performed in currency units in which the charter capital is declared. Based on the results of the appraisal a certificate of the accuracy of valuation of non-monetary contributions shall be issued. The non-monetary contribution shall be considered transferred to the charter capital in the amount confirmed by the mentioned certificate.</p>	
<b>9. Registration of amendments and additions to constituent documents of commercial organizations with foreign investments</b>	<p>Commercial organizations with foreign investments are to amend their charters (Articles of Incorporation for commercial organizations acting only on the basis of Articles of Incorporation) within two months and submit them for state registration in the following cases: change in the owner of the assets or in the composition of the founders (participants) of the organization, except for joint stock companies, condominiums, consumers' cooperatives, horticultural cooperatives, associations (unions).</p>	<p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i>, Article 21</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>If a commercial organization with foreign investments changes its location, it is to notify the registration authority within ten working days after the location was changed.</p> <p>In the charter (Articles of Incorporation) of a commercial organization with foreign investments, types of performed activities can be specified at the discretion of the owner of assets, founders (participants) of a commercial organization. If such types of activities change, the commercial organization has the right to apply for state registration of amendments and/or additions made to the charter (Articles of Incorporation).</p> <p>Registration authorities and other state agencies (organizations) are not allowed to require mentioning the performed types of activities in the charter of commercial organizations with foreign investments.</p> <p>The day the documents for state registration are submitted, the authorized officer of the registration authority puts a stamp on the amendments introduced to the charter of a commercial organization with foreign investments testifying state registration, and makes an entry in the Unified State Registry of Legal Entities and Individual Entrepreneurs about state registration of amendments and/or additions introduced to the charter of the organization.</p> <p>The registration fee for the amendments introduced into the constituent documents of commercial organizations with foreign investments amounts to 1.5 base totals*.</p>	<p>The Law of the Republic of Belarus #1394-XII of 10 January 1992 <i>Concerning Registration Fee</i> with subsequent amendments and additions, Attachment 9, Subarticles 1.1, 1.5.</p>
10. Operation of commercial organizations with foreign investments	<p>Commercial organizations with foreign investments may engage in any type of activity that is not prohibited by the laws of the Republic of Belarus and is consistent with the objectives stated in the organization's charter.</p> <p>In order to engage in certain activities, the list of which is specified by the laws of the Republic of Belarus, commercial organizations with foreign investments require special permission (licenses).</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 80</p> <p>Decree #17 of the President of the Republic of Belarus of 14 July 2003 <i>Concerning Licensing of Certain Types of Activities</i> with subsequent amendments and additions</p>

\* As of 1 September 2009 the base total was equal to BYR 35,000 (the equivalent of US\$12.3, or EUR 8.6, at the exchange rate of the National Bank of the Republic of Belarus effective as of 1 September 2009)

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
11. Liquidation and restructuring of commercial organizations with foreign investments	<p>A legal entity ceases its activity as a result of its liquidation or reorganization.</p> <p>The liquidation of a commercial organization with foreign investments shall be carried out on the basis of a decision by the founders (participants), the owner of the assets or the executive body of such organization duly authorized to take such a decision by the constituent documents or by court in the instances established by the laws of the Republic of Belarus.</p> <p>Announcements about the liquidation of commercial organizations with foreign investments shall be published in the press in accordance with the requirements established by legislative acts of the Republic of Belarus.</p> <p>Liquidation of a commercial organization involves termination of its activities with no rights and obligations being transferred under the termination in title to other parties.</p> <p>The reorganization of a commercial organization with foreign investments shall be carried out in accordance with the legislation of the Republic of Belarus on the basis of a decision by the founders (participants) or the owner of the assets or the executive body of such an organization duly authorized to take such a decision by the constituent documents.</p> <p>Reorganization provides for succession in title on assets and liabilities. The extent of rights and obligations subject to such transfer from the reorganized organization to the newly created one is determined by the reorganization form (merger, affiliation, separation, split-off, reorganization).</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 90</p> <p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i>, Article 3.3</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 53, 54, 57</p>

# Activities of representative offices of foreign legal entities

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Representative office of a foreign legal entity	<p>A foreign organization's representative office is a separate structural unit located in the Republic of Belarus, which protects and represents the interests of a foreign organization and performs other functions in compliance with the legislation of the Republic of Belarus.</p> <p>Representative office of an organization is not a legal entity.</p> <p>Representative offices which are established and operating in the territory of the Republic of Belarus on the basis of permissions issued by the Ministry of Foreign Affairs of the Republic of Belarus have the right to engage in entrepreneur activities in the territory of the Republic of Belarus only for and on behalf of the represented organizations.</p> <p>A foreign organization's representative office is considered to be established in the Republic of Belarus from the moment of receipt of the permission for its opening as per the procedure established by law.</p>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 51-1</p> <p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus</i> with subsequent amendments and additions</p>
2. Opening, accreditation and term of operation of a representative office	<p>Representative offices of legal entities and other organizations duly registered in a foreign state, administrative units of foreign states are established and operate in the Republic of Belarus upon permission of the Ministry of Foreign Affairs, unless otherwise envisaged by the laws of the Republic of Belarus.</p> <p>The legislation envisages only term permissions for opening a representative office.</p> <p>The term of a representative office's operation is determined by an organization when applying for opening a representative office.</p> <p>The Ministry of Foreign Affairs enjoys the right to extend the term of operation of a representative office within ten days after the submission of the application and the original document about the payment of the state registration fee. Documents for extension are to be submitted no later than ten days before the expiry of the existing permission.</p>	<p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus</i> with subsequent amendments and additions, Article 9</p>
3. Purpose of a representative office	<p>Representative offices may be established to act on behalf of and under the instructions from the represented organization whose name is specified in the permission to open a representative office, for the following purposes:</p> <ol style="list-style-type: none"> <li>For representative offices of a commercial organization: <ul style="list-style-type: none"> <li>Effective promotion of implementation of international agreements of the Republic of Belarus on cooperation in the areas of trade, economy, finance, science, technologies and transport, seeking opportunities for further development and improvement of such cooperation and expanded exchange of economic, commercial and technological information</li> </ul> </li> </ol>	<p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus with subsequent amendments and additions</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▸ Survey of the commodity markets in the Republic of Belarus</li> <li>▸ Research of opportunities for investment in the Republic of Belarus</li> <li>▸ Establishment of foreign and joint ventures</li> <li>▸ Promotion of trade and economic relations between countries</li> <li>▸ Representation and protection of interests of a commercial organization</li> <li>▸ Sale of tickets and booking seats with air, railway, automobile and sea transport companies</li> <li>▸ Other purposes, including those useful for the community, not prohibited by the legislation of the Republic of Belarus for such representative offices</li> </ul> <p>2. For representative offices of non-commercial organizations:</p> <ul style="list-style-type: none"> <li>▸ Social support and protection of citizens including improving the well-being of low income population, social rehabilitation of the unemployed, disabled and other people who, due to their physical or mental condition or other circumstances, are unable to exercise their rights and legal interests on their own</li> <li>▸ Training of the population to overcome the consequences of natural disasters, ecological, industrial and other catastrophes and to prevent accidents</li> <li>▸ Granting aid to the victims of natural disasters, ecological, industrial and other catastrophes, social, ethnic, religious conflicts, victims of repressions, refugees and forced migrants</li> <li>▸ Assistance in strengthening of peace, friendship and consent among nations, prevention of social, ethnic and religious conflicts</li> <li>▸ Assistance in strengthening the prestige of the family in the society</li> <li>▸ Assistance in protection of motherhood, childhood, and fatherhood</li> <li>▸ Assistance in the sphere of education, science, culture, art, enlightenment, spiritual development of a person</li> <li>▸ Assistance in the sphere of disease prevention and protection of health of the citizens, as well as promotion of a healthy lifestyle, improvement of the moral psychological state of the citizens</li> </ul>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▸ Assistance in the sphere of physical culture and mass sport</li> <li>▸ Protection of the environment and animals</li> <li>▸ Protection and maintenance of buildings and other objects and territories having a historical, cultural, cult or environmental value as well as protection of burial places</li> <li>▸ Other purposes useful for the community.</li> </ul> <p>3. For representative offices of educational organizations:</p> <ul style="list-style-type: none"> <li>▸ Advertising and informational work</li> <li>▸ Study of the experience of educational organizations in the Republic of Belarus</li> <li>▸ Assistance in entering into agreements on cooperation between educational organizations</li> <li>▸ Assistance in sharing the experience and information in the area of education and science.</li> </ul> <p>Permissions to open a representative office for other purposes useful for the community are issued by the Ministry of Foreign Affairs under the agreement with the interested state bodies.</p> <p>Activities of representative offices of non-commercial and commercial organizations for the purposes envisaged by item 2 are based on the programs and projects in line with the organizations' priorities approved by their top management. During the implementation of programs and projects representative offices of organizations may allot financial, material and other resources (grants) to public organizations and citizens on a competitive basis.</p>	
4. Documents for obtaining permission to open a representative office	<p>To obtain permission to open a representative office an organization submits the following documents to the Ministry of Foreign Affairs:</p> <p>1. An application with the following data:</p> <ul style="list-style-type: none"> <li>▸ Purpose (purposes) of the representative office</li> <li>▸ Full name of the organization</li> <li>▸ Incorporation date of the organization</li> <li>▸ Location of the headquarters</li> <li>▸ Profile of the organization</li> <li>▸ Information on the persons authorized to act on behalf of the organization in the Republic of Belarus</li> <li>▸ The term of the office's operation.</li> </ul>	Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus</i> with subsequent amendments and additions

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>2. Copies of the constituent documents legalized as required by the applicable law</p> <p>3. Copy of the document confirming the state registration of the organization with the authorized body of the applicant's country (extract from the trade register, registration certificate, etc.) legalized as required by the applicable law</p> <p>4. Power of attorney issued to the head of the representative office legalized as required by the applicable law</p> <p>5. Regulations on the representative office approved by the organization which include the purpose(s) of the representative office in the Republic of Belarus, address, corporate structure, authority of the head of the representative office, representative office closedown procedure</p> <p>6. Properly legalized power of attorney issued to the person authorized to perform actions related to the establishment of the representative office</p> <p>7. Original of the document confirming the payment of a state duty for the receipt of permission to open a representative office.</p> <p>The above mentioned documents are submitted in one of the official languages of the Republic of Belarus. Translation of the documents listed under items 2-4, 7 should be duly notarized or certified by the diplomatic or consular agencies of the Republic of Belarus.</p>	
5. State duty	<p>The state duty rates for issuing permission are the following:</p> <ul style="list-style-type: none"> <li>▶ For opening and extending the duration of a representative office of a foreign organization in the Republic of Belarus – 65 base totals* per each year of permission validity</li> <li>▶ For opening and extending the duration of a representative office of a non-commercial foreign organization and representative offices of foreign organizations engaged solely in charity activities in the Republic of Belarus – 20 base totals per each year of permission validity.</li> </ul>	The Law of the Republic of Belarus #1394-XII of 10 January 1992 <i>Concerning Registration Fee</i> with subsequent amendments and additions, Attachment 9, Articles 44.1, 44.2
6. Issue of permission to open a representative office	<p>Within ten days of the date of the documents submission, the Ministry of Foreign Affairs gives or refuses to give permission to open a representative office.</p> <p>The permission becomes invalid if the organization did not take the privilege of its right to open a representative office within six</p>	Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation</i>

\* As of 1 September 2009 the base total was equal to BYR 35,000 (the equivalent of US\$12.3, or EUR 8.6, at the exchange rate of the National Bank of the Republic of Belarus effective as of 1 September 2009)



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>months from the date of registration in the register of representative offices opened in the territory of the Republic of Belarus.</p> <p>The representative office of the organization has the right to perform its activities for the sake of the purposes for which it was opened from the date the permission to open a representative office is issued. Foreign organizations cannot operate in the Republic of Belarus without opening a representative office, with the exception for the following:</p> <ul style="list-style-type: none"> <li>▶ Conducting activities through an entity or an individual accepted as a permanent representative of a foreign entity in accordance with the Law of the Republic of Belarus <i>On Income and Revenue Taxes</i></li> <li>▶ Arranging entertainment events in the territory of the Republic of Belarus, including concerts, amusements, menageries, circus programs.</li> </ul>	<p><i>of Representative Offices in the Republic of Belarus with subsequent amendments and additions</i></p>
7. Regulation of a representative office's activities	<p>The activities of a representative office of a foreign organization in the Republic of Belarus shall comply both with the legislation of the country of incorporation of the foreign organization and with the legislation of the Republic of Belarus.</p> <p>Representative offices of foreign organizations may engage in entrepreneur activities in the Republic of Belarus only on behalf of and upon authorization by the organization being represented by them.</p> <p>Types of activities which require special permission (license) can be undertaken by the representative office only on the basis of such special permission (license) obtained by the organization as required by applicable law.</p> <p>The organization which established a representative office shall register with tax and other authorities of the Republic of Belarus within the term and according to the procedures established by the laws of the Republic of Belarus. It shall also open accounts in the banks of the Republic of Belarus.</p> <p>In addition, representative offices are to submit a written report on their activities to the Ministry of Foreign Affairs every six months. Information in the report on the activities of the organization's representative office includes the data on the location of the representative office, personnel of the representative office, opened accounts, current projects and programs, their terms and resources, amounts of grants given to public associations and individuals, description of grant recipients, activities over the expired period, phone and fax numbers.</p>	<p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus with subsequent amendments and additions</i></p> <p>Resolution #40 of the Board of the National Bank of the Republic of Belarus of 3 April 2009 <i>On Opening Bank Accounts</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
<b>8. Employment and accreditation of the expatriate personnel of a representative office</b>	<p>Accreditation of expatriate personnel of representative offices and the head of the representative office is performed by the Ministry of Foreign Affairs in line with the number of personnel indicated in the permission to open a representative office. Accredited personnel and the head of the representative office receive standard service cards. Service cards are produced within 10 days after the application is filed.</p> <p>Citizens of the Republic of Belarus are employed by representative offices on the basis of labor agreements (contracts) in accordance with the laws of the Republic of Belarus.</p>	<p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus</i> with subsequent amendments and additions</p>
<b>9. Termination of activities and closedown of representative offices</b>	<p>Activities of a representative office are terminated in the following cases:</p> <ul style="list-style-type: none"> <li>▶ Liquidation of the organization</li> <li>▶ Termination of the international agreement on the basis of which the representative office was opened in case it is envisaged by the agreement</li> <li>▶ Upon the decision of the organization which opened the representative office</li> <li>▶ By court ruling in case of violation of the laws of the Republic of Belarus</li> <li>▶ Upon expiry of the permission to open or to extend the duration of a representative office.</li> </ul>	<p>Resolution #929 of the Council of Ministers of the Republic of Belarus of 22 July 1997 <i>Concerning Opening and Operation of Representative Offices in the Republic of Belarus</i> with subsequent amendments and additions</p>

# Banking activities

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Banking principles	<p>The main principles of banking activities shall include the following:</p> <ul style="list-style-type: none"> <li>▶ Mandatory receipt of special permission (license) by banks and non-banking credit and financial institutions to engage in banking activities (hereinafter - banking license)</li> <li>▶ Independence of banks and non-banking credit and financial institutions in their activities and non-interference of government authorities in their work, except instances stipulated by the laws of the Republic of Belarus</li> <li>▶ Segregation of responsibility between banks, non-banking credit and financial institutions and the state</li> <li>▶ Mandatory compliance with secure functioning requirements established by the National Bank of the Republic of Belarus (hereinafter - the National Bank) to ensure stability and soundness of the banking system in the Republic of Belarus</li> <li>▶ The right of individuals and legal entities to choose a bank and a non-banking credit and financial institution at their discretion</li> <li>▶ Guarantee of confidentiality of clients' transactions, accounts and deposits</li> <li>▶ Guarantee of recovery of funds placed by bank depositors.</li> </ul>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 13</p>
2. Licensing of banking activities	<p>Banking licenses are issued by the National Bank.</p> <p>Banking license is issued to a bank together with the certificate of state registration.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 93, 94</p> <p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus of 28 June 2001 with subsequent amendments and additions</p>
3. Bank's authorized capital	<p>A bank's authorized capital shall be formed by contributions (assets) from its founders (participants). The bank's authorized capital defines the minimum amount of the bank's assets to safeguard the interests of its creditors.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 75</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The minimum amount of the bank's authorized capital is determined by the National Bank upon agreement with the President of the Republic of Belarus. Commencing 27 October 2006 the minimum amount of the bank's authorized capital shall be established in Belarusian rubles in the amount equivalent to EUR 5 million.</p> <p>On establishing a bank, the minimum amount of its authorized capital shall be formed solely by means of monetary contributions from its founders and the increase in the authorized capital shall be formed solely by means of own funds of the bank's participants (owners of assets), of other persons, and/or of the bank, that are represented by legitimately acquired financial resources or other assets owed by the named persons by virtue of the ownership right or other proprietary rights.</p> <p>Banks shall comply with secure functioning requirements, in particular, with the limit of property contributions (non-monetary contributions) to the authorized capital of the bank, minimum amount of regulatory capital for the bank, etc.</p> <p>The maximum amount of property contributions (non-monetary contributions) to the authorized capital of the bank is 20% of the authorized capital.</p> <p>The minimum amount of regulatory capital for a bank is established in Belarusian rubles in the amount equivalent to EUR 5 million; for a bank having the license to engage in banking operations on attraction of funds from individuals (other than individual entrepreneurs) into deposits and/or current accounts – in the amount equivalent to EUR 25 million. The regulatory ratio of the minimum amount of the regulatory capital is determined for the first day of every quarter based on the official exchange rate of BYR to EUR as at the last day of the preceding quarter.</p>	<p>Resolution #127 of the Board of the National Bank of the Republic of Belarus of 11 September 2006 <i>Concerning Minimum Amount of a Bank's Authorized Capital</i></p> <p>Instructions on secure functioning requirements for banks and non-banking credit and financial institutions approved by Resolution of the Board of the National Bank of the Republic of Belarus #137 with subsequent amendments and additions</p>
4. Formation of a bank's authorized capital	<p>A bank's authorized capital shall be fully paid up prior to the bank's state registration.</p> <p>Monetary contributions to a bank's authorized capital shall be remitted to a provisional account opened by the bank's founders or by the bank in case of its authorized capital increase with the National Bank or other banks as agreed with the National Bank. The procedure for the crediting of funds to the provisional account with the National Bank or other banks as agreed with the National Bank and for recovery of these funds in case of refusal in state registration of the bank or state registration of additions and/or amendments to the constituent documents of the bank shall be established by the National Bank.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 76</p> <p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
<b>5. General provisions on state registration of banks</b>	<p>The state registration requirement in conformity with the Banking Code and other legislative acts of the Republic of Belarus shall apply to:</p> <ul style="list-style-type: none"> <li>▶ Newly created (reorganized) banks</li> <li>▶ Additions and/or amendments made to constituent documents of banks.</li> </ul> <p>The National Bank shall be responsible for state registration of banks.</p> <p>The National Bank takes decisions to issue permission on or refusal in state registration of the bank within two months from the date the documents required for state registration of the bank were submitted.</p> <p>Income received as a result of conducting banking activities without state registration shall be transferred to the national budget of the Republic of Belarus.</p> <p>Banks may perform banking activities commencing from the date of receipt of the banking license.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 77, 81, 93</p>
<b>6. Registration fee for state registration of a bank</b>	<p>State registration of newly created (reorganized) banks shall be performed subject to payment of a registration fee in the amount of 5 base totals.*</p> <p>State registration of additions and amendments to constituent documents of banks shall be performed subject to payment of a registration fee in the amount 1.5 base totals.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 80, 84</p> <p>Law #1394-XII of the Republic of Belarus of 10 January 1992 <i>Concerning Registration Fee</i> with subsequent amendments and additions, Attachment 9 <i>Registration Fee Rates for Entities Subject to Payment of Registration Fee</i></p>
<b>7. Terms and conditions for receipt of special banking permission (license)</b>	<p>The banking license shall be issued to a bank on the basis of the same documents required for a bank's state registration and together with the certificate of state registration of the bank.</p> <p>The bank shall carry out a certain list of operations only after two years' period from the date of its state registration provided it has had stable financial position over the last two years and regulatory capital in the amount equivalent to at least</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 94, 95</p>

\* As of 1 September 2009 the base total was equal to BYR 35,000 (the equivalent of US\$12.3, or EUR 8.6, at the exchange rate of the National Bank of the Republic of Belarus effective as of 1 September 2009)

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>EUR 25 million as of the date of submitting the documents for registration of amendments and/or additions to the list of operations that may be performed by the bank and that are listed in the license issued to the bank.</p> <p>The named banking operations include transactions to attract deposits from individuals, other than individual entrepreneurs, to open and maintain bank accounts of such individuals, to open and maintain bank accounts in precious metals, to perform transactions on sale-purchase of precious metals and/or stones, to attract precious metals and/or stones into deposits.</p>	<p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>
8. State duty for issuing special banking permission (license)	<p>The rates of state duty are the following:</p> <ul style="list-style-type: none"> <li>▶ Issue of special banking permission (license): <ul style="list-style-type: none"> <li>– For a newly created bank – 2,200 base totals</li> <li>– For a bank created as a result of a bank's (banks') reorganization – 550 base totals</li> <li>– For a non-banking financial credit institution – 1,100 base totals</li> </ul> </li> <li>▶ Registration of amendments and/or additions to the list of operations that may be performed by the bank and that are listed in the banking permission (license): <ul style="list-style-type: none"> <li>– On attraction of funds of individuals, other than individual entrepreneurs, into cash deposits – 1,100 base totals</li> <li>– On carrying out other types of banking operations – 500 base totals</li> </ul> </li> <li>▶ Registration of amendments and/or additions to the banking permission (license), other than those related to the amendments to the list of banking operations – 4 base totals</li> <li>▶ Issue of a copy of the special banking permission (license) – 200 base totals.</li> </ul>	<p>Law #1394-XII of the Republic of Belarus of 10 January 1992 <i>Concerning Registration Fee</i> with subsequent amendments and additions, Attachment 9 <i>Registration Fee Rates for Entities Subject to Payment of Registration Fee</i></p>
9. State registration of banks	<p>Before filing the documents required for state registration of a newly created bank, one of its founders or its authorized person submits an application for the approval of the name of a newly created bank to the National Bank.</p> <p>The documents submitted to the National Bank for state registration of a bank shall include:</p> <ol style="list-style-type: none"> <li>1. An application</li> <li>2. The bank's charter</li> </ol>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Articles 79, 80</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ol style="list-style-type: none"> <li>3. Extract from the minutes of the meeting of the founders (resolution by the assets owner) concerning the approval of the bank's charter, candidates for the bank's head and chief accountant</li> <li>4. Documents confirming that the bank's authorized capital has been fully paid up (bank statement of provisional account, expert report on reliability of property appraisal in case of non-monetary contribution to the authorized capital and other documents in accordance with the legislation of the Republic of Belarus)</li> <li>5. Copies of constituent documents and certificates of state registration for corporate founders, auditors' reports on the accuracy of their financial statements, disclosing the presence of own resources for the contribution to the bank's authorized capital and a statement by tax authorities confirming due performance by corporate founders of budgetary obligations and of (or) state task budget and (or) non-budget funds liabilities</li> <li>6. Information on individual founders: a copy of service record book certified by the most recent employer (for the unemployed - statement by the employment agency or copy of pension ID certified by the social security agency at the place of residence), statement by a body of internal affairs confirming the absence of outstanding or upheld conviction for offenses against property and (or) economic crimes</li> <li>7. A statement from tax authorities for amounts subject to declaration in accordance with the legislation of the Republic of Belarus</li> <li>8. A document confirming the bank's right to reside at its place of location (place of residence of the bank's standing executive body) specified in the constituent documents</li> <li>9. Personal data forms for candidates for the bank's head and chief accountant filled out by such candidates and confirming the following:               <ul style="list-style-type: none"> <li>▶ For the head of the bank – higher education in law or economics and at least three years' experience as a head manager of a department or other bank unit certified by a copy of the diploma and an extract from the service record book</li> <li>▶ For the chief accountant – higher education in economics and at least three years' experience as a bank accountant certified by a copy of the diploma and an extract from the service record book</li> </ul> </li> </ol>	<p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>► For the bank's head and chief accountant - absence (presence) of outstanding or upheld conviction record confirmed by the statement by a body of internal affairs, that includes information about acting as a non-joinder (joinder), suspect or accused of a criminal case</li> </ul> <p>10. Documents confirming contributions to the bank's authorized capital:</p> <ul style="list-style-type: none"> <li>– Copies of payment documents confirming contributions to the authorized capital - per each investor</li> <li>– Extract from the minutes of the meeting of the founders (resolution by the assets owner) concerning the approval of the appraisal's valuation of assets in case of non-monetary contribution to the bank's authorized capital</li> <li>– Expert report on the accuracy of the appraisal's valuation in case of non-monetary contribution to the bank's authorized capital.</li> </ul> <p>11. A business plan, the preparation procedure and assessment criteria for which are determined by the National Bank</p> <p>12. Documents confirming the bank's technical ability to carry out operations per list determined by the National Bank</p> <p>13. A payment order confirming the payment of a registration fee for the bank's state registration</p> <p>14. Sample illustration of the corporate seal in duplicate.</p> <p>For state registration of banks in the form of a joint stock company, the following additional documents shall be submitted to the National Bank:</p> <ul style="list-style-type: none"> <li>► A notarized copy of the bank's articles on creation of a joint stock company</li> <li>► The list of founders (participants) indicating their respective contributions, number, category and nominal value of shares distributable among them and share interests in the total amount of the bank's authorized capital.</li> </ul>	
10. Specific requirements for state registration of banks with foreign investments in the Republic of Belarus	State registration of a bank which authorized capital fully or partially consists of foreign investments (hereinafter referred to as "bank with foreign investments") in the Republic of Belarus shall be administered in accordance with the general procedure as adjusted for the following specific requirements.	Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 89



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>For state registration of a bank with foreign investments a foreign legal entity (organization) provides the following additional documents:</p> <ul style="list-style-type: none"> <li>▶ Resolution on the establishment or participation in the establishment of a bank with foreign investments in the Republic of Belarus or on purchase of shares from a previously established bank-resident without foreign investments</li> <li>▶ A document confirming the registration of the foreign legal entity (organization) – duly legalized extract from the trade register of the country of incorporation or another similar document validating the legal status of the entity in conformity with the legislation of the country of incorporation (the extract should be dated not later than one year before the date of filing the documents)</li> <li>▶ Balance sheet for the preceding year together with the auditors' report, unless otherwise is required by the National Bank (the auditors' report shall contain information on the own funds that may be contributed to the bank's authorized capital)</li> <li>▶ Written permission by the relevant authorized agency of the country of incorporation for the establishment or participation in the establishment of a bank with foreign investments in the Republic of Belarus or for purchase of shares from a previously established bank-resident without foreign investments, where such permission is required by laws of the country of incorporation.</li> </ul> <p>A foreign individual submits the following additional documents:</p> <ul style="list-style-type: none"> <li>▶ A copy of the passport or another similar identity document</li> <li>▶ Confirmation of financial standing of the person in question by his/her foreign bank, or a declaration or another document, as stipulated by the laws of the investor's country of residence, stating the sources of funds that are contributed to the bank's authorized capital or that are used for purchase of shares from a previously established bank-resident without foreign investments.</li> </ul> <p>All the documents shall be submitted in the Russian/Belarusian languages or in the original language with translation into the Russian/Belarusian languages (reliability of translation and identity of the translator's signature should be notarized) and/or legalized in conformity with the legislation of country of incorporation (country of residence) of a foreign investor.</p>	<p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
<b>11. Additional requirements for the establishment and operation of banks with foreign investments and subsidiaries of foreign banks in the Republic of Belarus</b>	<p>The limit (quota) for foreign capital participation in the banking system of the Republic of Belarus shall be established by the National Bank as agreed with the President of the Republic of Belarus. This quota shall be derived as the ratio of total non-resident capital in authorized capitals of banks with foreign investments and subsidiaries of foreign banks, and the total authorized capital of banks registered in the Republic of Belarus.</p> <p>The National Bank shall discontinue state registration of banks with foreign investments and subsidiaries of foreign banks once foreign capital participation in the banking system of the Republic of Belarus achieves the established limit (quota).</p> <p>Banks with foreign investments shall submit advance applications to the National Bank for authorization of increases in the bank's authorized capital using non-resident resources or alienation of shares to the benefit of non-residents.</p> <p>Applications shall be considered by the National Bank within thirty days of the date of their submission. In the absence of a notice by the National Bank concerning the adopted decision within this period of time, the authorization shall be deemed duly obtained.</p> <p>Transactions involving the alienation of shares to the benefit of non-residents that are concluded without the authorization of the National Bank shall be deemed void.</p> <p>The National Bank is entitled to forbid any increase in the authorized capital of a bank with foreign investments using non-resident resources and/or any alienation of shares to the benefit of non-residents where such actions would result in the limit (quota) for foreign capital participation in the banking system of the Republic of Belarus being exceeded.</p> <p>The National Bank is entitled to introduce restrictions on banking operations for banks with foreign investments and subsidiaries of foreign banks where the respective foreign states operate similar restrictions on the activities of banks with investments by Belarusian citizens and/or legal entities.</p>	Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 90
<b>12. Subsidiary and representative office of a foreign bank</b>	<p>Foreign banks are entitled to establish subsidiaries (subsidiary) and to open representative offices in the Republic of Belarus.</p> <p>A representative office of a foreign bank is not regarded as a legal entity and carries out its activity based on the regulation approved by the bank by which it was established.</p> <p>A representative office of a foreign bank is not entitled to carry out banking operations and other activities, except for protecting</p>	Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 91

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>and representing the interests of the bank by which it was established, including consulting and/or information services.</p> <p>To open a representative office, a foreign bank shall submit the following documents to the National Bank:</p> <ul style="list-style-type: none"> <li>▸ An application with a petition to open a representative office in the Republic of Belarus with indication of the full name of such bank and the date and place of its registration</li> <li>▸ Decision of the authorized body of the bank to open a representative office</li> <li>▸ Regulations on the representative office prepared in conformity with the legislation of the Republic of Belarus</li> <li>▸ A document confirming the representative office's right to reside at its place of location</li> <li>▸ A document confirming the registration of the foreign bank – duly legalized extract from the trade register of the country of incorporation or other similar document validating the legal status of the bank in conformity with the legislation of the country of incorporation</li> <li>▸ Copies of constituent documents and licenses of a foreign bank</li> <li>▸ Written permission by the relevant authorized agency of the country of bank's incorporation to open a representative office in the Republic of Belarus, where such permission is required by the laws of the country of incorporation or by international agreements</li> <li>▸ Balance sheet with an auditors' report for the preceding year or for another period determined by the chief of the National Bank's division on banking supervision.</li> </ul> <p>Decisions on granting authorization to open a representative office or on denial of such authorization shall be made by the National Bank of the Republic of Belarus within two months from the date the documents needed to open a foreign bank's representative office in the Republic of Belarus were submitted.</p> <p>The denial to open a representative office of a foreign bank may be due to the following:</p> <ul style="list-style-type: none"> <li>▸ The information provided is incorrect</li> <li>▸ The regulation on the representative office does not comply with the legislation of the Republic of Belarus.</li> </ul> <p>Representative offices of foreign banks in the Republic of Belarus shall be established for a maximum term of three</p>	<p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>years. The operating term of a representative office may be extended by the decision of the Deputy Chairman of the National Bank at the request of the respective foreign bank provided that the foreign bank applies to the National Bank no later than one month before the expiry of the permission to establish a representative office.</p> <p>If such request is not filed within the specified term, the representative office record is excluded from the register of foreign banks' representative offices.</p>	
<b>13. Specific requirements for the establishment of subsidiaries, branches and representative offices of Belarusian banks outside the Republic of Belarus</b>	<p>Subsidiaries and branches of Belarusian banks outside the Republic of Belarus and participation of Belarusian banks in authorized capital of foreign banks shall be subject to authorization by the National Bank. The decision to give or to deny the relevant permission is taken by the Board of Directors of the National Bank.</p> <p>Establishment of representative offices of banks-residents outside the Republic of Belarus is subject to early notification of the National Bank.</p>	<p>Banking Code of the Republic of Belarus #441-3 of 25 October 2000 with subsequent amendments and additions, Article 92</p> <p>Instructions on state registration of banks and non-banking credit and financial institutions and licensing of banking activities, approved by Resolution #175 of the Board of the National Bank of the Republic of Belarus on 28 June 2001 with subsequent amendments and additions</p>

# Insurance services market

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Insurance modes	<p>Insurance companies and insurance brokers, established outside the Republic of Belarus, shall not carry out their activities in the Republic of Belarus without being registered by the Ministry of Finance of the Republic of Belarus (hereinafter – the Ministry of Finance) and having no permission (license) to engage in insurance activities, otherwise such activities are considered to be illegal.</p> <p>Insurance may be both voluntary and compulsory.</p> <p>Voluntary insurance is performed through concluding an agreement between the insurant and the insurer in conformity with the legislation. The essential terms and conditions of a voluntary insurance agreement are determined in accordance with the laws and regulations of the respective type of insurance approved by the insurer or insurers' alliance and agreed with the Ministry of Finance. The term of agreement on voluntary life and pension insurance shall be not less than three years.</p> <p>Compulsory insurance is performed by state insurance organizations and/or by insurance organizations in authorized capital of which more than 50% interest (common (ordinary) or other voting shares) belongs to the Republic of Belarus and/or its administrative territorial units, unless otherwise is required in accordance with the laws of the President of the Republic of Belarus.</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>
2. Insurance object	<p>Insurance objects may be legitimate property interests related to the following:</p> <ul style="list-style-type: none"> <li>▶ Harm to life or health of the insurant or any other individual mentioned in the agreement (personal insurance other than life insurance)</li> <li>▶ Reaching the specified age by citizens or occurrence of any insured event provided for by the agreement (personal insurance related to life insurance)</li> <li>▶ Loss (destruction) or damage to the property being in ownership, use, disposal of the insurant or other beneficiary indicated in the agreement or prejudice of their property rights, including losses from entrepreneurial activities as a result of default (violation) of obligations by counterparts of a business entity* or changes in business environment for reasons beyond the entrepreneur's control (property insurance)</li> <li>▶ Liability arising in case of damage by the insurant or any other person on whom such liability may be placed, harm to the life, health or damage to property of other persons, or liability under the agreement (liability insurance).</li> </ul>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p> <p>Civil Code #218-3 of the Republic of Belarus of 7 December 1998 with subsequent amendments and additions, Chapter 48</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p><i>* Business entities are business partnerships and entities, unitary enterprises, production cooperative, including agricultural production cooperative, farms; state unions; associations (unions) – alliances of commercial and/or non-commercial organizations and/or individual entrepreneurs; consumers' cooperatives, chambers of commerce and industry, establishments, condominiums; citizens engaged in entrepreneurial activities without establishing a legal entity.</i></p>	
3. Insurers	<p>Insurers are commercial organizations established for the purpose of providing insurance services and having special permits (licenses) to carry out insurance activities.</p> <p>Legal entities of the Republic of Belarus and foreign legal entities operating in the Republic of Belarus, citizens of the Republic of Belarus and permanent residents without citizenship insure their property risks in the Republic of Belarus only with commercial organizations established for the purpose of providing insurance services and having special permits (licenses) to carry out insurance activities in the Republic of Belarus.</p> <p>Foreign citizens residing in the Republic of Belarus, persons without citizenship visiting or temporarily residing in the Republic of Belarus have the right to insure their property risks in the Republic of Belarus with commercial organizations established for the purpose of providing insurance services and having special permits (licenses) to carry out insurance activities (unless otherwise stipulated by Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i>).</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>
4. State registration	<p>Insurers and insurance brokers are subject to state registration with the Ministry of Finance.</p> <p>State registration of insurers, insurance brokers, insurers' alliance and registration of additions and amendments to their constituent documents is performed as per the procedure established by the legislation on the state registration of business entities, taking into account the peculiarities specified by the Regulation on the Insurance Activities in the Republic of Belarus approved by Edict #530 of the President of the Republic of Belarus of 25 August 2006.</p> <p>The authorized capital of an insurer shall be formed in full by its founders before the date of state registration.</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions.</p> <p>Decree #1 of the President of the Republic of Belarus of 16 January 2009 <i>On State Registration and Liquidation (Termination of Activities) of Business Entities</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The quota of foreign investors' participation in authorized capital of insurance organizations in the Republic of Belarus is determined by the Council of Ministers of the Republic of Belarus upon agreement with the President of the Republic of Belarus and is 30% of the authorized capital.</p> <p>In case the quota exceeds the stated limit, the Ministry of Finance ceases registration of insurance organizations with foreign investments and/or issuance of licenses to such organizations to engage in insurance activities.</p> <p>Professional qualification of nominees for key management positions, their deputies, chief accountants of insurance companies, insurance brokers and key management of structural divisions of insurance organizations is determined in accordance with the procedure stipulated by the Ministry of Finance.</p>	<p>Resolution #1174 of the Council of Ministers of the Republic of Belarus of 11 September 2006 <i>Concerning Establishing Quota on the Amount of Foreign Investments in Authorized Capital of Insurance Organizations in the Republic of Belarus</i></p> <p>Resolution #17 of the Ministry of Finance of the Republic of Belarus of 7 February 2002 <i>Concerning Professional Qualification of Nominees for Key Management Positions, Their Deputies, Chief Accountants of Insurance Companies, Insurance Brokers and Key Management of Structural Divisions of Insurance Organizations and Insurance Brokers</i> with subsequent amendments and additions</p>
5. Insurers' activities	<p>Insurers may only be engaged in insurance and investment activities and activities on assessment of insurance risk and the amount of loss, assessment and examination of movable and real property related to its insurance and issuance of reports on its condition, activities on providing services of technical, medical and financial nature to another insurer and insured (insured, suffered or another person claiming for insurance compensation) with the purpose of fulfilling agreements entered into with them on insurance, on providing services to other insurance company in identifying the reason, nature of the loss in case of occurrence of insured event.</p> <p>Insurers providing life insurance policies cannot be engaged in any other mode of insurance.</p> <p>The amount of contribution by each founder to the insurer's authorized capital (participant's share in the authorized capital), excluding the contribution (share) by the Republic of Belarus and/or its administrative territorial units to the authorized capital of the insurer that is organized in a form of a joint</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>stock company, limited liability company or additional liability company shall not exceed 35% of the authorized capital.</p> <p>The total amount of contribution by an insurance organization to the authorized capital of another organization shall not exceed 35% of the authorized capital (with the exception for contributions by republican unitary enterprises which conduct insurance activities), unless otherwise provided for by the laws of the President of the Republic of Belarus. Such contributions are made out of the retained earnings.</p> <p>Insurance organization, subsidiary (affiliated) of the foreign investor has the right to engage in insurance activities in the Republic of Belarus provided that the foreign investor for at least 10 years has had the status of an insurance organization that has been operating under the laws of the respective state.</p> <p>Insurance organizations that are subsidiary (affiliated) business entities of a foreign investor and/or with the share of foreign investments in their authorized capital exceeding 49%, have the right to establish separate subdivisions in the Republic of Belarus and to become founders (participants) of other insurance organizations after the receipt of preliminary permission from the Ministry of Finance.</p>	
6. Restrictions imposed on insurer's activities	<p>The activities performed on compulsory insurance (mandatory insurance) are subject to the following restrictions:</p> <ul style="list-style-type: none"> <li>▶ Compulsory insurance is performed by state insurance organizations and/or by insurance organizations in authorized capital of which more than 50% interest (common (ordinary) or other voting shares) belongs to the Republic of Belarus and/or its administrative territorial units, unless otherwise is required in accordance with the laws of the President of the Republic of Belarus</li> <li>▶ Insurance on such types of compulsory insurance as compulsory insurance of buildings owned by citizens; compulsory insurance, supported by state, of agricultural crops, livestock and birds; compulsory insurance against accidents at work and occupational diseases; compulsory insurance of liabilities of commercial organizations engaged in realtor activities against harm relating to such activities, is performed only by Belarusian Republican Unitary Insurance Organization "Belgosstrakh".</li> </ul>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
7. Intermediary insurance activities	<p>Intermediary insurance activity is insurance activity by insurance agents and insurance brokers.</p> <p>Insurance companies may not act as insurance agents or brokers.</p> <p>Individuals and organizations, other than insurance companies, may act as insurance agents.</p> <p>An insurance agent is an individual, other than individual entrepreneur, acting on behalf of the insurer and performing intermediary activity on insurance on the basis of a labor agreement (contract) or civil law contract for life related insurance on behalf of several insurers, for other types of insurance only on behalf of one insurer.</p> <p>An individual performing intermediary insurance activities should have at least general secondary education.</p> <p>Insurance agent may also be represented by an organization acting on behalf of the insurer and performing intermediary activity on insurance on the basis of a civil law contract. An organization that is a state legal entity, state bank or a bank entitled to support government programs or republican state and public association may perform intermediary activity on all types of voluntary and compulsory insurance. Other organizations may perform only voluntary intermediary insurance activity. An insurance agent acts within the power given by the insurer and performs intermediary insurance activity on his behalf. An insurance agent may perform only intermediary activity.</p> <p>Insurance contracts known as "Green Card" concluded with insurers of "Green Card" system member-states, whose authorized organizations have entered into agreements on the third party liability insurance for owners of vehicles with the Belarusian bureau on transport insurance, and "Green Card" insurance agreements concluded between Belarusian insurance entities and non-resident owners of transport vehicles are valid in the Republic of Belarus.</p> <p>Belarusian insurance have the right to delegate conclusion of "Green Card" insurance agreements on their behalf to insurance entities of states not participating in the "Green Card" program.</p> <p>Intermediary activity related to execution on behalf of foreign insurers in the Republic of Belarus of insurance agreements on behalf of insurance organizations established outside the Republic is not allowed.</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
<b>8. Insurers' alliances</b>	<p>Insurers' alliances are established for the following purposes:</p> <ul style="list-style-type: none"> <li>▸ Coordination of activities of insurers and insurance brokers, members of insurers' alliances</li> <li>▸ Protection of rights and interests of insurance alliances' members</li> <li>▸ Identification and implementation of special programs on coordination by members of insurers' alliances.</li> </ul> <p>Insurers' alliances may not be engaged in commercial activity.</p> <p>Insurers' alliances:</p> <ul style="list-style-type: none"> <li>▸ Determine mandatory rules and standards on performing activity for the members of an alliance</li> <li>▸ Control the fulfillment of obligations assumed by the members of an alliance</li> <li>▸ Cooperate with authorized state bodies in the sphere of insurance assist their members to protect their rights and interests</li> <li>▸ Carry out other rights and obligations in conformity with the legislation.</li> </ul> <p>The alliance's constituent documents are the foundation agreement and the charter. Reorganization and liquidation of an insurers' alliance is carried out in the order determined for reorganization and liquidation of business entities, unless otherwise is required by the legislative acts.</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>
<b>9. Authorized capital</b>	<p>The minimal amount of the authorized capital is determined in the amount equivalent to:</p> <p>EUR 1 million - for an insurer providing non-life insurance</p> <p>EUR 2 million - for an insurer providing life insurance</p> <p>EUR 5 million - for an insurer providing only reinsurance.</p> <p>Correspondence of the authorized capital of an insurer to the minimal authorized capital shall be determined by means of restatement of recourses (in foreign currency and/or Belarusian rubles) contributed to the authorized capital to Euro at the exchange rate determined by the National Bank for the corresponding monetary unit in respect of Euro as of the date of restatement.</p> <p>Minimal amount of the authorized capital should be contributed in foreign currency and/or Belarusian rubles at the National Bank exchange rate determined for the corresponding monetary unit</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>in respect of euro as of the date of the relevant decision by founders, shareholders (participants) and property owners. The share of the authorized capital that exceeds its minimal required authorized capital may be contributed by the insurer's founders in non-monetary form as stipulated by the relevant legislation and constituent documents of the organization.</p> <p>Payment by foreign investors for their interests (shares) in the authorized fund of insurers and insurance brokers should be done in monetary form only.</p> <p>After state registration the insurer shall at all times have funds in banks of the Republic of Belarus in the amount of the minimal required authorized capital. Contributed assets shall belong to the founders (participants) by virtue of ownership (be in their economic or operational management), be required and usable for the operations of the insurer's activities. Founders' contributions to the authorized capital (participants' shares in the authorized capital), except for contribution (share) of the Republic of Belarus and/or its administrative and territorial units to the authorized capital of an insurance organization, established in a form of a joint stock company, limited liability company and additional liability company should not exceed 35% of the authorized capital.</p>	
10. Profit of an insurance organization	<p>Performance efficiency of an insurance organization is determined on the basis of profit calculated as the difference between income from insurance operations, including coinsurance, reinsurance, investment and other operations and expenses related to its activity. Solvency of insurance organizations for the fulfillment of their obligations on insurance, including coinsurance and reinsurance, is determined as per solvency criteria determined by the Ministry of Finance. An insurance organization may invest and allocate policy reserve funds as stipulated by the Council of Ministers of the Republic of Belarus upon agreement with the President of the Republic of Belarus.</p> <p>Such policy reserve funds should be invested and allocated subject to collectability, profitability, liquidity and diversification concepts.</p> <p>If an insurer assumes liabilities that exceed his solvency ability, he should enter into agreement of reinsurance of some part of insurance risk exposure assumed under the insurance contract.</p>	<p>Edict #530 of the President of the Republic of Belarus of 25 August 2006 <i>On Insurance Activities</i> with subsequent amendments and additions</p>

# Participation of foreign investors in privatization

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>Privatization means acquisition by individuals and legal entities of the ownership right for the state owned property.</p> <p>As the result of privatization, the state loses, in part or in full, its ownership rights, the rights to the use and management of state property, and the state authorities lose their right to exercise direct administration of this property.</p> <p>The right to participate in privatization (to acquire from the state its property in the process of privatization) is held by citizens of the Republic of Belarus and the Russian Federation, non-government legal entities (on which the state owns less than 50% of the charter fund), legal entities of the Republic of Belarus, established by no less than 50% of the labor collective of entities being privatized; foreign investors; stateless citizens.</p> <p>The following property may be privatized: state and public residential properties; state enterprises, establishments, organizations, structural divisions of associations and structural divisions of enterprises; leased state property; interest (shares) owned by the Republic of Belarus and its administrative and territorial entities in property of business entities.</p> <p>The plan of privatization of entities owned by the state for 2008 - 2010 (hereafter – the Plan) as well as the list of Open Joint Stock Companies established in the process of privatization of state property, the shares of which owned by the Republic of Belarus are to be sold in 2008 - 2010, were approved by the Government of the Republic of Belarus.</p>	<p>Law #2103-XII of the Republic of Belarus of 19 January 1993 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution #1021 of the Council of Ministers of the Republic of Belarus of 14 July 2008 <i>Concerning Approval of the Plan of Privatization of Entities Owned by the State for 2008 - 2010 and the List of Open Joint Stock Companies Established in the Process of Privatization of State Property, the Shares of Which Owned by the Republic of Belarus Are to Be Sold in 2008 - 2010</i></p>
<b>1. Ways of participation of foreign investors in privatization</b>	<p><b>1. Establishment of commercial organizations with foreign investments</b></p> <p>A commercial organization with foreign investment may be established through incorporation or acquisition by a foreign investor of interest (share) in the existing legal entity without foreign investments or acquisition of the enterprise not owned by the investor as a whole or a part of it. The amount of foreign investment to the charter fund should be not less than the equivalent of US\$20,000.</p> <p>The procedure for establishing a commercial organization with foreign investment is outlined in Section 2 of this publication.</p> <p><b>2. Establishment of an open joint stock company (hereafter – OJSC) by reorganizing a state unitary enterprise and subsequent privatization</b></p> <p>Reorganization of state unitary enterprises in the process of privatization into open joint stock companies is performed</p>	<p>Investment Code of the Republic of Belarus #37-3 of 22 June 2001 with subsequent amendments and additions, Article 81</p> <p>Edict #3 of President of the Republic of Belarus of 20 March 1998 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>based on applications from groups of employees of these enterprises subject to agreement with the following authorities:</p> <ul style="list-style-type: none"> <li>▶ in case of entities owned by the state – with the relevant state administration bodies, other state institutions under the Government of the Republic of Belarus, the National Bank, the Administration of the President of the Republic of Belarus, the Administrative Affairs Office of the President of the Republic of Belarus, other state authorities and state institutions under the President of the Republic of Belarus, the National Academy of Sciences of the Republic of Belarus and regional (Minsk) executive committees</li> <li>▶ in case of entities in community possession – with the relevant local executive and administrative authorities.</li> </ul> <p>Decisions on applying for reorganization of such enterprises into open joint stock companies and on establishing a legal entity are made during the general meetings or conferences of employees of these enterprises by the simple majority of votes.</p> <p>Reorganization of an enterprise into an open joint stock company is performed by the privatization authorities – the State Property Committee and regional, Minsk territorial state property funds according to the procedure established by the State Property Committee.</p> <p>Founders of OJSC, other than the state, are elected in the order established by the State Property Committee.</p> <p>Decision on the establishment of an OJSC with participation of the indicated founders in the process of the state property privatization is made during the meeting of founders.</p> <p><b>3. Sale of state-owned shares of OJSC in a tender</b></p> <p>The main conditions of a tender are the cost of the shares and provisions regarding allocation of property (cash and (or) equipment) by the winning party to the tender for development of the joint stock company, stipulating the cost of property, method, procedure and terms of allocation thereof. There may also be other additional conditions.</p> <p>The contract is awarded by the commission to a tender participant out of two or more participants whose proposals with regard to meeting the criteria of the tender and investment projects fully comply with conditions of the tender, who offers a higher price for the shares. In case of equal proposals regarding the price of the shares the contract is awarded to the participant who offered the most favorable additional conditions.</p>	<p>Law #2103-XII of the Republic of Belarus of 19 January 1993 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution #970 of the Council of Ministers of the Republic of Belarus of 19 June 1998 <i>Concerning Approval of the Resolution on Establishment of Open Joint Stock Companies in the Process of De-Etatization and Privatization of State Property</i> with subsequent amendments and additions</p> <p>Resolution #15 of the State Property Committee of the Republic of Belarus of 21 March 2007 <i>Concerning Approval of Regulations on Disposal of Shares of the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution #21 of the State Property Committee of 5 April 2007 <i>Concerning Approval of Regulation on Receipt of Approval by the State Property Committee of the Republic of Belarus for the Second and Subsequent Issues of Shares of Open Joint Stock Companies Established through the Process of Privatization of Property Previously Owned by the State</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>If the auction is declared invalid due to participation of only one party, the subject of the auction may be sold to this participant at the starting price increased by 5%, and the subject of the tender – on terms proposed by this participant.</p> <p>Second and subsequent issues of OJSC shares performed in the process of privatization of state owned entities must be approved by the State Property Committee prior to the sale of the first issue shares, and in case of entities in community property – by local executive and regulatory bodies, with the exception for cases when second and subsequent emissions are performed in accordance with decisions of the President of the Republic of Belarus.</p> <p>The permission for additional issue of shares due to attracted monetary and non-monetary contributions of investors to the charter fund of the joint stock company can be obtained only after presenting the investment proposal.</p>	<p>Resolution №61 of the State Property Committee of the Republic of Belarus of 19 December 2006 <i>Concerning Approval of Regulation on the Process of Electing Founders Other Than State of Open Joint Stock Companies Established in the Process of Privatization of State Property</i></p>
2. Methods of privatization	<p>Privatization in the Republic of Belarus is implemented through compensation-free transfer and sale of state owned property. Compensation-free transfer of part of state owned property is possible only to the citizens of the Republic of Belarus.</p> <p>Privatization is performed in the following ways:</p> <ul style="list-style-type: none"> <li>▸ Sale of state owned property at an auction or a tender</li> <li>▸ Sale of governmental shares, including sale at preferential terms, in compliance with the legislation of the Republic of Belarus.</li> </ul> <p>The procedure of state property management and the procedure of holding auctions (tenders) are stipulated by acts of the President of the Republic of Belarus and other legislative acts of the Republic of Belarus.</p>	<p>Law #2103-XII of the Republic of Belarus of 19 January 1993 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Edict #575 of the President of the Republic of Belarus of 14 September 2006 <i>Concerning the Procedure of Managing State Property</i> with subsequent amendments and additions</p> <p>Edict #232 of the President of the Republic of Belarus of 5 May 2009 <i>Concerning Certain Aspects of Holding Auctions (Tenders)</i></p> <p>Resolution #36 of the State Property Committee of the Republic of Belarus of 30 March 2009 <i>Concerning the Approval of the Resolution on the Procedure of Arranging and Holding Auctions on Sale of Certain State Owned Property</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
3. Payment for privatized property	<p>Payment for the privatized property can be made in a lump sum or installments adjusted for inflation under the contract terms.</p> <p>Sale of state owned property in tenders and auctions is performed only for monetary assets.</p>	<p>Law #2103-XII of the Republic of Belarus of 19 January 1993 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Decree #3 of the President of the Republic of Belarus of 20 March 1998 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p>
4. Guarantees to the owner	<p>The state guarantees protection of property rights of the owner arising from the agreement on the purchase of privatized government property. The owner is not held liable for the debts, which are not claimed within terms set by the privatization agency and not published in the information message about the property on sale.</p> <p>Subsidiary liability of founders (participants), owners of property of a legal entity arising under its liabilities is not held by shareholders of open joint stock companies established through privatization, except for the instances provided for in legislative acts.</p>	<p>Law #2103-XII of the Republic of Belarus of 19 January 1993 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Decree #3 of the President of the Republic of Belarus of 20 March 1998 <i>Concerning De-Etatization and Privatization of State Property in the Republic of Belarus</i> with subsequent amendments and additions</p>
5. Entities not subject to de-etatization and privatization	Enterprises (associations), organizations and types of property included in the list of property that can be owned only by the state are not subject to privatization.	<p>Law #156-3 of the Republic of Belarus of 5 May 1998 <i>Concerning Items that are Solely State Property</i> with subsequent amendments and additions</p> <p>Resolution of the Council of Ministers of the Republic of Belarus #1456 of 3 November 2006 <i>Concerning Approval of the List of Entities that are not Subject to Privatization and Property of which is Owned by the State</i> with subsequent amendments and additions</p>

# Taxes and other obligatory payments

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Taxes, duties and contributions included in the selling price of goods, works, and services		
1.1. Value Added Tax (VAT)	<p>Turnover on sale of goods (works, services), proprietary rights (including compensation-free transfers of goods (works, services), ownership rights) and goods imported to the customs territory of Belarus are subject to taxation. Place of sale of goods (works, services), ownership rights are determined under Articles 32 and 33 of the General part of the Tax Code and international agreements effective for Belarus.</p> <p>Taxation is subject to the following tax rates:</p> <ul style="list-style-type: none"> <li>▶ The base VAT rate is 18%.</li> <li>▶ A lower rate of 10% applies for: <ul style="list-style-type: none"> <li>– Sale of crops (except flowers, ornamental plants) and store-cattle (except fur farming), fish and bee farming produced in Belarus.</li> <li>– Import and (or) sale in the customs territory of Belarus of food and goods for children as in the list established by the President of the Republic of Belarus.</li> </ul> </li> <li>▶ The rate is 0% for sale of: <ul style="list-style-type: none"> <li>– Export goods</li> <li>– Works (services) on tracking, shipment, reloading and similar works (services) directly related to sale of exports</li> <li>– Export transportation services, including transit carriage, as well as export works (services) on production of goods from tolling raw materials.</li> </ul> </li> </ul> <p>The process of 0% rate application is defined by the President of the Republic of Belarus.</p> <p>Additionally, the legislation envisages the following rates:</p> <ul style="list-style-type: none"> <li>▶ a 0.5% rate is applied when bruits or diamonds in any form or any other precious stones (codes per Foreign Economic Activity Commodity Nomenclature: 7102, 7103) are imported to the customs territory of Belarus from the Russian Federation for productive purposes;</li> <li>▶ a 24% rate is applied when refined white sugar (code per Foreign Economic Activity Commodity Nomenclature: 1701 99 100) is sold or imported to the customs territory of Belarus.</li> </ul> <p>In case of sale of goods (works, services) or ownership rights in Belarus by foreign entities acting without creating a permanent</p>	<p>Tax Code #166-3 of 19 December 2002 (General part) with subsequent amendments and additions</p> <p>Law #1319-XII of 19 December 1991 <i>On Value Added Tax</i> with subsequent amendments and additions</p> <p>Edict #287 of the President of the Republic of Belarus of 21 July 2007 <i>On Taxation of food products and goods for children</i> with subsequent amendments and additions</p> <p>Edict #397 of the President of the Republic of Belarus <i>On Issues Concerning Calculation and Payment of Excise Duties and Value Added Tax</i> as of 15 June 2006 with subsequent amendments and additions</p> <p>Law #323-3 of 1 November 2004 <i>On Ratification of the Agreement Between the Government of the Republic of Belarus and the Russian Federation on Principles of Withholding Indirect Taxes when Exporting and Importing Goods, Providing Works, Services</i></p>



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>representative office and not registered with the tax bodies of Belarus, calculation, collection and transfer to the tax budget at the expense of such entities is performed by the organizations and individuals registered with the Belarus tax authorities, which purchase such goods (works, services), ownership rights.</p> <p>Nomenclature of turnover on sale of goods (works, services) in Belarus, as well as goods being imported to the customs territory of Belarus which are tax exempt, is specified by the applicable legislative acts.</p>	
1.2. Excise duty	<p>Excise duty is payable on:</p> <ul style="list-style-type: none"> <li>▶ Manufactured excisable goods.</li> <li>▶ Excisable goods being imported to the customs territory of Belarus and/or when selling excisable goods imported to the customs territory of Belarus.</li> </ul> <p>The following goods (products) are subject to excise duty:</p> <ul style="list-style-type: none"> <li>▶ Commercial wood-hydrolyses alcohol</li> <li>▶ Alcohol-containing solutions and agents, except for those stipulated by legislation</li> <li>▶ Alcohol products (except for cognac alcohol and wine materials)</li> <li>▶ Beer</li> <li>▶ Tobacco products</li> <li>▶ Automobile fuel, diesel fuel, and other fuel used as motor fuel, oil for diesel and/or carburetor (injector) engines</li> <li>▶ Minibuses and motorcars including those converted into cargo carriers irrespective of engine capacity, except for motorcars for preventive treatment and rehabilitation of disabled persons</li> </ul> <p>The President of the Republic of Belarus has the right to amend the nomenclature of excisable goods.</p> <p>The rate of excise is specified by the President, either in the form of a fixed amount for a physical unit of excisable goods (fixed rates) or as a percentage of their value (ad valorem rates).</p> <p>The list of turnover on sale of goods including goods being imported to the customs territory of Belarus which are excise-exempt is specified in the applicable legislative acts.</p>	<p>Law #1321-XII of 19 December 1991 <i>On Excise Duty</i> with subsequent amendments and additions</p> <p>Edict #709 of the President of the Republic of Belarus of 29 December 2008 <i>On Duty Rates for Excisable Goods</i> with subsequent amendments and additions</p>
1.3. Contribution to republican fund for support of food, agricultural products manufacturers, and agricultural science	<p>Contributions are payable in the amount of 1% of the proceeds of sale of goods (works, services). Contributions are paid by banks and non-banking credit and financial organizations (except for the National Bank of the Republic of Belarus) of revenue net of interest payable, commissions and other bank-</p>	<p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>ing expenses; by legal entities irrespective of their legal form engaged in trading, procurement or catering – of the gross margin; by insurance companies – of the balance sheet profit.</p> <p>Types of activities as well as entities that are tax-exempt are specified in the applicable legislative acts.</p>	
<b>1.4. Local taxes and duties</b>	<p>Local taxes and duties are established by local administrations and municipalities. Local self administrations may establish a range of local taxes and duties as authorized in 2009 by the <i>Law On Republican Budget for 2009</i> namely:</p> <p><b>1. Retail sales tax</b></p> <p>The tax base is revenue earned by payers (with the exception for the goods in the list approved by the Council of Ministers of the Republic of Belarus) and determined on the basis of retail prices exclusive of retail sales tax.</p> <p>Tax rates are established at a rate not exceeding 5% of the tax base.</p> <p><b>2. Tax on services</b></p> <p>Object of taxation is supply of services by organizations and individual entrepreneurs including markets, trade fairs, sales exhibitions, hotels (camping, motels), restaurants (bars, cafes), discos, billiard and bowling clubs, solariums, services involving immovable property, cell communication services supplied to subscribers, cable TV and car maintenance services for individuals, tourist and cosmetic services.</p> <p>The tax base is revenue earned by payers and determined on the basis of price of services excluding tax on services.</p> <p>Tax rates are established at a rate not exceeding 5% of the tax base.</p>	<p>Law #617-XII of 20 February 1991 <i>On Local Administration and Self Administration</i> with subsequent amendments and additions</p> <p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p>
<b>2. Direct taxes and levies assessed on operating revenues and profits</b>		
<b>2.1. Corporate profit tax</b>	<p>Object of taxation is gross profits, which are profits from sale of goods (works, services), other valuable items (including fixed assets), securities, property rights and non-operating income less expenses related to such operations.</p> <p>The basic tax rate is 24%.</p> <p>Types of activities subject to lower tax rates are determined by the applicable legislative acts.</p> <p>The following amounts are deductible from the taxable profit:</p>	<p>Law #1330-XII of 22 December 1991 <i>On Profit Tax</i> with subsequent amendments and additions</p>

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	<ul style="list-style-type: none"> <li>▶ Capital investments into production and housing construction as well as profit amounts appropriated to repay bank loans received for these purposes. The deduction is allowed in case of full utilization of the accrued amortization fund as of the 1st day of the month in which the profits were used for such purposes.</li> <li>▶ Profits on production of orthopedic products, rehabilitation and servicing facilities for disabled persons.</li> <li>▶ Amounts transferred to entities registered in the territory of the Republic of Belarus as budgetary-funded in the fields of health care, public education, social service, culture, recreation and sports facilities, or amounts paid for goods (works, services), acquired and transferred to these entities as well as cost of goods (works, services) transferred to (performed for) these entities without compensation. Taxable income can be reduced by the amount of related expenses but should not exceed 5% of taxable income.</li> </ul> <p>Tax exempt are the following types of profit:</p> <ul style="list-style-type: none"> <li>▶ Generated from operations with state securities, securities of the National Bank of the Republic of Belarus, local purpose bonded housing loan facilities and bonds of legal entities (tax residents of the Republic of Belarus) in accordance with the procedure established by the applicable law.</li> <li>▶ Generated from sale of goods (works, services) at points of roadside services for five years from the date they start their activities. Points of roadside services are capital constructions (buildings, facilities) situated at roadside of republican automobile roads, intended for providing services to road users en route (motels, hotels, camp grounds, service stations, trading and catering points, car washing units).</li> <li>▶ Other amounts stipulated by legislation in force.</li> </ul> <p>Entities that employ the disabled where the number of such employees is more than 50 % of average staffing number during the year are tax-exempt.</p> <p>Profits made by entities as the result of sale of products of own crops (except for flowers, ornamental plants) and livestock growing (except for fur farming), fish and bee farming are tax-exempt.</p> <p>Entities supplying hotel services are profit tax-exempt in part for hotel services for three years from the date they start their activities at tourist facilities stipulated in a list approved by the President, provided such tourist facilities are brought into operation commencing 2006. The amount of tax left at the disposal of the entity as a result of this preferential tax regime must be used</p>	

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	<p>to finance construction and modernization of tourist facilities, improvement of adjacent areas and repayment of bank loans received and used for these purposes. If funds received are not used for those purposes within this period or are misused, the funds are withheld and submitted to the national budget.</p> <p>Profits made by entities as a result of production of infant food products are tax-exempt.</p> <p>Profits made by insurance companies as a result of investing funds pertaining to insurance reserves on voluntary life insurance agreements and used to increase funds accumulated on the personal accounts of policy holders are tax-exempt.</p>	
2.2. Withholding tax on foreign legal entities not engaged in commercial activities in Belarus through a permanent representative office	<p>Tax on income of foreign legal entities generated in Belarus is withheld by legal entities and individual entrepreneurs who accrue or pay out the income of the foreign legal entity, out of the full amount of such income. In the case of non-cash income, tax is calculated on the basis of its cash equivalent.</p> <p>Income of foreign legal entities not engaged in commercial activity in Belarus through a permanent representative office is subject to taxation at the following rates:</p> <p>15% – dividends, royalties, licenses, and other income in accordance with a list laid down by law.</p> <p>10% – income derived from debt commitments (obligations) of any type, except for commitments in the form of securities, including loans (deposits, credit facilities, rights to employ temporary idle funds on accounts placed with banks in Belarus).</p> <p>6% – transportation, chartering fees (including demurrage and other payments arising in transit) for cross-border transportation; transport and logistics services.</p> <p>Where an international agreement entered into by the Republic of Belarus stipulates otherwise, its provisions should be applied.</p>	<p>Law #1330-XII of 22 December 1991 <i>On Profit Tax</i> with subsequent amendments and additions</p>
2.3. Personal income tax	<p>The following types of personal income are subject to taxation:</p> <ul style="list-style-type: none"> <li>– from sources in the Republic of Belarus and/or outside its territory (for individuals that are tax residents of the Republic of Belarus as defined by the Article 17 of the Tax Code (General part)</li> <li>– from sources in the Republic of Belarus (for individuals that are not tax residents of the Republic of Belarus).</li> </ul> <p>Calculation and payment of tax in accordance with the applicable legislation is performed by:</p>	<p>Law #1327-XII of 21 December 1991 <i>On Personal Income Tax</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>– Belarusian individual entrepreneurs - on amounts received from entrepreneurial activity</li> <li>– Private notary - on amounts received from their activities as private notaries.</li> </ul> <p>Tax rate is 12%, unless legislation provides otherwise.</p> <p>Tax rate is 15% for the following types of income:</p> <ul style="list-style-type: none"> <li>– dividends</li> <li>– received by payers that are not tax residents of the Republic of Belarus from individuals that are not individual entrepreneurs for sale of goods (works, services) or other property.</li> </ul> <p>Tax rate is 9% for the income received by the following persons:</p> <ul style="list-style-type: none"> <li>– individuals working under employment contract with (except for employees who provide maintenance and security services with respect to buildings, premises, and land plots) a resident of the High Technology Park</li> <li>– individual entrepreneurs that are residents of the High Technology Park</li> <li>– individuals working under employment contract with a non-resident of the High Technology Park and participating in sale of a registered in a prescribed manner business-project in the field of new and high technologies.</li> </ul> <p>Tax rate is 15% on income received from entrepreneurial and private notary activities.</p> <p>Legal entities calculate and withhold income tax from amounts paid to individuals, acting as tax agents.</p> <p>The list of types of income that are tax-exempt is specified by the applicable law.</p> <p>The legislation provides for preferences in terms of standard, social, property and professional tax deductions.</p>	
<b>3. Taxes, levies and contributions included in the cost of goods, works, and services</b>		
<b>3.1. Social fund contributions (social insurance contributions)</b>	<p>The base for social fund contribution charge is the payroll in cash and/or in kind, charged in favor of employees on all bases irrespective of sources except for kinds of payment provided by a list which are not charged with obligatory social fund contributions, stipulated by the Council of Ministers of the Republic of Belarus, but in the amount not exceeding the one equal to four</p>	<p>Law #3563-XII of 31 January 1995 <i>On Fundamental Principles of State Social Insurance</i> with subsequent amendments and additions</p>

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	<p>average salaries of employees in the Republic in a month preceding the one for which obligatory insurance contributions are paid.</p> <p>The rates applicable to calculating mandatory social insurance for cases of reaching retirement age, disability, and loss of breadwinner (pension insurance) are the following:</p> <ul style="list-style-type: none"> <li>► For employers – 28%.</li> <li>► For employers engaged in agricultural production provided that agricultural products constitute more than 50% of output – 24%.</li> <li>► For consumers' cooperatives (except for consumers' cooperation (consumer societies, their associations) condominiums; horticultural partnerships; public associations of disabled persons (their legal representatives) and organizations, property of which is in ownership of these public associations; public associations of retired employees – 5%.</li> <li>► For individuals that individually pay obligatory insurance contributions to Belgosstrakh – 29%;</li> <li>► For individuals employed – 1% (withheld by employer).</li> </ul> <p>The amount of obligatory insurance contributions for cases of temporary disability, taxis, child care until the child is three years old, monthly provision of one day off to a mother (father, guardian, trustee) bringing up a disabled child in the age up to 18 years, death of the insured person or a family member (social insurance) for employers, individuals that individually pay obligatory insurance contributions (except citizens working outside Belarus), Belgosstrakh (in respect of people that are additionally paid up to average monthly salary or paid insurance benefit on temporary disability) is 6%.</p> <p>The kinds of payment not subject to social contributions to the Fund are specified in the applicable legislative acts.</p> <p>The applicable legislation determines the list of persons, including citizens of the Republic of Belarus, foreigners and persons without permanent citizenship, for which participation in state social insurance program is a matter of right.</p>	<p>Law #138-XIII of 29 February 1996 <i>On Obligatory Contributions to the Social Fund of the Ministry of Social Security of the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Edict #40 of the President of the Republic of Belarus of 16 January 2009 <i>On the Social Fund of the Ministry of Social Security of the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution of the Council of Ministers #115 of 25 January 1999 <i>On Approval of List of Payments Not Subject to Charging of Contributions to the Social Fund and Obligatory Insurance Payments for Cases of Accidents at Work and Professional Diseases to Belarusian Republican Insurance Company Belgosstrakh</i> with subsequent amendments and additions</p>
3.2. Obligatory insurance contributions for cases of accidents at work or work-related diseases	<p>The base for obligatory insurance contribution charge are payments (income, rewards) in cash or in other forms charged in favor of employees on all bases irrespective of sources except for kinds of payment provided by list stipulated by the applicable legislative acts.</p> <p>The amount of contribution is determined by the insurer on the basis of insurance tariffs approved annually by the President;</p>	<p>Resolution of the Council of Ministers #1297 of 10 October 2003 <i>On Approval of the Regulation on the Procedure for Obligatory Insurance Payments for Cases of Accidents at Work and Professional Diseases</i> with</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>reductions or surcharges to tariffs stated by the insurance company in accordance with the procedure laid down by the President and in cases stipulated by the legislation are concessions to the insurance tariff.</p> <p>Insurance companies are public organizations of disabled persons and retired employees, as well as organizations that employ the disabled and retired employees where the number of such employees is more than 50 % of average staffing number and property of which is in full ownership of such public organizations on the basis of ownership right; insurance companies producing agricultural products in the volume exceeding 50% of the total volume of goods produced; and budgetary organizations in respect of payments made from the republican and local budget, pay insurance contribution in the amount 50% of the insurance tariff commencing the date of written application of the insurance company to the insurer providing at the same time the required documents confirming the right for such payment.</p>	<p>subsequent amendments and additions</p> <p>Resolution of the Council of Ministers #115 of 25 January 1999 <i>On Approval of List of Payments Not Subject to Charging of Contributions to the Social Fund and Obligatory Insurance Payments for Cases of Accidents at Work and Professional Diseases to Belarusian Republican Insurance Company Belgosstrakh</i> with subsequent amendments and additions</p>
3.3. Land fees in the form of land tax and rent	<p>Land fees are charged annually in the form of either land tax or rent for land plots which belong to the state and lessors being rural, town, or district executive and administrative bodies.</p> <p>A land plot in possession, usage, or ownership is subject to taxation.</p> <p>The rate of the land tax is determined based on the quality and location of the land plot and is not dependant on the results of operating and other activity of the land tenant, land user and land owner. The rate of the land fee for agricultural lands for farming purposes are determined based on the cadastral valuation.</p> <p>The land tax is established in the form of annual fixed payments per hectare of land area which are determined on the basis of rates specified in the Law on the Budget of the Republic of Belarus for the next financial year.</p> <p>The amount of land tax payable is decreased by the amount of tax calculated proportionately to the relative revenue received from carrying out residential premises construction works (modernization) and modernization of buildings into residential ones in the total amount of revenue generated from sale of goods (works, services) for the respective (reporting) quarter net of value added tax. Investors-developers who pay land tax are exempt from land tax on land plots given under construction of a residential building for the period of construction.</p> <p>The applicable legislation provides for the types and categories of land plots that are exempt from land tax.</p>	<p>Law #1314-XII of 18 December 1991 <i>On Land Fees</i> with subsequent amendments and additions</p> <p>Edict #74 of the President of the Republic of Belarus of 07 February 2006 <i>On Improvements to the Procedure for Determining Rent Payments for State-Owned Land Plots</i> with subsequent amendments and additions</p> <p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
3.4. Ecological tax	<p>The tax base is:</p> <ul style="list-style-type: none"> <li>▶ The volume of natural resources used (recovered, extracted)</li> <li>▶ The volume of oil and oil products processed by entities engaged in processing of oil and oil products</li> <li>▶ Volumes of pollutant emissions (discharges)</li> <li>▶ Oil and oil products relocated in Belarus</li> <li>▶ Residual products placed in waste disposal objects</li> <li>▶ Volumes of produced and (or) imported plastic and glass containers, paper and carton package and other goods which originate waste as a result of loss of their consumer properties of harmful environmental impact and that require systematic organization for collection, deactivation and (or) use; volumes of imported goods packed in plastic or glass containers, paper or carton packaging</li> <li>▶ The volume of produced and (or) imported goods containing more than 50% of volatile organic compounds.</li> </ul> <p>Tax rates for use of mineral resources are set by the President of the Republic of Belarus, except for payments for oil and oil products processing by entities engaged in oil processing.</p> <p>Processing by entities engaged in oil processing of oil and oil products is subject to taxation at the rate of BYR 3,300 per tonne.</p> <p>Penalty rates are set for exceeding the established limits.</p> <p>The amounts of ecological tax except for payments for oil and oil products processing by entities engaged in oil processing are indexed through the coefficient determined by the Law on the Budget of the Republic of Belarus for the next financial year.</p> <p>Ecological tax exemptions are established by the President of the Republic of Belarus.</p>	<p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p> <p>Law #1335-XII of the Republic of Belarus of 23 December 1991 <i>Concerning Tax for the Use of Mineral Resources (Ecological Tax)</i> with subsequent amendments and additions</p> <p>Edict #215 of the President of the Republic of Belarus of 07 May 2007 <i>On Tax Rates for Use of Natural Resources (Ecological Tax) and Issues on its Charge</i> with subsequent amendments and additions</p>
3.5. Contributions to innovation funds	<p>Contributions to the innovation fund of the Ministry of Trade of the Republic of Belarus are charged of the cost of goods (works, services) in the following amounts:</p> <ul style="list-style-type: none"> <li>▶ 0% by tax payers selling goods of own production, except for goods sold through trading points owned by these payers and goods produced in the process of catering and public servicing</li> <li>▶ 0.01% by payers that employ the disabled where the number of such employees is more than 50 %.</li> <li>▶ 1.8%: <ul style="list-style-type: none"> <li>– By tax payers providing catering services in points of public catering of “lux”, “highest” and “first” mark-up</li> </ul> </li> </ul>	<p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p> <p>Resolution #21 of the Ministry of Trade as of 30 March 2009 <i>On certain issues of formation of innovation fund of the Ministry of Trade of the Republic of Belarus in 2009</i></p>



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>– By tax payers in respect of trading in oil products (petroleum of all kinds, diesel fuel, jet petroleum, lighting kerosene, heating oil)</li> <li>– By tax payers accountable to the Ministry of Trade, including economic societies in respect of which the Ministry of Trade is entitled to carry out operations with shares (shareholdings) of the Government.</li> </ul> <p>► 0.25% – by others.</p> <p>Organizations subordinate to the Ministry of Architecture and Construction including private legal entities except for organizations registered as residents of FEZ are charged with contributions to the innovations fund of the Ministry of Architecture and Construction at a rate ranging from 0.25% till 13.5 % of the cost of goods (works, services) obtained (rendered) as a result of activities in the sphere of the construction or building materials production industry.</p> <p>Other ministries and governmental bodies form innovation funds out of contributions from accountable organizations with due consideration of peculiarities established by the legislation.</p>	<p>Edict #499 of the President of the Republic of Belarus of 4 August 2006 <i>On Measures to Renovate Fixed Assets in the Building Sector</i> with subsequent amendments and additions</p> <p>Resolution #62 of the Ministry of Architecture and Construction of 30 December 2008 <i>On Approval of the Instruction on Formation of the Innovation Fund of the Ministry of Architecture and Construction of the Republic of Belarus in 2009</i> with subsequent amendments and additions</p>

#### 4. Other taxes paid out of net income

<b>4.1. Real estate tax</b>	<p>The tax base is the following:</p> <ul style="list-style-type: none"> <li>– Buildings and constructions, including those under construction, that are owned or are in possession, under economic or operating control of organizations – tax payers</li> <li>– Buildings and constructions, including those under construction, including residential property, garden houses, dachas, residential premises (flats, rooms), household outbuildings owned by individuals – tax payers</li> <li>– Buildings and constructions leased by individual entrepreneurs that are tax payers in accordance with the applicable legislation.</li> </ul> <p>The tax base is the book value of fixed assets.</p> <p>The annual tax rate is the following:</p> <ul style="list-style-type: none"> <li>– For organizations – 1%</li> <li>– For individuals, including those registered as individual entrepreneurs, as well as for garage cooperatives and cooperatives running parking areas, horticultural partnerships – 0.1%</li> </ul>	<p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p> <p>Law #1337-XII of 23 December 1991 <i>On Real Estate Tax</i> with subsequent amendments and additions</p>
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Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>- For organizations owing, having under economic and operating control above-level fixed assets under construction and engaged in construction of new objects - 2% of the value of the above-level fixed assets under construction, excluding fixed assets financed by the budget and housing projects.</p> <p>Concessions are determined by the applicable legislation.</p>	
4.2. Tax on purchase of motor vehicles	<p>The tax rate is 3% of purchase price net of VAT.</p> <p>The tax base is the value of cars acquired by purchase, swapping, donation or gratuitous transfer as a contribution to the statutory fund, as well as under financial lease (leasing) agreements.</p> <p>Tax exempt are the following:</p> <ul style="list-style-type: none"> <li>▸ Acquisition of motor vehicles for further sale</li> <li>▸ Acquisition by a lessor of motor vehicles for further transfer to a lessee</li> <li>▸ Acquisition of motor vehicles designed for public use except</li> <li>▸ Repurchase by a lessee of motor vehicles and their recognition as fixed assets</li> <li>▸ Others, as determined by the legislation.</li> </ul> <p>The list of transactions that are tax-exempt is specified by applicable legislative acts.</p>	<p>Law #1339-XII of 23 December 1991 <i>On Road Funds in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Edict #546 of the President of the Republic of Belarus of 24 November 2005 <i>On Certain Issues of Taxation of Goods being Transported through the Customs Territory of the Republic of Belarus</i> with subsequent amendments and additions</p>
4.3. Local taxes and duties	<p>Local taxes and duties are established by local administrations and municipalities. Local self administrations may establish a range of local taxes and duties as authorized in 2009 by the Law <i>On Republican Budget for 2009</i> namely:</p> <ol style="list-style-type: none"> <li>1. Special purpose contributions (transportation and infrastructure development and maintenance).</li> </ol> <p>The base out of which the contribution is charged is determined:</p> <ul style="list-style-type: none"> <li>▸ for legal entities as the amount of profit after taxation;</li> <li>▸ for individual entrepreneurs - as the amount of income after taxation, duties and other obligatory payments.</li> </ul> <p>Tax rates are established at a rate not exceeding in total 3% of the tax base.</p> <ol style="list-style-type: none"> <li>2. Other contributions in accordance with the applicable legislation, such as user charges, procurement charge, resort charge.</li> </ol>	<p>Law #617-XII of 20 February 1991 <i>On Local Administration and Self Administration</i> with subsequent amendments and additions</p> <p>Law #450-3 of 13 November 2008 <i>On Republican Budget for 2009</i> with subsequent amendments and additions</p>

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4.4. Offshore levy	<p>Nomenclature of offshore zones that are states (territories) with preferential tax regime and/or absence of requirement to disclose and provide information on financial operations, is approved by the President of the Republic of Belarus.</p> <p>Offshore levy base is the following:</p> <ul style="list-style-type: none"> <li>– Funds transferred by residents of Belarus to a non-resident of Belarus registered in an offshore zone or other persons under obligations to the resident or to an account opened in an offshore zone</li> <li>– Settlement of non-cash obligations to a non-resident of Belarus registered in an offshore zone</li> <li>– Transfer of property rights or obligations due to replacement of persons in commitments where the parties are residents of Belarus and a non-resident of Belarus registered in an offshore zone.</li> </ul> <p>Offshore levy rate is 15%.</p> <p>Funds transferred by legal entities and individual entrepreneurs with a view to repaying loans or interest on loans granted by non-residents of the Republic of Belarus or other funds obtained from non-residents in accordance with legislation or agreement are not levied.</p> <p>The President of the Republic of Belarus may determine other cases where the offshore levy is not charged.</p>	<p>Edict #104 of the President of the Republic of Belarus of 12 March 2003 <i>On Introduction of Offshore Levies</i> with subsequent amendments and additions</p> <p>Decree #353 of the President of the Republic of Belarus of 25 May 2006 <i>On Approval of Nomenclature of Offshore Zones</i> with subsequent amendments and additions</p>
5. Special tax regimes		
5.1. Unified tax on agricultural producers	<p>In accordance with the applicable legislation producers of agricultural products have the right to pay the unified tax.</p> <p>Payment of unified tax substitutes all other taxes, contributions and other obligatory payments to the budget and state non-budgetary funds, except for excise duties, value added tax, tax on dividend income and eligible income, state duty, patent fees, license and registration fees, obligatory insurance contributions to the Social Fund of the Ministry of Labour and Social Security, contributions to the state special-purpose budget fund on promotion of employment, and customs duties on goods imported to the customs territory of Belarus.</p> <p>The rate of unified tax for organizations producing agricultural products is 2% of gross revenues from the sale of goods (works, services), other property and income earned on non-operating transactions.</p> <p>In accordance with the applicable legislation producers of agricultural products when paying salary to individuals, as well as other payments to individuals and legal entities, shall withhold taxes from the amounts paid out.</p>	<p>Decree #27 of the President of the Republic of Belarus of 13 July 1999 <i>On Introduction of a Unified Tax on Agricultural Producers</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
5.2. Unified tax on business entities subject to simplified taxation	<p>Conduct of entrepreneurial activities in Belarus is subject to taxation.</p> <p>The tax base is gross revenue determined as the amount of revenue earned by entities and individual entrepreneurs during the taxable period as the result of sales of goods (works, services), ownership rights to intellectual property and non-operating income excluding VAT or gross income (for the respective tax rate) determined as the difference between gross revenue and cost of sales.</p> <p>The following rates apply under the simplified system:</p> <p>8% – for qualifying organizations and individual entrepreneurs who do not pay VAT</p> <p>6% – for qualifying organizations and individual entrepreneurs who pay VAT</p> <p>15 % – for qualifying organizations and individual entrepreneurs who use mark-up as tax base.</p> <p>For organizations and individual entrepreneurs situated (resided) in rural areas and localities defined by the legislation and producing goods (works, services) in these localities as well as in rural areas tax rate under the simplified system is the following:</p> <p>5% – for qualifying organizations and individual entrepreneurs who do not pay VAT</p> <p>3% – for qualifying organizations and individual entrepreneurs who pay VAT.</p>	Edict #119 of the President of the Republic of Belarus of 9 March 2007 <i>On Simplified Taxation</i> with subsequent amendments and additions
5.3. Tax on the gambling industry	<p>Subject to taxation are gaming tables, slot machines, sweep-stake cashiers, bookmaker cashiers.</p> <p>Fixed rates of tax on the gambling industry are established by the President of the Republic of Belarus for each taxable item.</p> <p>In respect of income received from gambling industry payers are exempt from profit tax, value added tax (except for VAT on goods being imported to the customs territory of the Republic of Belarus), contribution on costs finance related to maintenance and repairs of residential property, contribution to the Republican fund for support of food, agricultural products, manufacturers and scientific organizations, personal income tax (for individual entrepreneurs).</p>	Edict #9 of the President of the Republic of Belarus of 10 January 2005 <i>On Approval of the Statute on Carrying out Activities in the Gambling Industry in the Territory of the Republic of Belarus</i> with subsequent amendments and additions
5.4. Tax on income generated by lottery sales	<p>The tax base is determined as the difference between the proceeds from organizing and performing the lottery and the amount of the accrued prize fund.</p> <p>Tax rate is 8%.</p>	Decree #19 of the President of the Republic of Belarus of 23 April 1999 <i>Concerning Introduction of Tax on Lottery Sales</i> with subsequent amendments and additions

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>A lottery prize fund does not constitute the income of the taxpayer (entity – organizer of the lottery) and is used solely for redemption of prizes won by participants. The prize fund is formed as laid down by Belarusian law.</p> <p>Funds received from organizing a lottery are exempt from profit tax, value added tax (except for VAT on goods being imported to the customs territory of the Republic of Belarus), contribution to the Republican fund for support of food, agricultural production, and agricultural scientific organizations, tax on road users.</p>	<p>Law #356-3 of 10 January 2000 <i>On Taxes on Income Earned from Lottery Activities</i> with subsequent amendments and additions</p>
5.5. Single tax on individual entrepreneurs and other individuals	<p>Taxpayers are entrepreneurs and individuals engaged in types of activity as in the list provided for by the applicable legislation.</p> <p>Tax rates are determined by regional and Minsk municipal Council of Deputies in terms of base tax rates determined by the applicable legislation.</p> <p>The applicable legislation stipulates the process for applying certain concessions and lower rates.</p>	<p>Edict #285 of the President of the Republic of Belarus of 18 June 2005 <i>On Regulation of Entrepreneurship Activity</i> with subsequent amendments and additions</p>
5.6. Taxation in free economic zones (FEZ)	<p>In accordance with the applicable legislation, residents of FEZ fall under a preferential tax regime on sale in the following cases:</p> <ul style="list-style-type: none"> <li>– Sale of goods (works, services) produced by residents of FEZ in the territory of these zones to foreign legal entities and/or individuals under agreements concluded between them</li> <li>– Sale of goods (works, services) produced by residents of FEZ in Belarus provided that these goods are substitutes for imported goods in accordance with the list of goods specified by the Belarusian Government and approved by the President of the Republic of Belarus</li> <li>– sale of goods (works, services) produced by residents of FEZ to other residents of FEZ under contracts concluded between them.</li> </ul> <p>On application of a preferential tax regime residents of FEZ are exempt from profit tax during five years commencing on the day when profits were declared for the first time, contributions to the Republican fund for support of food, agricultural products manufacturers, and scientific organizations, tax on immovable property in respect of fixed assets (assets under construction) situated in the territory of the respective FEZ, tax on car purchase irrespective of its purpose.</p> <p>On application of a preferential tax regime residents of FEZ are subject to profit tax paid at a rate reduced by 50%, but not greater</p>	<p>Edict #262 of the President of the Republic of Belarus of 09 June 2005 <i>On the Activity of Free Economic Zones in the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution #96 of the Ministry of Taxation of 28 September 2005 <i>On Approval of the Instruction on Peculiarities of Accrual and Payment of Taxes, Duties and Other Obligatory Payments to the Budget by the Residents of Free Economic Zones</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>than 12%, income tax, VAT, excises, tax for the use of natural resources (ecological tax), land tax (or rent), state duty, patent fees, license and registration fees, offshore levy, stamp duty, duty on usage of transport vehicles in the course of entrepreneurial activity or on transfer of motor vehicles to legal entities or individual entrepreneurs, local taxes and duties, contributions to the Social Fund of the Ministry of Labour and Social Security; they act as tax agents in accordance with the applicable legislation.</p> <p>As for the turnover on sale in Belarus of goods that are produced by residents of FEZ at the respective FEZ and are substitutes for imported goods, residents of FEZ pay VAT reduced by 50%.</p>	
<b>5.7. Taxation of residents of the High Technology Park (HTP)</b>	<p>Residents of the HTP are exempt from taxes, contributions and other obligatory payments to the State budget, and non-budget funds prescribed by the Belarusian Budget Law for the respective financial (budget) year which should be paid out of revenue earned from sale of goods (works, services, ownership rights for intellectual property), profit tax, value added tax on turnover on sale of goods (works, services, ownership rights for intellectual property).</p> <p>Income of individuals (except for employees who provide maintenance and security services with respect to buildings, premises, and land plots) drawn from residents of the HTP under labor contracts during the calendar year as well as income earned by residents of the HTP who are individual entrepreneurs is taxable at the rate of 9%.</p> <p>According to the applicable legislation employees of residents of the HTP and residents of the HTP - individual entrepreneurs are subject to obligatory state social insurance. Herewith, obligatory insurance contributions are not charged on part of income (payments) of an employee (except for employees who provide maintenance and security services with respect to buildings, premises, and land plots) of a resident of the HTP which forms the tax base and exceeds single amount of average salary of employees in the Republic in a month preceding the one for which obligatory insurance contributions are paid.</p> <p>Residents of the HTP have other concessions stipulated by the applicable legislation.</p>	<p>Edict #12 of the President of the Republic of Belarus of 22 September 2005 <i>On the High Technology Park</i> with subsequent amendments and additions</p> <p>Resolution #403 of the Council of Ministers of 27 March 2006 <i>On Certain Issues of Implementation of Decree #12 of the President of the Republic of Belarus of 22 September 2005</i> with subsequent amendments and additions</p>
<b>5.8. Taxation of members of the Science and Technology Association Infopark</b>	<p>Members of the Science and Technology Association may be legal entities, including entities with foreign investments and foreign legal entities, primary activity of which is development of information technologies, including program features (software).</p> <p>Members of Association are exempt from taxes, contributions and other obligatory payments to the republican budget and</p>	<p>Edict #234 of the President of the Republic of Belarus of 3 May 2001 <i>On Governmental Support of Information Technology Development and Export</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	state non-budget funds related to revenue earned from sale of information technology and services with respect to development of such technologies except for profit tax paid at the rate of 5% and contributions to the Social Fund under the Ministry of Labor and Social Security of the Republic of Belarus.	
<b>5.9. Taxation of commercial organizations situated in localities with population under 50 thousand people</b>	<p>Commercial organizations established after 1 April 2008 situated and operating in localities with population under 50 thousand which are included in the list of settlements approved by the Council of Ministers and agreed with the President are exempt from profit tax, contributions to the Republican fund for support of food, agricultural products manufacturers, and agricultural scientific organizations from sale of goods (works, services) of own production, other taxes and dues (except for VAT, income tax on transactions with securities, state duty, customs duties, tax for the use of natural resources (ecological tax), taxes paid when acting as tax agent) for five years from their date of establishment.</p> <p>The peculiarities of application of the specified system of taxation and other concessions are established by the applicable legislation.</p>	Edict #1 of the President of the Republic of Belarus of 28 January 2008 <i>On Stimulating Production and Sale of Goods (Works, Services)</i> with subsequent amendments and additions
<b>5.10. Taxation of organizations and individual entrepreneurs situated in rural settlements</b>	Organizations and individual entrepreneurs situated (residing) in rural settlements are exempt from profits tax, tax on immovable property situated in those settlements for the period from 1 January 2008 to 31 December 2012, provided that they produce goods (perform work, render services) in rural settlements, except for cases stipulated by the applicable legislation. Such organizations and individual entrepreneurs enjoy other concessions stipulated by the applicable legislation.	Decree #9 of the President of the Republic of Belarus of 20 December 2007 <i>On Issues Relating to Regulation of Entrepreneurship Activity in the Territory of Rural Population Centers</i> with subsequent amendments and additions
<b>5.11. Taxation of electronic interactive games</b>	<p>The tax base is revenue generated from holding electronic interactive games.</p> <p>Tax base is determined as the difference between the amounts of revenue from holding electronic interactive games and composed winning fund.</p> <p>The tax rate on income from holding electronic interactive games is 8%.</p> <p>Revenue from holding electronic interactive games is exempt from profit tax and contribution to republican fund for support of food, agricultural production, and agricultural science. Turnover on amounts received under stakes on holding electronic interactive games is exempt from value added tax (VAT).</p>	Decree #6 of the President of the Republic of Belarus of 10 April 2008 <i>On Certain Issues Relating to Organization and Holding of Electronic Interactive Games</i>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
5.12. Taxation of investment activity in the Republic of Belarus	<p>During implementation of an investment project investor and/or organization established in the Republic of Belarus in a defined manner by the respective investor or with participation of the latter, upon conclusion of an investment agreement and its registration at the State Register of Investment Agreements with the Republic of Belarus, are tax exempt from customs duties and value added tax (except for VAT on goods imported to the Republic of Belarus from the Russian Federation) on import to the customs territory of the Republic of Belarus of equipment and respective spare parts designed for units related to the implementation of an investment project.</p> <p>Investment agreements are registered in a manner prescribed by the applicable legislation.</p> <p>The investors specified enjoy other concessions stipulated by the applicable legislation.</p>	Decree #10 of the President of the Republic of Belarus of 6 August 2009 <i>On Creating Additional Conditions for Investment Activity in the Republic of Belarus</i> *

\* As of 1 September 2009 Decree #10 of the President of the Republic of Belarus of 6 August 2009 did not come into full force and effect.



# Regulation of foreign trade activities

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>State regulation of foreign trade activities is realized through custom and tariffs regulation; non-tariff regulation; bans and restrictions on external trade in services and intellectual property; implementation of economic and administrative measures promoting development of foreign trade activities</p>	<p>Law #347-3 of the Republic of Belarus of 25 November 2004 <i>Concerning State Regulation of Foreign Trade Activity</i></p>
<b>1. Customs tariff regulation</b>		
<b>1.1. Customs duties</b>	<p>Rates of customs duties are established by the President of the Republic of Belarus and the Council of Ministers of the Republic of Belarus, are uniform and invariable for all legal entities and individuals moving goods across the customs border of the Republic of Belarus regardless of the nature of the transaction and other factors, with the exception of the instances envisaged by the legislation.</p> <p>The amount of custom duties is determined as product of tax base by respective rate.</p> <p>When goods are imported to the customs territory of the Republic of Belarus or are exported out of it, the tax base is determined:</p> <ul style="list-style-type: none"> <li>▸ As customs value of goods being moved across customs border of the Republic of Belarus - for those goods to which ad valorem custom duties are applicable</li> <li>▸ As quantity (volume, weight) and other physical dimensions - for those goods for which specific duties are applicable</li> </ul> <p>The customs value of goods imported to the customs territory of the Republic of Belarus is determined using the following methods:</p> <ul style="list-style-type: none"> <li>▸ At the transaction price for the imported goods</li> <li>▸ At the transaction price for identical goods</li> <li>▸ At the transaction price for similar goods</li> <li>▸ Through deduction of costs</li> <li>▸ Through the sum of costs</li> <li>▸ Using the reserve method.</li> </ul> <p>The core method used is based on the transaction price for the imported goods, under which the customs value is the transaction price actually paid or payable for the goods imported to</p>	<p>Belarusian Customs Code of 4 January 2007 #204-3 with subsequent amendments and additions</p> <p>Law #2151-XII 5-3 of the Republic of Belarus of 3 February 1993 <i>Concerning Customs Tariffs</i> with subsequent amendments and additions</p> <p>Edict #699 of the President of the Republic of Belarus of 31 December 2007 <i>Concerning Rates of Import Customs Duties</i> with subsequent amendments and additions</p> <p>Edict #474 of the President of the Republic of Belarus of 31 July 2006 <i>Concerning the Procedure of Determining the Customs Value of Goods</i></p> <p>Resolution #366 of the Council of Ministers of the Republic of Belarus of 24 March 2007 <i>Concerning Rates of Export Customs Duties</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>the Republic of Belarus. If that method cannot be applied, each of other methods listed above is applied in consecutive order.</p> <p>The customs value of goods exported from the territory of the Republic of Belarus is determined on the basis of the transaction price, i.e. the amount actually paid or due while exporting goods, and includes expenses incurred by the customer but not included in the amount actually paid or due.</p>	
1.2. VAT on imported goods	<p>VAT may be withheld by the customs or tax authorities (when customs clearing is not performed).</p> <p>The tax base on goods imported to the customs territory of the Republic of Belarus, the tax on which is withheld by tax authorities, is determined as the amount of:</p> <ul style="list-style-type: none"> <li>▸ Customs value of the goods</li> <li>▸ Customs duty payable</li> <li>▸ Excises payable (for excisable goods).</li> </ul> <p>The tax base for goods imported from countries for which there is no customs clearing procedure (for example, the Russian Federation) is determined for the purpose of VAT payment as of the date of initial recognition of exported goods as:</p> <ul style="list-style-type: none"> <li>▸ The aggregate of cost of goods purchased, including shipping costs and costs of delivery of these goods</li> <li>▸ Excises payable (for excisable goods).</li> </ul> <p>The Law of the Republic of Belarus <i>Concerning Value Added Tax</i> stipulates instances when goods being imported to the customs territory of the Republic of Belarus are exempt from VAT. In addition, certain legislative acts also provide for exemption from VAT.</p>	<p>Customs Code of the Republic of Belarus of 4 January 2007 #204-3 with subsequent amendments and additions</p> <p>Belarusian Tax Code #166-3 of 19 December 2002 with subsequent amendments and additions</p> <p>Law #1319-XII of the Republic of Belarus of 19 December 1991 <i>Concerning Value Added Tax</i> with subsequent amendments and additions</p> <p>Agreement between the Government of the Republic of Belarus and the Government of the Russian Federation on the principles of withholding of indirect taxes in course of export and import of goods, carrying out of works and provision of services of 15 September 2004</p> <p>Edict #397 of the President of the Republic of Belarus of 15 June 2006 <i>Concerning the Procedure of Calculation and Payment of Excises and VAT</i> with subsequent amendments and additions</p>
1.3. Privileges with regard to customs duties and VAT	<p>The edicts of the President of the Republic of Belarus and other legislative acts envisage the following privileges with regard to customs duties and VAT:</p> <ul style="list-style-type: none"> <li>▸ Import customs duty and VAT exemption (except for VAT for goods imported from the Russian Federation) is applicable to technological equipment, components or spare parts for such</li> </ul>	<p>Decree #1 of the President of the Republic of Belarus of 28 January 2008</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>equipment which are placed under the customs regime of free circulation and which are imported to the customs territory of the Republic of Belarus as a contribution to the charter fund of commercial organizations with foreign investments established (except for those created as a result of reorganization) from 1 April 2008, and which are situated and carry out activities in the Republic of Belarus, except for the locations with population exceeding 50,000 people according to the list approved by the Council of Ministers of the Republic of Belarus and agreed with the President of the Republic of Belarus</p> <ul style="list-style-type: none"> <li>▶ Import customs duty and VAT exemption is applicable to technological equipment, components or spare parts for such equipment which have been imported to the customs territory of the Republic of Belarus (with the exception for VAT for goods imported from the Russian Federation) as a contribution of the remainder (an increase) of the charter fund of organizations which are situated in rural areas and produce goods (perform work, render services)</li> <li>▶ Customs duty and VAT exemption is applicable to technological equipment, components and spare parts for such equipment (except for those that are imported from the Russian Federation) imported to the customs territory of the Republic of Belarus for the purpose of implementation of investment projects financed out of external government loans (credits) included in the list of such projects approved by the Council of Ministers of the Republic of Belarus.</li> </ul> <p>Certain goods imported into the customs territory of the Republic of Belarus and originated from developing countries (territories) according to the list approved by the President of the Republic of Belarus are subject to tariff preferences in the form of the customs duties reduced by 25%, certain goods originated from the least developed countries (territories) according to the list approved by the President of the Republic of Belarus are subject to tariff preferences in the form of exemption from customs duties.</p> <p>Reduction of customs duty rates, exemption from customs duties envisaged for goods originating from developing and least developed countries (territories) are applicable to goods specified in the list of goods subject to preferential regime.</p>	<p><i>On Stimulating the Production and Selling of Goods (Works, Services)</i> with subsequent amendments and additions</p> <p>Decree #9 of the President of the Republic of Belarus of 20 December 2007 <i>On Some Issues Relating to Regulation of Entrepreneurship Activity in the Territory of Rural Population Centers</i> with subsequent amendments and additions</p> <p>Edict #168 of the President of the Republic of Belarus of 21 March 2008 <i>On Some Measures to Implement Investment Projects Financed by Means of External Government Loans (Credits)</i></p> <p>Decree #14 of the President of the Republic of Belarus of 18 April 2003 <i>On Establishment of Tariff Preferences</i> with subsequent amendments and additions</p>
1.4. Excises on imported goods	According to the legislative acts of the Republic of Belarus, unified excise rates are applicable both to goods produced by the excise payers in the territory of the Republic of Belarus and to goods imported by the excise payers to the customs territory of the Republic of Belarus.	Belarusian Customs Code of 4 January 2007 #204-3 with subsequent amendments and additions

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>Depending on the rates established for excisable goods being imported to the customs territory of the Republic of Belarus the excise application base is determined as:</p> <ul style="list-style-type: none"> <li>▶ The volume of imported excisable goods in physical units – for those goods to which fixed (specific) rates apply</li> <li>▶ Custom value increased by the customs duty payable – for those excisable goods to which ad valorem rates apply.</li> </ul> <p>See the list of excisable goods (production) in the section Taxes and Other Obligatory Payments, article 1.2.</p> <p>Excise rates are established by the President of the Republic of Belarus as an absolute amount based on a physical unit of measurement with respect to excisable goods (fixed (specific) rates) or as a percentage rate of the value of the goods (ad valorem rates).</p> <p>The Law of the Republic of Belarus Concerning Excise Duties specifies instances where the goods imported to the customs territory of the Republic of Belarus are exempt from excises. Other goods may be exempt from excise in cases specified by the President of the Republic of Belarus and (or) by the Customs Code of the Republic of Belarus.</p>	<p>Belarusian Tax Code #166-3 of 19 December 2002 with subsequent amendments and additions</p> <p>Law #1321-XII of the Republic of Belarus of 19 December 1991 <i>Concerning Excise Duties</i> with subsequent amendments and additions</p> <p>Edict #397 of the President of the Republic of Belarus of 15 June 2006 <i>Concerning the Procedure of Calculation and Payment of Excises and VAT</i> with subsequent amendments and additions</p> <p>Edict #709 of the President of the Republic of Belarus of 29 December 2008 <i>Concerning Excise Duties on Excisable Goods</i> with subsequent amendments and additions</p>
1.5. Customs duties	<p>Customs duties for customs clearance are withheld at a stated rate depending on the category of goods, the terms of customs clearance, and their amount does not depend on the customs value of the goods.</p> <p>In cases stipulated by the legislation of the Republic of Belarus customs duties are not withheld. For example, customs duties are not withheld with respect to the goods with customs value under 100 euro which are not subject to customs dues and taxes, to those goods that are imported from the Russian Federation but were produced in the Republic of Belarus or in the Russian Federation, or are in free circulation in the Republic of Belarus, or moved within the customs territories of the Republic of Belarus and the Russian Federation.</p>	<p>Edict #443 of the President of the Republic of Belarus of 13 July 2006 <i>Concerning Customs Duties</i> with subsequent amendments and additions</p> <p>Resolution #869 of the Council of Ministers of the Republic of Belarus of 27 June 2003 <i>Concerning Certain Measures on Regulation of Customs Clearance of Goods Imported from the Russian Federation</i> with subsequent amendments and additions</p>
2. Non-tariff foreign trade regulation		
2.1. Bans and restrictions on transfer of goods across the customs border	<p>Goods should be transferred across the customs border in compliance with bans and restrictions on importation of goods to the Republic of Belarus and exportation thereof from the</p>	<p>Belarusian Customs Code of 4 January 2007 #204-3 with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>Republic of Belarus established by legislation and (or) international agreements of the Republic of Belarus due to reasons of economic and non-economic nature.</p> <ol style="list-style-type: none"> <li>1. Goods, transfer of which is restricted due to reasons of economic nature, include goods foreign trade in which is subject to licensing.  The Council of Ministers of the Republic of Belarus approved the list of goods that are imported or exported on the basis of licenses issued by the Ministry of Trade of the Republic of Belarus as well as the list of goods that are exported on the basis of special EU standard licenses for textile trade issued by the Ministry of Trade of the Republic of Belarus.</li> <li>2. Lists of goods restricted or banned for transfer across the customs border of the Republic of Belarus due to reasons of non-economic nature are approved by the Resolution of the Council of Ministers of the Republic of Belarus. The bodies authorized to issue permits for transfer of certain categories of goods and the regulations on the procedure and conditions of granting such permissions with regard to certain categories of goods were also determined.</li> </ol>	<p>Edict #502 of the President of the Republic of Belarus of 15 October 2007 <i>Concerning Bans and Restrictions on Transfer of Certain Goods across the Customs Border of the Republic of Belarus</i> with subsequent amendments and additions</p> <p>Resolution #1267 of the Council of Ministers of the Republic of Belarus of 27 September 2006 <i>Concerning Licensing of Foreign Trade of Certain Goods</i> with subsequent amendments and additions</p> <p>Agreement on trade in textile goods concluded between the Republic of Belarus and the European Union in 1993</p> <p>Resolution #1397 of the Council of Ministers of the Republic of Belarus of 23 September 2008 <i>Concerning Certain Issues of the Procedure of Transferring Certain Goods across the Customs Border of the Republic of Belarus</i> with subsequent amendments and additions</p>
2.2. Quotas	<p>When making a decision on introduction of foreign trade quotas for goods the President of the Republic of Belarus or - by his order - the Government of the Republic of Belarus determines the method and procedure of quota allocation. Quotas are allocated on the basis of equality of all participants of foreign trade activities with respect to obtaining quotas and non-discrimination of any form of ownership, place of registration and market share.</p> <p>As of today, no quotas for foreign trade have been established, with the exception for special import quotas introduced as special protective measures. See details in article 2.5 of this section.</p>	<p>Law #347 of the Republic of Belarus of 25 November 2004 <i>Concerning State Regulation of Foreign Trade Activity</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
2.3. Establishment of the exclusive right of the state to conduct foreign trade in certain types of goods		
2.3.1. Exclusive right of the state to import goods	<p>The state has exclusive right to import alcoholic products, tobacco raw materials and tobacco products with exception for the alcohol products, tobacco materials and tobacco products being brought to the territory of the Republic of Belarus in capacity of samples or exhibits by organizers and participants of international exhibitions and trade fairs or being imported for the purpose of sale in duty-free shops. The state has exclusive right to export mineral or chemical potash fertilizers. The state also holds the exclusive right to import fish and seafood, products of processing thereof according to the list established by the legislation.</p> <p>The exclusive right to import alcoholic products is implemented through legal entities - winners of tenders used to determine the legal entities providing implementation of the exclusive right of the state to import alcoholic products.</p> <p>The exclusive right to import tobacco raw materials is implemented by Republican manufacturing unitary enterprise Grodno Tobacco Processing Plant Neman and limited liability company Tabak-invest; to import tobacco products - by Republican manufacturing and trade unitary enterprise Belarustorg of the Administrative Affairs Office of the President of the Republic of Belarus.</p>	<p>Decree #3 of the President of the Republic of Belarus of 29 February 2008 <i>On Some Issues of State Regulation of Production, Turnover and Advertising of Beer, Alcoholic Products and Tobacco Goods</i> with subsequent amendments and additions.</p> <p>Decree #4 of the President of the Republic of Belarus of 18 October 2007 <i>On State Regulation of Import and Export of Tobacco Raw Materials and Tobacco Goods and on Introducing Amendments and Additions to the Decree #28 of the President of the Republic of Belarus of 17 December 2002</i></p> <p>Decree #28 of the President of the Republic of Belarus of 17 December 2002 <i>On State Regulation of Production, Turnover and Consumption of Tobacco Raw Materials and Tobacco Products</i> with subsequent amendments and additions.</p> <p>Decree #361 of the President of the Republic of Belarus of 30 July 2007 <i>On State Regulation of Import of Fish and Seafood, Products of Processing Thereof</i> with subsequent amendments and additions.</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
2.3.2. Exclusive right of the state to export goods	<p>The exclusive right to export mineral and chemical potash fertilizers is implemented by Republican unitary enterprise Production Amalgamation Belaruskali and Open Joint Stock Company Belarusian Potash Company.</p> <p>Export from the Republic of Belarus of scrap and waste of ferrous and non-ferrous metals originated in the Republic of Belarus is carried out in the prescribed order by Belarusian state amalgamation on procurement, processing and delivery of scrap and waste of ferrous and non-ferrous metals, and by member legal entities of this amalgamation, and in cases determined by the Council of Ministers of the Republic of Belarus with concurrence of the President of the Republic of Belarus – also by other legal entities.</p>	<p>Edict #398 of the President of the Republic of Belarus of 25 August 2005 <i>Concerning Measures on Improvement of Potash Fertilizers Export</i> with subsequent amendments and additions</p> <p>Edict #298 of the President of the Republic of Belarus of 13 June 2002 <i>On Export of Scrap and Waste of Ferrous and Non-ferrous Metals</i></p>
2.4. Establishment of special procedure of transition of goods subject to export control	<p>Export control should be regarded as establishment and implementation of administration procedure for the import to the customs territory of the Republic of Belarus, usage, transit and export of goods subject to export control.</p> <p>Specific goods, work and services subject to export control in the Republic of Belarus include:</p> <ul style="list-style-type: none"> <li>▸ Goods, technologies and services stipulated by the international agreements and obligations of the Republic of Belarus which relate to international and national security</li> <li>▸ Chemical substances (toxins), microorganisms (viruses, bacteria), appliances, technologies and services, which may be used for development and production of chemical, bacteriological (biological) weapons</li> <li>▸ Goods, technologies and services related to nuclear fuel cycle and production of nuclear materials that could be used to create nuclear weapons and nuclear explosive devices</li> <li>▸ Goods, technologies and services that could be used to create delivery vehicles for weapons of mass destruction</li> <li>▸ Weapons of mass destruction and delivery vehicles for such weapons</li> <li>▸ Military goods</li> <li>▸ Dual-use goods and technologies</li> <li>▸ Cryptographic devices (works, services) including cryptographic equipment and special technical products designed for covert acquisition of information.</li> </ul> <p>Measures of state regulation of import and export of goods subject to export controls (specific goods (works, services)) are defined by the President of the Republic of Belarus.</p>	<p>Law #130-3 of the Republic of Belarus of 6 January 1998 <i>Concerning Export Control</i> with subsequent amendments and additions</p> <p>Edict #460 of the President of the Republic of Belarus of 17 July 2006 <i>Concerning Improvement of the State Regulation of Import and Export of Specific Goods (Works, Services)</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
2.5. Introduction of special protective, antidumping or compensatory measures	<p>Special protective, anti-dumping or compensatory measures may be introduced in order to protect economic interests of the Republic of Belarus.</p> <ol style="list-style-type: none"> <li>1. Special protective measures are applied with respect to the import into the customs territory of the Republic of Belarus of goods in quantities or under conditions that damage or could damage domestic manufacturers of similar or directly competing goods.</li> <li>2. Anti-dumping measures are applicable with respect to the import into the customs territory of the Republic of Belarus of goods at prices lower than those normally applied in the country of origin at the moment of import if the import of such goods damages or could materially damage domestic producers of similar goods or impedes the organization or expansion of production of similar products in the Republic of Belarus.</li> <li>3. Compensatory measures are applicable in the event of the import into the customs territory of the Republic of Belarus of goods whose manufacturing or export was directly or indirectly subsidized if the import of such goods damages or could materially damage domestic producers of similar goods or impede the organization or expansion of production of similar products in the Republic of Belarus.</li> </ol> <p>Special protective, anti-dumping or compensatory measures may be introduced only after the investigation has been conducted in accordance with the legislative acts of the Republic of Belarus.</p>	<p>Law #346-3 of the Republic of Belarus of 25 November 2004 <i>On Measures for Defense of Economic Interests of the Republic of Belarus in Foreign Trade in Goods</i> with subsequent amendments and additions</p> <p>Law #2151-XII 5-3 of the Republic of Belarus of 3 February 1993 <i>Concerning Customs Tariffs</i> with subsequent amendments and additions</p> <p>Resolution #612 of the Council of Ministers of the Republic of Belarus of 09 June 2005 <i>Concerning the Procedure of Carrying out Investigation for the purpose to Apply Special protective, Anti-dumping and Compensatory Measures and Recognition of Invalidity of the Resolution #800 of the Council of Ministers of the Republic of Belarus of 05 June 2000 and Resolution #859 of the Council of Ministers of the Republic of Belarus of 26 June 2002</i> with subsequent amendments and additions</p>
3. Imposing of bans and restrictions with respect to external trade in services and intellectual property	<p>Bans and restrictions with respect to external trade in services and intellectual property may be imposed for the purposes of abidance with public morality and order, life or health protection, environmental safety, national security protection and in some other cases stipulated by the articles 27, 28 of the Law of the Republic of Belarus Concerning State Regulation of Foreign Trade Activities.</p>	<p>Law #347-3 of the Republic of Belarus of 25 November 2004 <i>Concerning State Regulation of Foreign Trade Activity</i></p>
4. Measures on foreign trade promotion	<p>The Government of the Republic of Belarus implements diverse measures on foreign trade promotion for the purpose of safeguarding economic interests of the Republic of Belarus, creating favorable conditions to provide access of the residents of the Republic of Belarus to the foreign markets and in accordance with obligations assumed by the Republic of Belarus with regard to international agreements.</p>	<p>Law #347-3 of the Republic of Belarus of 25 November 2004 <i>Concerning State Regulation of Foreign Trade Activity</i></p>



# Currency regulation of transactions of legal entities and individual entrepreneurs

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. The procedure of conducting foreign trade activities		
1.1. Terms of closing foreign trade transactions	<p>Residents must ensure closing each foreign trade transaction in full amount within the following terms:</p> <ul style="list-style-type: none"> <li>▶ With regard to export transactions – not later than 90 calendar days from the date of shipment of goods, transfer of proprietary information, exclusive rights to results of intellectual activity, performance of works, rendering of services</li> <li>▶ With regard to import transactions – not later than 60 calendar days from the date of payment.</li> </ul> <p>Exceptions with regard to exports:</p> <ul style="list-style-type: none"> <li>▶ For agreements stipulating shipment of potash fertilizers – not later than 365 calendar days from the date of shipment of goods</li> <li>▶ For agreements stipulating shipment of expensive (over 100,000 Euro) automobile and tractor vehicles and spare parts for maintenance of these vehicles – not later than 720 calendar days from the date of shipment of goods.</li> </ul> <p>Exceptions with regard to imports:</p> <ul style="list-style-type: none"> <li>▶ For agreements concluded by banks for the purpose of providing performance of international interbank settlements and which stipulate settlements using correspondent accounts opened with banks of the Republic of Belarus – not later than 365 calendar days.</li> </ul> <p>Terms of closing foreign trade transactions may be extended (free of charge) for objective reasons confirmed by relevant documents, based on application of the resident, by the National Bank in the prescribed order.</p> <p>The Decree does not govern the following foreign trade transactions:</p> <ul style="list-style-type: none"> <li>▶ Conducted between residents and non-residents on agreements stipulating leasing or financial leasing of property regardless of whether resident or non-resident is the lessor or the lessee, and of the location of the leased property</li> <li>▶ Conducted between residents and non-residents in the context of performing administrative procedures</li> <li>▶ In accordance with insurance agreements (all types), loan agreements and credit agreements</li> </ul>	<p>Decree #178 of the President of the Republic of Belarus of 27 March 2008 <i>On the Procedure of Conducting and Controlling Foreign Trade Transactions</i> with subsequent amendments and additions</p> <p>Resolution #101 of the Board of the National Bank of the Republic of Belarus of 9 July 2009 <i>On Conducting Foreign Trade Transactions</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ Conducted by representative offices (branches) of residents, diplomatic and other official representative offices (branches), consulates of the Republic of Belarus outside the borders of the Republic of Belarus, for their own needs necessary for maintaining the functions of the abovementioned representative offices (branches) and consulates</li> <li>▶ Conducted in accordance with foreign trade agreements under which the actual recipients of proprietary information, exclusive rights to results of intellectual activity, services are resident or non-resident individuals</li> <li>▶ Conducted in the territory of the Republic of Belarus between residents and representative offices (branches) of non-residents, diplomatic and other official representative offices (branches), consulates of foreign states in the Republic of Belarus, for their own needs necessary for maintaining the functions of the abovementioned representative offices (branches) and consulates</li> <li>▶ Conducted in the territory of the Republic of Belarus by residents with non-resident individuals on sale by residents of goods, proprietary information, exclusive rights to results of intellectual activity, works and services for use not related to entrepreneurial activities</li> <li>▶ In case of preliminary discharge of obligations by a non-resident.</li> </ul>	
<b>1.2. Limitations in the procedure of settlements for foreign trade transactions</b>	<p>With regard to export transactions, the settlements by a resident in Belarusian rubles under a foreign trade contract concluded between another resident and a non-resident are not allowed, unless otherwise specified by the National Bank.</p> <p>Upon completion of an export foreign trade transaction cash for shipped goods (proprietary information, exclusive rights to results of intellectual activity), performed works, rendered services according to the foreign trade agreement, as well as insurance compensation from an export risk insurance agreement concluded between the exporter (bank) and an insurance company, are transferred only to accounts of exporters, with exception for the following cash amounts:</p> <ul style="list-style-type: none"> <li>▶ Used in settlements effected in accordance with international agreements to which the Republic of Belarus is one of the parties</li> <li>▶ Transferred as payment of taxes according to legislation of a foreign state</li> </ul>	<p>Decree #178 of the President of the Republic of Belarus of 27 March 2008 <i>On the Procedure of Conducting and Controlling Foreign Trade Transactions</i> with subsequent amendments and additions</p> <p>Resolution #165 of the Board of the National Bank of 11 November 2008 <i>On the Procedure of Settlements for Foreign Trade Agreements Involving Imports (on the basis of permissions by the National Bank)</i></p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ Transferred by non-residents as payment for costs of exporters related to construction works outside the borders of the Republic of Belarus in the period of performance of such works</li> <li>▶ Received from exhibitions, sports events and other cultural events outside the borders of the Republic of Belarus and transferred in settlement of costs of conducting these events</li> <li>▶ Received by representatives of international transport operators (by residents) from non-residents outside of the borders of the Republic of Belarus as advance payments for costs related to freight forwarding agreements (freight transportation) and used for these purposes</li> <li>▶ Transferred by a non-resident to the account of another resident in accordance with a cession agreement closed between the exporter and this resident.</li> </ul> <p>With regard to import transactions, settlements for foreign trade transactions are effected only from accounts of importers, except for the settlements conducted:</p> <ul style="list-style-type: none"> <li>▶ Using bank loans granted to importers, loans granted to importers by non-residents</li> <li>▶ From account of another resident in accordance with provisions of a debt transfer agreement between the importer and this resident, whereby the new debtor becomes the importer</li> <li>▶ When the bank satisfies obligations from guarantees issued which relate to these foreign trade transactions</li> <li>▶ When the bank satisfies obligations with regard to foreign exchange transactions</li> <li>▶ In other cases, envisaged by the National Bank.</li> </ul> <p>Advance payments for import transactions by means of foreign currency purchased in the domestic currency market are effected by residents only with the permission of the National Bank.</p>	
1.3. Registration of foreign trade transactions	For each foreign trade agreement (in cases when the agreement is effected based on separately signed appendixes – for each separately signed appendix to the foreign trade agreement), under which the cost of goods (proprietary information, exclusive rights to results of intellectual activity, works, services) amounts to 3,000 euro or more, with the exception for foreign trade agreements which stipulate prior meeting of its	Decree #178 of the President of the Republic of Belarus of 27 March 2008 <i>On the Procedure of Conducting and Controlling Foreign Trade Transactions</i> with subsequent amendments and additions

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	obligations by non-resident, the exporter (importer) must register the transaction with the bank servicing accounts of the exporter (importer) prior to shipment of goods, transfer of proprietary information, exclusive rights to results of intellectual activity, performance of works and rendering of services to non-resident or effectuation of payments.	
<b>1.4. Obligations of residents with regard to foreign trade transactions</b>	<p>In accordance with each closed foreign trade agreement residents should:</p> <ol style="list-style-type: none"> <li>1. Present to the bank the documents necessary for it to execute functions of currency control agent – within 7 working days from the transfer of cash from export transactions onto their accounts</li> <li>2. For each export (import) shipment of goods when in accordance with the legislation customs clearing of the goods is not performed, present to the customs authority a statistical declaration or a periodic statistical declaration according to the procedure and in cases stipulated by the Council of Ministers of the Republic of Belarus.</li> <li>3. Obtain permission from the National Bank (its head department in the region) to extend the term of a foreign trade transaction with subsequent notification to the National Bank in the order prescribed by the National Bank about completion of the foreign trade transaction in the case when the term stipulated within the agreements or the actual term of shipment of goods (proprietary information, exclusive rights to results of intellectual activity), performance of works, rendering of services or receipt of cash for shipped goods (proprietary information, exclusive rights to results of intellectual activity), performed works, rendered services exceed the term stipulated in the legislation</li> <li>4. Re-register the transaction in case of reorganization of the resident or change of parties with regard to obligation under foreign trade transaction on the part of the exporter (importer).</li> </ol>	Decree #178 of the President of the Republic of Belarus of 27 March 2008 <i>On the Procedure of Conducting and Controlling Foreign Trade Transactions</i> with subsequent amendments and additions
<b>2. Types of currencies in settlements</b>		Law of the Republic of Belarus #226-3 of 22 July 2003 <i>Concerning Foreign Currency Regulation and Foreign Currency Control</i> with subsequent amendments and additions
<b>2.1. Transactions between residents and non-residents involving Belarusian rubles</b>	When effecting currency transactions between a resident party to currency transactions and non-resident party to currency transactions, Belarusian rubles may be used if settlements are effected:	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ In Belarusian rubles in cash within the limits and in circumstances stipulated in legislative acts of the Republic of Belarus</li> <li>▶ From account (to account) of non-resident – party to currency transactions opened in Belarusian rubles with the bank</li> <li>▶ In settlements with non-resident being an entity of a foreign state with which the Republic of Belarus has concluded effective international agreement on the use of national currencies for settlements - from account (to account) of non-resident opened with non-resident bank of this foreign state, the party to currency transactions of which this non-resident is</li> <li>▶ On the basis of a license issued by the National Bank of the Republic of Belarus.</li> </ul>	Resolution #72 of the Board of the National Bank of the Republic of Belarus of 30 April 2004 <i>Concerning Approval of the Statute on Foreign Currency Transactions</i> with subsequent amendments and additions
2.2. Transactions between residents and non-residents involving foreign currency	Unless otherwise specified by international agreements of the Republic of Belarus, monetary obligations under currency transactions between residents and non-residents may be denominated and fulfilled in foreign currency, the official rate of Belarusian ruble to which is established by the National Bank.	
2.3. Transactions by non-resident legal entities with the authorized Belarusian banks	<p>Non-residents are allowed to open accounts in both foreign currency and Belarusian rubles with the authorized Belarusian banks. A non-resident (except for non-resident banks) may open the following bank accounts in foreign currency:</p> <ul style="list-style-type: none"> <li>▶ Current (settlement) accounts</li> <li>▶ Card-accounts</li> <li>▶ Deposit accounts</li> <li>▶ Other accounts stipulated by the legislation of the Republic of Belarus.</li> </ul> <p>Non-resident (except for non-resident banks) may open the following bank accounts in Belarusian rubles:</p> <ul style="list-style-type: none"> <li>▶ T-type current (settlement) account</li> <li>▶ S-type-account</li> <li>▶ Deposit account</li> <li>▶ Other accounts stipulated by the legislation of the Republic of Belarus.</li> </ul> <p>Non-resident party to currency transactions may carry out all types of transactions (including currency purchase and sale transactions according to the procedure established by the</p>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	National Bank) with T-type current (settlement) account without restrictions. Non-resident parties to currency transactions (except for non-resident banks) may carry out transactions with T-type current (settlement) accounts and S-type accounts on a non-cash basis, except for the cases stipulated by the legislation of the Republic of Belarus. Payment (withdrawal) of Belarusian rubles in cash to or from S-type account by the non-resident – party to currency transactions – is prohibited.	
<b>3. Types of currency transactions</b>		Law of the Republic of Belarus #226-3 of 22 July 2003 <i>Concerning Foreign Currency Regulation and Foreign Currency Control</i> with subsequent amendments and additions
<b>3.1. Current currency transactions</b>	<p>Current currency transactions between residents and nonresidents are carried out in the order prescribed by the legislative acts of the Republic of Belarus without restrictions</p> <p>Current currency transactions include:</p> <ul style="list-style-type: none"> <li>▶ Settlements for exports and/or imports of goods (works, services), proprietary information, exclusive rights to results of intellectual activity if the time between the date of receipt of cash (payments) and the date of shipment (receipt) of goods (completion of works, provision of services), transfer of proprietary information, exclusive rights to results of intellectual activity does not exceed 180 days, including settlements involving securities which function as payment documents, if the security maturity ensures receipt (payment) of cash within the period not exceeding 180 days from (before) the date of shipment (receipt) of goods (completion of works, provision of services), transfer of proprietary information, exclusive rights to results of intellectual activity</li> <li>▶ Receipt and provision of loans and (or) borrowings for a term not exceeding 180 days</li> <li>▶ Transfer and receipt of interest, dividends and other income on deposits, investments, loans and borrowings</li> <li>▶ Transactions of non-trade nature.</li> </ul>	Resolution #72 of the Board of the National Bank of the Republic of Belarus of 30 April 2004 <i>Concerning the Approval of the Statute on Foreign Currency Transactions</i> with subsequent amendments and additions
<b>3.2. Transactions involving movement of capital</b>	<p>Transactions involving movement of capital include:</p> <ul style="list-style-type: none"> <li>▶ Acquisition of shares at the time of distribution thereof among founders, and of a share in the charter capital or an interest in property of non-residents</li> <li>▶ Acquisition of securities issued by residents or non-residents, with the exception for acquisition of shares at the time of distribution thereof among founders</li> </ul>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>Transfers to effect settlements for obligations stipulating transfer of property which is regarded in the legislation of the Republic of Belarus as immovable property, or rights to such property</li> <li>Settlements for transactions involving exports and/or imports of goods (works, services), proprietary information, exclusive rights to results of intellectual activity if the time between the date of receipt of cash (payments) and the date of shipment (receipt) of goods (completion of works, provision of services), transfer of proprietary information, exclusive rights to results of intellectual activity exceeds 180 days</li> <li>Receipt and provision of loans and (or) borrowings for a term exceeding 180 days</li> <li>Other currency transactions not regarded as current currency transactions.</li> </ul> <p>Parties to currency transactions (except for banks) carry out currency transactions involving movement of capital:</p> <ul style="list-style-type: none"> <li>On the basis of permissions of the National Bank of the Republic of Belarus</li> <li>Without permissions of the National Bank of the Republic of Belarus</li> <li>According to the notice-filing procedure.</li> </ul> <p>Respective lists of currency transactions are specified in the applicable legislative acts.</p> <p>Permissions of the National Bank and compliance with the notice-filing procedure are not required in cases of currency transactions related to movement of capital by non-residents.</p>	
<b>4. Sources of currency funds</b>		Edict #452 of the President of the Republic of Belarus of 17 July 2006 <i>Concerning Mandatory Sale of Foreign Currency</i> with subsequent amendments and additions
<b>4.1. Foreign currency revenue</b>	<p>Resident legal entities and individual entrepreneurs should effect the mandatory sale of foreign currency in the internal currency market of the Republic of Belarus in the amount (percentage of the amount of foreign currency revenue) and according to the procedure determined by the National Bank of the Republic of Belarus.</p> <p>Mandatory sale of foreign currency is not performed:</p> <ul style="list-style-type: none"> <li>By banks, non-bank financial institutions and insurance companies, residents of free economic zones of the Republic of Belarus</li> </ul>	Edict #252 of the President of the Republic of Belarus of 18 April 2006 <i>Concerning Approval of the Statute on Foreign Government Loans (Credits)</i> with subsequent amendments and additions

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ By organizations rendering telecommunication and postal services with respect to foreign currency revenue credited to their accounts and used to settle the bills for international communications within 30 days of date of such crediting</li> <li>▶ By legal entities and individual entrepreneurs having special permission (licenses) to perform passenger and freight transportation (excluding technological domestic transportation of passengers and freight performed by legal entities and individual entrepreneurs for their own needs) by means of motor vehicle, inland water and marine transport as well as by those legal entities and individual entrepreneurs carrying out activities related to air transportation, transport and forwarding with respect to the foreign currency revenue credited to their accounts and used to pay the costs of transportation, insurance and forwarding of passengers and freight and transportation-related taxes and dues paid in foreign currency within 30 days of date of such crediting</li> <li>▶ By legal entities and individual entrepreneurs performing agency activities with respect to foreign currency revenue subject to remittance and which is remitted within 30 days of the date of crediting to their accounts under the contracts of agency or commission agency concluded with non-resident counterparties provided the revenue is directly related to agency transactions</li> <li>▶ With respect to foreign currency revenue transferred to special account within 7 business days of date of crediting to accounts for the purpose of accumulation of funds intended for settlement of foreign currency debt on: <ul style="list-style-type: none"> <li>- Loans (including interest for using them) granted upon the resolution of the President of the Republic of Belarus, the Government of the Republic of Belarus or on the guarantee of the Government of the Republic of Belarus</li> <li>- Loans (including interest for using them) granted by non-residents or banks of the Republic of Belarus and used for acquisition of leased items or property items classified as fixed assets employed in business activities or used in in-house production</li> <li>- Leasing.</li> </ul> </li> <li>▶ With respect to foreign currency revenue transferred to accounts within 7 business days of date of crediting: <ul style="list-style-type: none"> <li>- Under the factoring agreement with banks or non-bank financial institutions (factor)</li> </ul> </li> </ul>	<p>Resolution #226 of the Board of the National Bank of the Republic of Belarus of 30 December 2003 <i>Concerning Approval of the Instruction on the Procedure of Granting (Placing) Funds by Banks in the Form of Loans and Their Return</i> with subsequent amendments and additions</p> <p>Resolution #112 of the Board of the National Bank of the Republic of Belarus of 28 July 2005 <i>Concerning Approval of the Instruction on the Procedure of Effecting Foreign Exchange Transactions by Legal Entities and Individual Entrepreneurs</i> with subsequent amendments and additions</p> <p>Resolution of the Council of Ministers of the Republic of Belarus #893 of 17 July 2006 <i>Concerning Measures of Realization of Edict of the President of the Republic of Belarus #252 of 18 April 2006 and Invalidation of Certain Resolutions by the Council of Ministers of the Republic of Belarus</i> with subsequent amendments and additions</p>



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>- For the purpose of acquisition of foreign currency denominated government securities provided that the acquired securities will be owned for the continual period of no less than 30 days</li> <li>- Received by legal entities or individual entrepreneurs from sale of property repossessed for the benefit of the state and property foreclosed due to outstanding tax liability, unpaid fines, in the amount payable to the budget</li> <li>- Received from sale of released property of the Armed Forces, other forces, military units and military organizations of the Republic of Belarus in the amount payable to the budget.</li> </ul> <p>► In other cases based on the decision of the President of the Republic of Belarus.</p>	
<b>4.2. Loans and credits in foreign currency</b>	<p><b>1. Loans from authorized banks</b></p> <p>Loans to legal entities may be provided by authorized banks in Belarusian rubles or foreign currency.</p> <p><b>2. Loans from other resident legal entities and individual entrepreneurs</b></p> <p>Resident legal entities may provide loans to other resident legal entities in Belarusian rubles or foreign currency.</p>	
<b>4.3. Acquisition of foreign currency by resident legal entities on the domestic foreign exchange market</b>	<p>Residents that are parties to foreign currency transactions shall be entitled to buy foreign currency on over the counter foreign exchange market from a bank which is a designated bank or from a bank which is a seller.</p> <p>Residents that are parties to foreign currency transactions can buy foreign currency on the foreign exchange market only through a designated bank.</p> <p>Residents that are parties to foreign currency transactions shall be entitled to buy foreign currency on the domestic foreign exchange market of the Republic of Belarus for the following purposes:</p> <ol style="list-style-type: none"> <li>1. To effect settlements with non-residents under current foreign currency transactions excluding foreign currency transactions that provide for settlements with non-residents with respect to granting of a loan with maturity under 180 days, and certain types of foreign currency transactions that are associated with transfer of capital</li> <li>2. To make principal and/or interest payments per loans granted by the Ministry of Finance of the Republic of Belarus (hereinafter – the Ministry of Finance) in foreign currency</li> </ol>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>and to compensate the Ministry of Finance for the payments related to settlement and servicing of loans in foreign currency which were guaranteed by the Government of the Republic of Belarus</p> <ol style="list-style-type: none"> <li>3. To pay taxes, dues, fees and other obligatory charges to the republican and local budgets as well as to special-purpose state budget and non-budget funds and to punishment authorities or agencies which are authorized to collect payments to the budget, special-purpose state budget and non-budget funds if such payments can be made in foreign currency in compliance with the laws of the Republic of Belarus</li> <li>4. To pay costs associated with trips outside the Republic of Belarus</li> <li>5. To effect settlements per foreign currency transactions to which a bank is a party</li> <li>6. To effect settlements per financial lease (leasing) agreements concluded with residents that are parties to foreign currency transactions</li> <li>7. To pay insurance contributions and to effect settlement per the insurance, co-insurance or reinsurance contract all parties to which are residents</li> <li>8. To effect settlements under the court orders</li> <li>9. To effect other foreign currency transactions provided that the permit of the National bank to purchase foreign currency is in place.</li> </ol>	
<b>4.4. Purchase of foreign currency by non-resident legal entities on the domestic foreign exchange market</b>	<p>Non-residents that are parties to foreign currency transactions shall effect foreign exchange transactions on the domestic foreign exchange market by necessity directly determined by them except for the cases stipulated by the currency legislation of the Republic of Belarus.</p> <p>Non-residents that are parties to foreign currency transactions shall purchase foreign currency on currency exchange market through a bank where the non-resident's account in Belarusian rubles is placed. The equivalent amount is withdrawn from the said account and the purchased foreign currency is credited to the non-resident's foreign currency account.</p> <p>On the over the counter market, non-residents that are parties to foreign currency transactions shall purchase foreign currency from the bank where the non-resident's Belarusian rubles account used for the purchase of foreign currency is placed or from the bank where the non-resident's Belarusian rubles account used for the purchase of foreign currency is not placed.</p>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
5. Acceptance and use of foreign-currency cash by resident legal entities		Resolution #1 of the Board of the National Bank of the Republic of Belarus of 17 January 2007 <i>Concerning the Approval of the Instruction on the Use of Foreign Currency Cash and Belarusian Rubles in Cash</i> with subsequent amendments and additions
5.1. Acceptance of foreign currency in cash by resident legal entities	<p>Resident legal entities that are parties to foreign currency transactions shall be entitled to accept foreign currency in cash received under foreign currency transactions with non-residents that are parties to foreign currency transactions:</p> <ol style="list-style-type: none"> <li>1. Under contracts concluded with a non-resident party to foreign currency transactions which provide for export (except for Russian rubles in cash receivable by the resident legal entity from the non-resident legal entity in an amount exceeding 100,000 Russian rubles per one contract)</li> <li>2. As the fee for participation in sport contests, conferences, seminars, exhibitions, festivals and other events except for the revenue received under the contracts specified in par. 1 above</li> <li>3. As the repayment of a loan (interest on it)</li> <li>4. As contribution into the charter capital of the registered or newly founded legal entity</li> <li>5. As grant assistance in accordance with legal requirements.</li> </ol> <p>Resident legal entities that are parties to foreign currency transactions shall be entitled to accept foreign currency in cash received under foreign currency transactions with residents that are parties to foreign currency transactions:</p> <ol style="list-style-type: none"> <li>1. As payment for insurance services in instances where respective legislative acts provide for settlements in foreign currency in such foreign currency transactions</li> <li>2. As payment with respect to the settlement of the forwarding agent obligations to an international carrier by the transfer of foreign currency in cash performed by a non-resident outside the Republic of Belarus.</li> </ol> <p>Residents that are parties to foreign currency transactions are entitled to accept foreign currency in cash received from foreign currency transactions with individuals if the legislation allows the use of foreign currency in these foreign currency transactions.</p> <p>Residents that are parties to foreign currency transactions are entitled to accept foreign currency in cash in other instances provided such transactions are supported by a separate permit</p>	<p>Resolution #72 of the Board of the National Bank of the Republic of Belarus of 30 April 2004 <i>Concerning the Approval of the Statute on Foreign Currency Transactions</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>obtained from the National Bank of the Republic of Belarus or envisaged by other acts of the currency legislation.</p> <p>Documents under which foreign currency in cash is accepted are specified in each particular case by the current legislation.</p>	
<p><b>5.2. Use of foreign currency in cash by resident parties to foreign currency transactions</b></p>	<p>Residents that parties to foreign currency transactions are entitled to use foreign currency in cash for the following purposes:</p> <ul style="list-style-type: none"> <li>▶ To pay costs related to the trips outside the Republic of Belarus</li> <li>▶ If the resident is an individual entrepreneur – to perform settlements outside the Republic of Belarus with respect to contracts which provide for import</li> <li>▶ To perform foreign currency transactions with individuals if the legislation envisages the use of foreign currency in these foreign currency transactions</li> <li>▶ To pay consular fees and fees for document processing for individuals to diplomatic offices and other official representative bodies of foreign countries</li> <li>▶ To perform settlements with the party to foreign currency transactions that enjoys the right to accept foreign currency in cash from residents – parties to foreign currency transactions in accordance with the law or on the basis of the permit issued by the National Bank</li> <li>▶ For other purposes, provided the respective permit issued by the National Bank is in place or such instances are envisaged by the currency legislation.</li> </ul>	
<p><b>5.3. Use of foreign currency in cash by non-resident parties to foreign currency transactions</b></p>	<p>Non-residents that are parties to foreign currency transactions are entitled to use foreign currency in cash for the following purposes:</p> <ol style="list-style-type: none"> <li>1. Diplomatic and other official representative bodies of foreign countries, consular establishments of foreign countries as well as representative offices of international organizations – for their own needs in accordance with the procedures established by the legislation</li> <li>2. Non-residents that are parties to currency transactions (except for those mentioned in paragraph 1) – to pay salaries to their employees, cover expenses related to business trips outside the Republic of Belarus and perform other foreign currency transactions with individuals if the legislation envisages the use of foreign currency for these foreign currency transactions</li> </ol>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>3. Non-residents that are parties to currency transactions (except for those mentioned in paragraph 1) - to perform foreign currency transactions in the amount equivalent to maximum US\$ 50,000 (the equivalent is determined using the official exchange rate of Belarusian rubles to relevant foreign currencies of the National Bank as at the day the foreign currency in cash was withdrawn) within the calendar year with parties to foreign currency transactions that have the right to accept foreign currency in cash from non-residents that are parties to foreign currency transactions in accordance with the currency legislation or a permit of the National Bank</p> <p>4. For other purposes provided there is a permit of the National Bank or in instances envisaged by the currency legislation.</p>	
6. Use of foreign currency, securities and/or payment documents denominated in foreign currency	<p>Use of foreign currency, securities and/or payment documents denominated in foreign currency is permitted in all foreign currency transactions effected outside the Republic of Belarus in relations between resident individuals, a resident individual and a non-resident individual, resident individuals and a party to foreign currency transactions, non-resident individuals and a resident party to foreign currency transactions.</p> <p>Foreign currency, securities and/or payment documents in foreign currency in currency transactions in the territory of the Republic of Belarus, shall be used in the following cases:</p> <ul style="list-style-type: none"> <li>▶ In relations between resident individuals - in foreign currency transactions envisaged by the currency legislation</li> <li>▶ Between a resident individual and a non-resident individual, resident individuals and a party to foreign currency transactions, as well as between non-resident individuals - in foreign currency transactions which envisage deeds of gift (including donations), ademption, granting loans, repayment of loans and interest on them, transfer for keeping and return, as well as in other instances envisaged by the currency legislation</li> <li>▶ In relations between a party to foreign currency transactions and an individual - in the following foreign currency transactions:               <ol style="list-style-type: none"> <li>1. Settlements performed by the party to currency transactions by right of the permit of the National Bank to effect currency transactions in the following cases:</li> </ol> </li> </ul>	<p>Resolution #72 of the Board of the National Bank of the Republic of Belarus of 30 April 2004 <i>Concerning the Approval of the Statute on Foreign Currency Transactions</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>– Retail trade and/or provision of services on highways marked with “M” and border crossing points (with indication of the specific list of goods sold and/or services provided)</li> <li>– Insurance services</li> <li>– Tourist services</li> <li>– Obtaining of payment under agreements on passengers and their luggage transportation by air and railway transport outside and from outside of the Republic of Belarus</li> <li>– Provision of training, probation, and professional improvement services to non-resident individuals</li> <li>– Selling of fuel, oil products and liquid gas</li> </ul> <ol style="list-style-type: none"> <li>2. Retail trade aboard of the Belarusian aircraft traveling outside and from outside of the Republic of Belarus</li> <li>3. Collection of charges for linen, watching video, using mo-bile phones, overweight luggage, ticket fine, travel rates and additional payments for first-class carriages, service in dining cars, retail trade conducted by stewards on the trains of the Belarusian Railway going to and from foreign countries</li> <li>4. Provision of loans, repayment of loans and interest on them (except foreign currency transactions between a resident that is a party to a foreign transaction and a resident individual)</li> <li>5. Foreign currency transactions between a bank and an individual</li> <li>6. Foreign currency transactions between a non-resident party to foreign currency transactions and a non-resident individual</li> <li>7. Payments to associations of lawyers for legal advice provided to individuals outside the Republic of Belarus including compensation for the related expenses and outpayment of foreign currency amounts due to relevant individuals which are credited to the accounts of the said associations of lawyers</li> <li>8. Payment of patent dues to resident patent agent</li> <li>9. Granting, donation and ademption (except for foreign currency transactions effected between a resident party to foreign currency transactions and resident individual)</li> </ol>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ol style="list-style-type: none"> <li>10. Settlements between a resident party to foreign currency transactions and an individual with respect to governmental securities denominated in foreign currency</li> <li>11. Sale of shares of resident legal entities to non-resident individuals</li> <li>12. Contributions into the charter capital of resident legal entities (including joint stock companies) made by an individual or repayment of such contributions in case of withdrawal or expulsion of the individual from the membership</li> <li>13. Return of foreign currency or securities in foreign currency in case the relevant contracts have been amended or terminated, if they have been transferred in excess and/or by mistake in transactions which are invalid according to the legislation</li> <li>14. Payment of taxes, dues (duties) and mandatory fees to the budget (republican, local), special-purpose state budget and non-budget funds if payments in foreign currencies are envisaged by the legislative acts</li> <li>15. Collection of consular and other fees by the Ministry of Foreign Affairs of the Republic of Belarus (including at border checkpoints)</li> <li>16. Receipt of foreign currency from individuals performed by a party to foreign currency transactions with the purpose of payment of consular and other fees for processing the documents of the above-mentioned individuals by diplomatic and other official representative bodies of foreign states</li> <li>17. Receipt of foreign currency by diplomatic and other official representative bodies of foreign states</li> <li>18. Transfer of foreign currency securities to court or notary deposit effected by the individual debtor under the foreign currency contract in instances stipulated by the legislation if the use of foreign currency and foreign currency securities in relations between the debtor individual and the creditor is provided for by the legislation, as well as payment of the said amounts to the creditor out of the deposit</li> <li>19. Transfer of the property of the liquidated legal entity retained after the settlements of claims of creditors to the founders (participants) of the legal entity who hold the proprietary rights to the said property or liability rights to the legal entity unless otherwise is stipulated by the legislation or constituent documents of the legal entity</li> </ol>	

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>20. Cash payments to individuals of amounts in foreign currency due to them or other individuals that have been received from non-residents under non-commercial transactions</p> <p>21. Cash payments in foreign currency effected by the party to foreign currency transactions to individuals with respect to expenses on business trips outside the Republic of Belarus and other expenses incurred in foreign currency in instances envisaged by the legislation of the Republic of Belarus</p> <p>22. Non-commercial transactions between non-resident parties to foreign currency transactions and resident individuals or between resident parties to foreign currency transactions and non-resident individuals</p> <p>23. Other cases if the permit of the National Bank of the Republic of Belarus is obtained</p> <p>24. Other cases stipulated by the legislation.</p> <p>In the cases specified above, parties to foreign currency transactions may give change in the amount less than tenfold amount of the minimal denomination of respective foreign currency in Belarusian rubles at the official rate established by the National Bank as of the trade date of the foreign currency transaction.</p>	
7. Currency control and regulation bodies (agents)	<p>The system of currency regulation and control in the Republic of Belarus comprises the Council of Ministers of the Republic of Belarus, the National Bank of the Republic of Belarus, the State Control Committee of the Republic of Belarus, the State Customs Committee, unless otherwise is specified by the President of the Republic of Belarus.</p> <p>Currency control agents of the Republic of Belarus are republican bodies of state governance, and other bodies subordinate to the government of the Republic of Belarus, regional executive committees and the Minsk City Executive Committee, customs offices, banks and non-banking credit and financial institutions, unless otherwise is specified by the President of the Republic of Belarus.</p>	<p>Law of the Republic of Belarus #226-3 of 22 July 2003 <i>Concerning Foreign Currency Regulation and Foreign Currency Control</i> with subsequent amendments and additions</p> <p>Resolution #151 of the Board of the National Bank of the Republic of Belarus of 30 September 2004 <i>On Approval of Instruction on Control over Foreign Trade Transactions by Banks</i></p> <p>Resolution #72 of the Board of the National Bank of the Republic of Belarus of 30 April 2004 <i>Concerning the Approval of the Statute on Foreign Currency Transactions</i> with subsequent amendments and additions</p>



# Protection of intellectual property

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
1. Objects of intellectual property	<p>In the Republic of Belarus, objects of intellectual property include the following:</p> <ol style="list-style-type: none"> <li>1) Results of intellectual activities: <ul style="list-style-type: none"> <li>▸ Works of science, literature and art</li> <li>▸ Performances, phonographic records, and broadcasts</li> <li>▸ Inventions, prototypes, industrial samples</li> <li>▸ Selection achievements</li> <li>▸ Layouts of integrated circuits</li> <li>▸ Undisclosed information, including trade secrets (know-how)</li> </ul> </li> <li>2) Means of individualization of participants of the to civil turnover, goods, works and services: <ul style="list-style-type: none"> <li>▸ Firm names</li> <li>▸ Trademarks and service marks</li> <li>▸ Geographical indications</li> </ul> </li> <li>3) Other results of the intellectual activities and means of individualization of participants of the civil turnover, goods, works and services in cases, provided by the legislative acts of the Republic of Belarus.</li> </ol>	<p>The Civil Code of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 980</p>
2. Rights to objects of intellectual property	<p><b>1. General provisions</b></p> <p>Legal protection of objects of intellectual property arises in the following instances:</p> <ul style="list-style-type: none"> <li>▸ Due to the fact of creation thereof (copyrights and related rights, proprietary information)</li> <li>▸ As a consequence of granting the legal protection by the authorized governmental body in the cases and according to the procedure established by legislative acts (objects of industrial property rights (except for proprietary information, including trade secrets (know-how)); means of individualization of participants of the civil turnover, goods, works and services).</li> </ul> <p>Authors of results of intellectual activity enjoy personal non-property and property rights in relation to such results. Manufacturers of phonograms and broadcasting organizations enjoy property rights only in relation to such results; owners of property rights to means of individualization of participants of the civil turnover, goods, works and services enjoy property rights with respect to such means.</p>	<p>The Civil Code of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Chapters 60 - 68</p> <p>Law #370-XIII of the Republic of Belarus of 16 May 1996 <i>Concerning Copyright and Related Rights</i> with subsequent amendments and additions</p> <p>Law #160-3 of the Republic of Belarus of 16 December 2002 <i>Concerning Patents on Inventions, Prototypes, Industrial Samples</i> with subsequent amendments and additions</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p><b><i>Personal non-property rights</i></b></p> <p>Personal non-property rights are vested to the author irrespective of his property rights, are inalienable, non-transferable and are preserved for him in case of passing his property rights to the results of intellectual activity to another person.</p> <p>If the intellectual property was created by joint creative labor of two or more persons, these persons are recognized as the coauthors. In respect of certain objects of intellectual property the legislation may limit the circle of persons who can be recognized as the coauthors of the intellectual property product as a whole.</p> <p><b><i>Property (exclusive) rights</i></b></p> <p>The holder of property rights to the result of intellectual activity or means of individualization holds an exclusive right of the legal use of the said object of intellectual property at its own discretion in any form and any way.</p> <p>The holder of the exclusive right to the objects of intellectual property is entitled to transfer those rights to another party in full or in part, to permit another party to use the object of intellectual property, and to procedure it in any other way not prohibited by the Civil Code of Belarus or any other law.</p> <p><b><i>Restrictions on rights</i></b></p> <p>Restrictions of the exclusive rights, deeming these rights to be void and termination of such rights are allowed insofar as such restrictions do not impede the normal use of the object of the intellectual property and do not restrict the legal interests of the right holders in the ungrounded manner.</p>	<p>Law #181-XII of the Republic of Belarus of 5 February 1993 <i>Concerning Trademarks and Service Marks</i> with subsequent amendments and additions</p> <p>Law #127-3 of the Republic of Belarus of 17 July 2002 <i>Concerning Geographical Indications</i> with subsequent amendments and additions</p> <p>Law #725-XII of the Republic of Belarus of 13 April 1995 <i>Concerning Patents on Plant Varieties</i> with subsequent amendments and additions</p> <p>Law #214-3 of the Republic of Belarus of 7 December 1998 <i>Concerning the Legal Protection of Layouts of Integrated Circuits</i> with subsequent amendments and additions</p>
	<p><b>2. Copyright and Neighboring rights</b></p> <p><b><i>Copyright</i></b></p> <p>Copyright applies to works of science, literature and art which are the result of creative activity, whether published or not, and expressed in any objective form regardless of purpose, merit, and the way of its expression.</p> <p>The author holds the following personal non-property rights with respect to his work:</p> <ul style="list-style-type: none"> <li>▸ The right to be recognized as the author (the right of authorship)</li> <li>▸ The right to use or allow the use of the work under the author's own name, a pseudonym, or without indicating the name, i.e. anonymously (the right of name)</li> </ul>	<p>Law #370-XIII of the Republic of Belarus of 16 May 1996 <i>Concerning Copyright and Neighboring Rights</i> with subsequent amendments and additions, Articles 5, 15, 16</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 994</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<ul style="list-style-type: none"> <li>▶ The right to protect the work, including its name, from distortion or other misrepresentation capable of damaging the honor and dignity of the author (the right to protect reputation)</li> <li>▶ The right to publish or permit the publishing of the work in any form (the right to publish).</li> </ul> <p>Exclusive property rights of the author include:</p> <p>A) The right to exercise or permit to exercise the following actions:</p> <ul style="list-style-type: none"> <li>▶ Reproduction of the work</li> <li>▶ Distribution of the original or copies of the work by selling or any other means of transfer of ownership (if the original or copies of the legally published work were introduced to civil circulation by selling or any other means of transfer of ownership, the further distribution of this work in the Republic of Belarus is allowable without sanction of the author and without payment of any remuneration)</li> <li>▶ Rental of the original or copies of computer programs, databases, audiovisual works, music papers and music phonograms, irrespective of holding the right of ownership of the original or copies of mentioned works; this right does not apply to computer programs if the computer program itself is not the major rental item as well as audiovisual works unless their rental results in broad copying resulting in substantial damage incurred to the exclusive right of reproduction)</li> <li>▶ Importing of the copies of the work, including copies reproduced by sanction of the author or any other copy-right holder</li> <li>▶ Public demonstration of the original or a copy of the work</li> <li>▶ Public performance of the work</li> <li>▶ Broadcasting of the work</li> <li>▶ Other forms of public presentation of the work</li> <li>▶ Translation of the work into another language</li> <li>▶ Alteration or any other remake of the work.</li> </ul> <p>B) The author's right to reward.</p>	<p>Law #370-XIII of the Republic of Belarus of 16 May 1996 <i>Concerning Copyright and Related Rights</i> with subsequent amendments and additions Articles 31-35</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p><b>Neighboring rights</b></p> <p>Objects of neighboring rights include performances, stagings, phonograms and programs of broadcasting organization for aerial and cable broadcasting.</p> <p>A performer with respect to his performance holds the following rights:</p> <ul style="list-style-type: none"> <li>▸ Right of name</li> <li>▸ Right of protection from any distortion or any other endeavors liable for the damage incurred to the honor and dignity of the performer (right to protect reputation)</li> <li>▸ Right to use the performance in any form, including the right to remuneration for every form of use.</li> </ul> <p>The producer of a phonogram with respect to his records holds the exclusive right to use it in any form, including the right to remuneration for every form of use.</p> <p>Unless otherwise required by act of law, the broadcasting organization with respect to its broadcast holds the exclusive right to use the broadcast in any form and give permission to use it including the right to remuneration for the permission.</p> <p>Unless otherwise is required by the act of law, the cable broadcasting organization with respect to its broadcast holds the exclusive right to use the cable broadcast in any form and give permission to use the cable broadcast including the right to remuneration for the permission.</p> <p><b>3. Industrial property rights</b></p> <p>Industrial property rights extend to:</p> <ol style="list-style-type: none"> <li>1) Inventions</li> <li>2) Prototypes</li> <li>3) Industrial samples</li> <li>4) Selection achievements</li> <li>5) Layouts of integrated circuits</li> <li>6) Undisclosed information, including trade secrets (know-how)</li> <li>7) Firm names</li> <li>8) Trademarks and service marks</li> <li>9) Geographical indications</li> </ol>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 998</p> <p>Law #160-3 of the Republic of Belarus of 16 December 2002 <i>Concerning Patents on Inventions, Prototypes, Industrial Samples</i> with subsequent amendments and additions, Articles 2-4</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>10) Other objects of industrial property and means of individualization of participants of civil law turnover, goods, works and services in the cases provided by the legislation.</p> <p><b><i>Rights to inventions, prototypes and industrial samples</i></b></p> <p>Rights to inventions, prototypes and industrial samples are protected by the state and certified by patent.</p> <p>An invention in any field is afforded legal protection if it relates to a product or a method, is new, has inventive level and is industrially applicable.</p> <p>A prototype, which is afforded legal protection, is a technical solution relating to a device which is new and which is industrially applicable.</p> <p>An industrial sample, which is afforded legal protection is an artistic or design solution for an object that determines its external appearance and that is new and original.</p> <p>The patent holder enjoys the exclusive right to use patented invention, prototype or industrial sample.</p> <p>The exclusive right to using of the invention, prototype, or industrial sample includes the right to using of the invention, prototype, or industrial sample at own discretion, if that does not violate the rights of other parties, and include the right to forbid use of invention, prototype, or industrial sample by other parties.</p> <p>Using of invention is understood as introduction of a product, manufactured with the patented invention and patented method, into civil circulation.</p> <p><b><i>Rights to new varieties of plants and new breeds of animals</i></b></p> <p>Rights to new varieties of plants and new breeds of animals (breeding achievements) are protected if a patent is issued.</p> <p>A breeding achievement in plant growing is deemed to be a variety of plant derived artificially or by selection and having one or more material characteristics that distinguish it from other varieties of plants.</p> <p>Legal protection is afforded to a variety of plant if it is characterized as new, distinguishable, homogeneous and stable.</p> <p>A breeding achievement in animal husbandry is deemed to be a new breed, i.e. a unitary and multi-head group of animals of common ancestry created by man and having a genealogical structure and characteristics that distinguish it from other breeds of the same animal. A new breed must exist in sufficient numbers to enable its reproduction as a single breed.</p>	<p>Law #160-3 of the Republic of Belarus of 16 December 2002 <i>Concerning Patents on Inventions, Prototypes, Industrial Samples</i> with subsequent amendments and additions, Article 8</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 1003</p> <p>Law #3725-XII of the Republic of Belarus of 13 April 1995 <i>Concerning Patents on Plant Varieties</i> with subsequent amendments and additions, Article 2</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p><b><i>Rights to layout of integrated circuit</i></b></p> <p>Layout of integrated circuit is a spatial and geometric arrangement of the set of components of an integrated circuit and the connections between them fixed on a material carrier.</p> <p>Legal protection is afforded only to the original layout of integrated circuit.</p> <p>The original is deemed to be the layout of integrated circuit if it is created as a result of the creative activity of its author. A layout is deemed to be original unless the opposite is proved.</p> <p>Legal protection is not granted for the layout, set of components of which is commonly known to the developers and manufacturers as of the date of its creation.</p> <p>Legal protection is afforded to the layout of integrated circuit in the Republic of Belarus after its registration with the patent authority of the Republic of Belarus.</p> <p>Right to layout of integrated circuit is protected by the state and is acknowledged by certificate.</p> <p><b><i>Rights to protection of undisclosed information against illegal use</i></b></p> <p>A person who lawfully possesses technical, organizational or business information, including trade secrets (know-how) un-known to third parties (undisclosed information) has a right to protection of such information against illegal use if such information has actual or potential business value due to the fact that it is not known by third parties, it cannot be freely accessed on a legal basis, and the owner of the information takes measures to secure its confidentiality.</p> <p>The right to protect undisclosed information from unlawful use arises regardless of whether or not any formalities have been performed with respect to the information in question (registration, receipt of the documents confirming the owner's rights, etc.).</p> <p><b><i>Company name</i></b></p> <p>A legal entity enjoys the exclusive right to use a company name on goods, packaging, advertising, signs, booklets, invoices, publications, official forms and other documents related to its activity, also when demonstrating goods at exhibitions and fairs held in the Republic of Belarus.</p> <p>The company name of a legal entity is chosen at the time of approval of its charter and is subject to registration in the Unified State Register of Legal Entities and Individual Entrepreneurs.</p>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 1007-1009</p> <p>Law #214-3 of the Republic of Belarus of 7 December 1998 <i>Concerning the Legal Protection of Layouts of Integrated Circuits</i> with subsequent amendments and additions</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 140, 1010-1012</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 1013-1016</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The company name of a legal entity may not be registered if it resembles the already registered company name and may lead to misidentification of the legal entities.</p> <p>The company name of a legal entity may be used in trademarks owned by it.</p> <p>The exclusive right to the name, registered in the Republic of Belarus, as designation of the legal person, is valid on the territory of the Republic of Belarus.</p> <p>The exclusive right to the company name of a legal entity which is registered or widely recognized in the territory of a foreign state is valid in the Republic of Belarus in cases provided in the legislation.</p> <p>Rights to company names are terminated with liquidation of the legal entity or change of the company name.</p> <p><b>Trademark and service mark</b></p> <p>A trademark and a service mark (hereinafter jointly referred to as “trademark”) is a marking that distinguishes a product or service of one entity from similar goods or services of other entities.</p> <p>Legal protection is afforded to trademarks in the Republic of Belarus on the basis of their registration with the patenting authority in accordance with the procedure provided by the laws on trademarks or pursuant to international agreements to which the Republic of Belarus is one of the parties.</p> <p>The right to a trademark is protected by the state and certified. The trademark certificate proves the priority of the trademark and the exclusive right of the owner of the trademark with respect to the products specified in the certificate, and contains the image of the trademark.</p> <p>A trademark owner enjoys the exclusive right to use that trademark and to dispose of it, and the right to prohibit its use by other entities.</p> <p><b>Geographical indication</b></p> <p>A geographical indication is a marking which identifies a product as originating in a country, region or locality where specific qualities, the reputation, or other characteristics of a product are substantially linked with its geographical origin.</p> <p>The term of “geographical indication” includes the terms of “name of place of origin” and “indication of origin of a product”.</p>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 1017-1023</p> <p>Law #2181-XII of the Republic of Belarus of 5 February 1993 <i>Concerning Trademarks and Service Marks</i> with subsequent amendments and additions</p> <p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 1024-1028</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The name of the place of origin of a product is the name of the country, population center, locality or other geographical designation used to distinguish a product special qualities of which are exclusively or largely determined by environmental or other conditions specific to that location, or by a combination of environmental and other conditions.</p> <p>The name of place of origin of a product may be the historical name of the location.</p> <p>A designation which constitutes the name of a location that is commonly used in the Republic of Belarus to designate a specific type of product regardless of its place of origin is not deemed to be a name of place of origin.</p> <p>Indication of origin of a product is deemed to be a designation directly or indirectly referring to the place of actual origin or manufacture of a product.</p> <p>The indication of place of origin may take the form of the name of a geographical location or an image.</p> <p>Legal protection is afforded in the Republic of Belarus to the name of the place of origin on the basis of registration with the patenting authority or by force of the international agreements to which the Republic of Belarus is one of the parties.</p> <p>Legal protection of the indication of place of origin is provided on the basis of the use of that indication.</p> <p>Legal protection of indication of place of origin represents prevention of the use of false indications of place of origin or indications that would mislead consumer as to the real place of origin of the goods. Indications of place of origin are not subject to state registration.</p> <p>An entity holding the right to use a geographical indication may place it on the product, packaging, in advertisements, prospectus, accounts or use it in any other manner related to the introduction of the product into civil circulation.</p> <p>The right to use a geographical indication for the goods registered in the prescribed order may be granted to any legal entities or individuals situated in the territory of the same geographical location and manufacturing products with similar characteristics.</p> <p>In the Republic of Belarus legal protection is afforded to the indication of place of origin which is located in the territory of the Republic of Belarus.</p>	<p>Law #127-3 of the Republic of Belarus of 17 July 2002 <i>Concerning Geographical Indication</i> with subsequent amendments and additions</p>



Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>Legal protection in the Republic of Belarus is afforded to the indication of place of origin which is located outside the territory of the Republic of Belarus if the indication of place of origin in question is registered in the country of origin of the product and in the Republic of Belarus in accordance with the Civil Code of the Republic of Belarus and legislation concerning the indication of place of origin of goods.</p> <p>Legal protection in the Republic of Belarus is afforded to the indication of place of origin which is located outside the territory of the Republic of Belarus if the indication of place of origin in question is used in the country of origin of the product.</p>	
3. Transfer of exclusive rights	<p>Property rights of the owner of exclusive rights to an object of intellectual property may be:</p> <ol style="list-style-type: none"> <li>1. Transferred in part or in full (only those rights that are explicitly indicated in the agreement may be transferred; rights to use work that has not been known as of the date of signing the contract may not be transferred)</li> <li>2. Transferred with a view of further use under the license agreement.</li> </ol> <p>Under license agreements, the entity which possesses the exclusive rights to intellectual property (the licensor) permits the counterparty (the licensee) to use the said object of intellectual property.</p> <p>License agreement may provide the licensee with:</p> <ul style="list-style-type: none"> <li>▸ The right to use the object of intellectual property, whereby licensor retains the right to use the intellectual property and to issue the licenses to other entities (simple, non-exclusive license)</li> <li>▸ The right to use the intellectual property, whereby the licensor retains the right to use such intellectual property as has not been transmitted to the licensee, but does not have the right to issue the licenses to third parties (exclusive license)</li> <li>▸ Other types of licenses allowed under legislative acts.</li> </ul> <p>License agreements must contain provision on payment.</p> <p>An agreement on the transfer by a licensee of intellectual property rights to another party within the limits established by the license agreement is regarded as a sub-licensing agreement. The licensee is only permitted to conclude a sub-licensing agreement in cases stipulated by the licensing agreement.</p>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 984– 986</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>The licensee is responsible to the licensor for the actions of the sub-licensee, unless the license agreement specifies otherwise.</p> <p>3. May be propagated or transferred by the right of legal succession if legal entity / license holder is reorganized.</p> <p>An author may undertake an obligation on the basis of an agreement to create a work, invention or other result of intellectual activity in the future and to provide exclusive rights to that intellectual property to an entity which is not the author's employer.</p>	
4. Terms of protection of exclusive rights	<p>Personal non-property rights with regard to objects of intellectual property are protected indefinitely</p> <p>Property rights of the author with respect to works of science, literature and art exist for the lifetime of the author and for 50 years following the author's death.</p> <p>Property rights of the performer exist for 50 years following the first record of the performance.</p> <p>Property rights of the producer of the phonogram exist for 50 years following the first publishing of the phonogram or during 50 years of its first recording if it had not been published during the stated period.</p> <p>The rights of the aerial or cable broadcasting organization exist for 50 years following the presentation of the broad- or cable-cast, respectively.</p> <p>Patent becomes effective as of the date of receipt of the patent application by the patenting authority and remains effective subject to adherence to the requirements stipulated in the legislation:</p> <ol style="list-style-type: none"> <li>1. Patent for invention - for twenty years; if the application of the item in which the invention is utilized requires the permission of the authorized body according to the legislation, the patent term is extended by the patenting authority for up to five years at the request of the patent holder</li> <li>2. Patent for prototype - for five years, with the option for extension by the patenting authority of this term by up to three years at the request of the patent-holder</li> <li>3. Patent for industrial sample - for ten years, with the option for extension by the patenting authority of this term by up to five years at the request of the patent-holder.</li> </ol>	<p>Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 988, 1002, 1006, 1015, 1020, 1027</p> <p>Law #370-XIII of the Republic of Belarus of 16 May 1996 <i>Concerning Copyright and Related Rights</i> with subsequent amendments and additions, Chapter 4, Article 38</p> <p>Law #214-3 of the Republic of Belarus of 7 December 1998 <i>Concerning the Legal Protection of Layouts of Integrated Circuits</i> with subsequent amendments and additions, Article 9</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>A patent for a breeding achievement is effective as of the date of registration of the achievement in the state register of protected breeding achievements and the issuance of the patent and is valid for 20 years.</p> <p>Exclusive rights to the use of an layout of integrated circuit are effective for 10 years.</p> <p>Rights to company names terminate with the liquidation of the legal entity or a change in company name.</p> <p>Trademark registration remains valid for a period of 10 years from the date of receipt of the application by the patent authority. The term of validity of a trademark registration may be extended by periods of 10 years if the trademark owner applies for an extension during the final year of validity.</p> <p>A certificate for the right to use the name of a place of origin of a product is valid for 10 years following the date of receipt of the application by the patenting authority.</p> <p>The term of validity may be extended by periods of 10 years if the certificate holder applies for an extension during the final year of validity of the certificate, if the conditions giving rise to the right to use the name still apply. An indefinite number of extensions may be obtained.</p>	
5. Protection of exclusive rights	<p><b>1. General provisions</b></p> <p>Exclusive rights to objects of intellectual property are protected in the Republic of Belarus in the following ways:</p> <ul style="list-style-type: none"> <li>▶ Recognition of the right</li> <li>▶ Prevention of actions violating or menacing the right</li> <li>▶ Restoration of the circumstances which existed prior to violation of the right</li> <li>▶ Withdrawal of material objects used to violate exclusive rights and tangible objects created as a result of such violation</li> <li>▶ Mandatory publication of information regarding instances of violation and information on the entity whose rights were violated</li> <li>▶ Other methods stipulated in the legislation.</li> </ul> <p><b>2. Copyright and related rights</b></p> <p>In order to seek protection of their copyright and related rights owners of such rights apply in the prescribed order to judicial</p>	<p>The Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Articles 11, 989</p> <p>Law #370-XIII of the Republic of Belarus of 16 May 1996 <i>Concerning Copyright and Related Rights</i> with subsequent amendments and additions, Article 40</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>bodies and other authorities with regard to competence thereof, whereby the owner has the right to claim:</p> <ul style="list-style-type: none"> <li>▶ Recognition of their copyright or related rights</li> <li>▶ Restitution of the situation prevailing prior to the breach of copyright or related rights</li> <li>▶ Prevention of actions violating or posing a threat to copyright or related rights</li> <li>▶ Refund for damages, including loss of profit</li> <li>▶ Seizure of earnings received by an entity in breach of copyright or related rights through such breach in lieu of damages</li> <li>▶ Compensation in the amount of 10-50,000 base totals by court order in lieu of refund for losses or seizure of earnings, depending on the nature of the violation</li> </ul> <p><i>Note: the three lattermost measures are applied at the discretion of the right-holder.</i></p> <ul style="list-style-type: none"> <li>▶ Implementation of other measures envisaged by the legislation to protect copyright or related rights.</li> </ul>	
	<p><b>3. Industrial property rights</b></p> <p>Upon demand of the patent holder violation of his exclusive right is to be desisted and the violator is obliged to compensate the patent holder for the losses incurred according to the legislation.</p> <p>An entity unlawfully using someone else's topology is obliged to stop doing so on demand of the owners and to compensate the owner of the topology.</p> <p>Other than the demand to desist and pay compensation, the civil rights can be protected from unlawful use in the following ways:</p> <ul style="list-style-type: none"> <li>▶ Removal from the product or its packaging of unlawfully used trade mark or mark resembling established trade mark to the point of confusion, and/or the elimination of copies of the trade mark or mark resembling an established trade mark to the point of confusion</li> <li>▶ Impoundment or destruction of goods with which the trade mark was unlawfully used</li> <li>▶ Imposition of penalties in favor of the damaged party in the amount of the cost of the goods</li> <li>▶ Assignment in favor of the damaged party of goods with regard to which the trade mark was unlawfully used.</li> </ul>	<p>Law #160-3 of the Republic of Belarus of 16 December 2002 <i>Concerning Patents on Inventions, Prototypes, Industrial Samples</i> with subsequent amendments and additions, Article 8</p> <p>Law #214-3 of the Republic of Belarus of 7 December 1998 <i>Concerning the Legal Protection of Layouts of integrated circuits</i> with subsequent amendments and additions, Article 20</p> <p>Law #2181-XII of the Republic of Belarus of 5 February 1993 <i>Concerning Trademarks and Service Marks</i> with subsequent amendments and additions, Article 29</p>

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
	<p>An entity holding the right to use a geographical indication is entitled to require entities unlawfully using the same indication to cease using it, to remove the unlawfully used geographical indication or indication similar to it to the point of confusion from their products, packaging, papers and other documentation, elimination of produced images of geographical indication or indication similar to it to the point of confusion, and if it is impossible – seizure and destruction of goods and (or) packaging.</p> <p>Any entity acquiring, distributing or using proprietary information by unlawful means is obliged to compensate the entity which rightfully owns the information in question for any losses incurred as the result of its unlawful use.</p> <p>Furthermore, intentional use of a trademark (service mark), a company name, a geographic indication of a competitor, or sale or offer to sale of goods (services) using warning marking about a trademark (service mark) not registered in the Republic of Belarus, or imitation of industrial prototypes of a competitor which leads to confusion of products (goods, works, services) or activities with products of activities of a competitor, result in imposition of fine in the amount of 20 to 50 base totals* or deprivation of the right to conduct certain activities.</p> <p><b>4. Unfair competition</b></p> <p>Certain cases of violation of rights to intellectual property may be regarded as unfair competition.</p> <p>Unfair competition is deemed to be:</p> <ol style="list-style-type: none"> <li>1. Any actions which could induce confusion with regard to legal entities, individual entrepreneurs, goods, works, services or entrepreneurial activity of competitors</li> <li>2. Assertions when conducting entrepreneurial activities which can discredit a legal entity, an individual entrepreneur, goods, works, services or entrepreneurial activities of a competitor</li> <li>3. Indications or assertions which, used in conducting entrepreneurial activities, could give misleading information regarding the character, characteristics, applicability or quantity of goods, works or services of a competitor</li> <li>4. Other actions when conducting entrepreneurial activities which contravene with the requirements of the Civil Code of the Republic of Belarus and other legislative acts on competition.</li> </ol>	<p>The Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 1028</p> <p>The Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 1030</p> <p>The Code #194-3 of the Republic of Belarus of 21 April 2003 <i>On Administrative Infractions</i> with subsequent amendments and additions</p> <p>The Civil Code of the Republic of Belarus #218-3 of 7 December 1998 with subsequent amendments and additions, Article 1029</p> <p>The Law #2034-XII of the Republic of Belarus of 10 December 1992 <i>On Preventing Monopolistic Activities and Fostering Competition</i> with subsequent amendments and additions</p>

\* The base total as of 1 September 2009 amounted to 35,000 Belarusian rubles (which is equivalent to US\$ 12.3 or 8.6 Euro according to the official exchange rate of the National Bank as of 1 September 2009)

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
6. Registration of license agreements, agreements on cession of pledge of rights to objects of intellectual property	<p>The following types of contracts are to be registered in the State Register of License Agreements, Agreements on Cession or Pledge of Rights to Objects of Intellectual Property of the Republic of Belarus:</p> <ol style="list-style-type: none"> <li>1. License agreements on entitling with the right to use the following objects of the industrial property right protected in the Republic of Belarus: <ul style="list-style-type: none"> <li>▸ Inventions</li> <li>▸ Prototypes</li> <li>▸ Industrial samples</li> <li>▸ Plant varieties</li> <li>▸ Layouts of integrated circuits</li> <li>▸ Trade marks and service marks</li> </ul> </li> <li>2. License agreements on entitling with the right to use trade secrets (know-how) relating to a product or a method in any branch of technology</li> <li>3. Agreements on cession of rights to objects of the industrial property right protected in the Republic of Belarus which are listed in item 1 of this article</li> <li>4. Agreements on pledge of property rights confirmed by a patent or a certificate to objects of the industrial property right protected in the Republic of Belarus which are listed in item 1 of this article</li> <li>5. Other agreements, the contents of which correspond to agreements specified in items 1-4</li> <li>6. Amendments and additions to the registered agreements specified in items 1, 2, 4.</li> </ol>	<p>Resolution of the Council of Ministers of the Republic of Belarus #346 of 21 March 2009 <i>Concerning Registration of License Agreements, Agreements on Cession and Pledge of Rights to Objects of Industrial Property Right, and Agreements on Unified Entrepreneurial License (Franchising)</i></p>
7. Representation of citizens and non-citizens living outside of the Republic of Belarus or foreign legal entities residing in foreign countries in the patent authority of the Republic of Belarus	<p>Citizens and non-citizens living outside the Republic of Belarus or foreign legal entities residing in foreign countries should obtain patents for inventions, prototypes, industrial samples and maintain their validity, register trademarks and service marks, indications of place of origin of goods, breeding achievements through patent agents registered with the patent authority of the Republic of Belarus.</p>	<p>Resolution of the Council of Ministers of the Republic of Belarus #379 of 11 March 1998 <i>Concerning Approval of the Statute on Patent Agents of the Republic of Belarus</i> with subsequent amendments and additions</p>

\* The base total as of 1 September 2009 amounted to 35,000 Belarusian rubles (which is equivalent to US\$ 12.3 or 8.6 Euro according to the official exchange rate of the National Bank as of 1 September 2009)

Key concept	Extracts from regulations governing respective legal relations	Relevant laws and regulations
<b>8. International registration</b>	<p>The Republic of Belarus is a party to a number of international agreements with regard to intellectual property:</p> <ul style="list-style-type: none"> <li>▸ Convention Establishing the World Intellectual Property Organization</li> <li>▸ Paris Convention for Protection of Industrial Property</li> <li>▸ Eurasian Patent Convention</li> <li>▸ Patent Cooperation Treaty (PCT)</li> <li>▸ Madrid Agreement on International Registration of Marks</li> <li>▸ Protocol to the Madrid Agreement on International Registration of Marks</li> <li>▸ Berne Convention for Protection of Literary and Artistic Works</li> <li>▸ Nairobi Treaty on Protection of the Olympic Symbol</li> <li>▸ Nice Agreement on International Classification of Goods and Services for Purposes of Registration of Marks</li> <li>▸ Locarno Agreement on Establishment of International Classification for Industrial Designs</li> <li>▸ Strasbourg Agreement on International Patent Classification</li> <li>▸ Budapest Treaty on International Recognition of Deposition of Microorganisms for Purposes of Patent Procedure</li> <li>▸ WIPO Copyright Treaty</li> <li>▸ WIPO Performance and Phonograms Treaty</li> <li>▸ International Convention on Protection of New Plant Varieties</li> <li>▸ Convention on Protection of Producers of Phonograms against Unauthorized Duplication of Phonograms</li> <li>▸ International Convention on Protection of Rights of Performers, Producers of Phonograms and Broadcasting Organizations</li> <li>▸ Universal Copyright Convention</li> </ul>	

# International agreements of the Republic of Belarus on promoting and protecting investment (as of 1 September 2009)

Nº	Agreement	Date and place of signing	Effective date
1.	Agreement between the Republic of Belarus and the Republic of Poland on cooperation and investment protection	24 Apr 92 Warsaw	18 Jan 93
2.	Agreement between the Government of the Republic of Belarus and the Government of the United States of America on promoting capital investments	24 Jun 92 Minsk	24 Jun 92
3.	Agreement between the Government of the Republic of Belarus and the Government of the Socialist Republic of Vietnam on promotion and protection of investments	08 Jul 92 Minsk	24 Nov 94
4.	Agreement between the Government of the Republic of Belarus and the Government of the People's Republic of China on promotion and mutual protection of investments	11 Jan 93 Beijing	14 Jan 95
5.	Agreement between the Republic of Belarus and the Federative Republic of Germany on promotion and mutual protection of investments	02 Apr 93 Bonn	23 Sep 96
6.	Agreement between the Republic of Belarus and the Confederation of Switzerland on promotion and mutual protection of investments	28 May 93 Minsk	13 Jul 94
7.	Agreement between the Government of the Republic of Belarus and the Government of the French Republic on mutual promotion and protection of investments	28 Oct 93 Paris	
8.	Agreement between the Republic of Belarus and the United States of America on promotion and mutual protection of investments	15 Jan 94 Minsk	
9.	Agreement between the Government of the Republic of Belarus and the Government of the United Kingdom of Great Britain and Northern Ireland on promotion and protection of investments	01 Mar 94 London	28 Dec 94
10.	Agreement between the Republic of Belarus and the Kingdom of Sweden on promotion and mutual protection of investments	20 Dec 94 Minsk	01 Nov 96
11.	Agreement between the Republic of Belarus and the Kingdom of Netherlands on promotion and mutual protection of investments	11 Apr 95 Minsk	01 Aug 96
12.	Agreement between the Republic of Belarus and the Republic of Romania on promotion and mutual protection of investments	27 May 95 Bucharest	08 Jan 97
13.	Agreement between the Republic of Belarus and the Islam Republic of Iran on promotion and mutual protection of investments	14 Jul 95 Minsk	23 Jun 00
14.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Italy on promotion and mutual protection of investments	25 Jul 95 Minsk	12 Aug 97
15.	Agreement between the Republic of Belarus and the Turkish Republic on promotion and mutual protection of investments	08 Aug 95 Minsk	28 Feb 97



Nº	Agreement	Date and place of signing	Effective date
16.	Agreement between the Government of the Republic of Belarus and the Government of the Ukraine on promotion and mutual protection of investments	14 Dec 95 Kyiv	11 Jun 96
17.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Bulgaria on promotion and mutual protection of investments	21 Feb 96 Sofia	11 Nov 97
18.	Agreement between the Government of the Republic of Belarus and the Union Government of the Union Republic of Yugoslavia on promotion and mutual protection of investments	06 Mar 96 Minsk	25 Jan 97
19.	Agreement between the Republic of Belarus and the Czech Republic on promotion and mutual protection of investments	14 Oct 96 Prague	09 Apr 98
20.	Agreement between the Government of the Republic of Belarus and the Government of the Islam Republic of Pakistan on promotion and mutual protection of investments	22 Jan 97 Minsk	
21.	Agreement between the Government of the Republic of Belarus and the Government of the Arab Republic of Egypt on promotion and mutual protection of investments	20 Mar 97 Cairo	18 Jan 99
22.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Korea on promotion and mutual protection of investments	22 Apr 97 Seoul	09 Aug 97
23.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Latvia on promotion and mutual protection of investments	03 Mar 98 Riga	21 Dec 98
24.	Agreement between the Government of the Republic of Belarus and the Government of the Arab Republic of Syria on promotion and mutual protection of investments	11 Mar 98 Damascus	01 Oct 98
25.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Cyprus on promotion and mutual protection of investments	29 May 98 Nicosia	03 Sep 98
26.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Tajikistan on promotion and mutual protection of investments	03 Sep 98 Dushanbe	25 Aug 99
27.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Lithuania on promotion and mutual protection of investments	05 Mar 99 Minsk	16 May 02
28.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Kyrgyzstan on promotion and mutual protection of investments	30 Mar 99 Minsk	11 Nov 01
29.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Moldova on promotion and mutual protection of investments	28 May 99 Kishinev	19 Nov 99

Nº	Agreement	Date and place of signing	Effective date
30.	Agreement between the Government of the Republic of Belarus and the Government of the United Arab Emirates on promotion and mutual protection of investments	27 Mar 00 Dubai	16 Feb 01
31.	Agreement between the Government of the Republic of Belarus and the Government of Israel State on promotion and mutual protection of investments	11 Apr 00 Jerusalem	14 Aug 03
32.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Singapore on promotion and mutual protection of investments	15 May 00 Singapore	13 Jan 01
33.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Cuba on promotion and mutual protection of investments	08 Jun 00 Minsk	16 Aug 01
34.	Agreement between the Government of the Republic of Belarus and the Great Socialist People's Libyan Arab Jamahiriya on promotion and mutual protection of investments	01 Nov 00 Tripoli	23 Feb 02
35.	Agreement between the Government of the Republic of Belarus and the Government of Qatar State on promotion and mutual protection of investments	17 Feb 01 Doha	06 Aug 04
36.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Austria on promotion and mutual protection of investments	16 May 01 Minsk	01 Jun 02
37.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Armenia on promotion and mutual protection of investments	26 May 01 Erevan	10 Feb 02
38.	Agreement between the Government of the Republic of Belarus and the Government of Mongolia on promotion and mutual protection of investments	28 May 01 Minsk	27 Jan 02
39.	Agreement between the Government of the Republic of Belarus and the Government of the Lebanon Republic on promotion and mutual protection of investments	19 Jun 01 Beirut	29 Dec 02
40.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Macedonia on promotion and mutual protection of investments	20 Jun 01 Skopje	22 Nov 02
41.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Croatia on promotion and mutual protection of investments	26 Jun 01 Zagreb	14 Jul 05
42.	Agreement between the Government of the Republic of Belarus and the Government of the State of Kuwait on encouragement and mutual protection of investments	10 Jul 01 Al Kuwait	14 Jun 03
43.	Agreement between the Government of the Republic of Belarus of the one part and the Belgium Luxembourg Economic Union of the other part on promotion and mutual protection of investments.	09 Apr 02 Brussels	

Nº	Agreement	Date and place of signing	Effective date
44.	Agreement between the Government of the Republic of Belarus and the Government of the Kingdom of Bahrain on promotion and mutual protection of investments	26 Oct 02 Manama	16 May 2008
45.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of India on promotion and mutual protection of investments	27 Nov 02 Delhi	23 Nov 03
46.	Agreement between the Government of the Republic of Belarus and the Government of the Hashemite Kingdom of Jordan on promotion and mutual protection of investments	16 Dec 02 Amman	22 Dec 05
47.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Yemen on promotion and mutual protection of investments	18 Jul 03 Minsk	
48.	Agreement between the Government of the Republic of Belarus and the Government of the Kingdom of Denmark on promotion and mutual protection of investments	31 Mar 04 Minsk	20 Jul 05
49.	Agreement between the Government of the Republic of Belarus and the Government of the Sultanate of Oman on promotion and mutual protection of investments	10 May 04 Minsk	18 Jan 05
50.	Agreement between the Republic of Belarus and Bosnia and Herzegovina on promotion and mutual protection of investments	29 Nov 04 Sarajevo	22 Jan 06
51.	Agreement between the Government of the Republic of Belarus and the Government of the Slovak Republic on promotion and mutual protection of investments	26 Aug 05 Minsk	01 Sep 06
52.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Finland on promotion and mutual protection of investments	08 Jun 06 Minsk	10 Apr 08
53.	Agreement between the Government of the Republic of Belarus and the Government of the Democratic People's Republic of Korea on promotion and mutual protection of investments	24 Aug 06 Pyongyang	31 May 07
54.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Slovenia on promotion and mutual protection of investments	18 Oct 06 Minsk	
55.	Agreement between the Government of the Republic of Belarus and the Government of the Bolivarian Republic of Venezuela on promotion and mutual protection of investments	08 Dec 07 Anzoátegui State, Venezuela	13 Aug 08
56.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Finland on promotion and protection of investments	08 Jun 06 Minsk	10 Apr 08
57.	Agreement between the Government of the Republic of Belarus and the Government of the United States of Mexico on promotion and mutual protection of investments	04 Sep 08 Minsk	27 Aug 09

Nº	Agreement	Date and place of signing	Effective date
<b>Multilateral agreements</b>			
1.	Convention on Settlement of Investment Disputes between States and Citizens of 18 March 1965.	10 Jul 92 Washington	09 Aug 92
2.	Convention on Multilateral Investment Guarantee Agency of 11 October 1985.	13 Aug 92	03 Dec 92
3.	CIS Agreement on Investment Cooperation	24 Dec 93 Ashgabat	21 Nov 94
4.	European Energy Charter of 17 December 1994.	17 Dec 94 Lisbon	16 Apr 98
5.	CIS Convention on Protection of Investor Rights	28 Mar 97 Moscow	21 Jan 99
6.	Agreement on Promotion and Mutual Protection of Investment in the Member States of the Eurasian Economic Community	12 Dec 08 Moscow	

# International agreements of the Republic of Belarus on avoidance of double taxation and prevention of tax evasion for income tax and assets tax (other than executed by the former USSR)

Nº	Agreement	Date and place of signing	Effective date
1.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Poland on avoidance of double taxation of income and assets	18 Nov 92 Minsk	01 Jan 94
2.	Agreement between the Republic of Belarus and the Kingdom of Sweden on avoidance of double taxation and prevention of tax evasion for income taxes	10 Mar 94 Minsk	27 Dec 94
3.	Agreement between the Government of the Republic of Belarus and the Government of the Ukraine on avoidance of double taxation and prevention of tax evasion for income and assets taxes	24 Dec 93 Ashgabat	30 Jan 95
4.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Moldova on avoidance of double taxation and prevention of tax evasion for income and assets taxes	23 Dec 94 Kishinev	28 May 96
5.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Lithuania on avoidance of double taxation and prevention of tax evasion for income taxes	18 Jul 95 Minsk	26 Jun 96
6.	Agreement between the Government of the Republic of Belarus and the Government of the People's Republic of China on avoidance of double taxation and prevention of tax evasion for income and assets taxes	17 Jan 95 Beijing	03 Oct 96
7.	Agreement between the Republic of Belarus and the Republic of Latvia on avoidance of double taxation and prevention of tax evasion for income taxes	07 Sep 95 Minsk	31 Oct 96
8.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Uzbekistan on avoidance of double taxation for income and assets taxes	22 Dec 94 Tashkent	11 Jan 97
9.	Agreement between the Government of the Republic of Belarus and the Government of the Russian Federation on avoidance of double taxation and prevention of tax evasion for income and assets taxes	21 Apr 95 Moscow	21 Jan 97
10.	Agreement between the Government of the Republic of Belarus and the Government of the Kingdom of Netherlands on avoidance of double taxation and prevention of tax evasion for income and assets taxes	26 Mar 96 Hague	31 Dec 97
11.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Kazakhstan on avoidance of double taxation and prevention of tax evasion for income and assets taxes	11 Apr 97 Minsk	10 Dec 97

Nº	Agreement	Date and place of signing	Effective date
12.	Agreement between the Government of the Republic of Belarus and the Government of the Socialist Republic of Vietnam on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	24 Apr 97 Hanoi	26 Dec 97
13.	Agreement between the Government of the Republic of Belarus and the Government the Czech Republic on avoidance of double taxation and prevention of tax evasion for income and assets taxes	14 Oct 96 Prague	15 Jan 98
14.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Bulgaria on avoidance of double taxation and prevention of tax evasion for income and capital taxes	09 Dec 96 Sofia	17 Feb 98
15.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Turkey on avoidance of double taxation and prevention of tax evasion for income taxes	24 Jul 96 Ankara	29 Apr 98
16.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Kyrgyzstan on avoidance of double taxation for income and assets taxes	26 Jun 97 Bishkek	12 May 98
17.	Agreement between the Government of the Republic of Belarus and the Government of Romania on avoidance of double taxation and prevention of tax evasion for income and capital taxes	22 Jul 97 Bucharest	14 Jul 98
18.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of India on avoidance of double taxation and prevention of tax evasion for income and assets (capital) taxes.	27 Sep 97 Delhi	17 Jul 98
19.	Agreement between the Government of the Republic of Belarus and the Government of the Kingdom of Belgium on avoidance of double taxation and prevention of tax evasion for income and assets taxes	07 May 95 Brussels	13 Oct 98
20.	Agreement between the Government of the Republic of Belarus and the Union Government of the Union Republic of Yugoslavia on avoidance of double taxation and prevention of tax evasion for income and assets taxes	30 Jan 98 Belgrade	24 Nov 98
21.	Convention between the Government of the Republic of Belarus and the Government of the Republic of Cyprus on avoidance of double taxation and prevention of tax evasion for income and assets taxes	29 May 98 Nicosia	12 Feb 99
22.	Agreement between the Republic of Belarus and the Republic of Estonia on avoidance of double taxation and prevention of tax evasion for income taxes	21 Jan 97 Minsk	22 Jul 98
23.	Agreement between the Republic of Belarus and the Republic of Tajikistan on avoidance of double taxation and prevention of tax evasion for income and assets taxes	23 Mar 99 Minsk	16 Dec 99

Nº	Agreement	Date and place of signing	Effective date
24.	Agreement between the Government of the Republic of Belarus and the Government of the Arab Republic of Egypt on avoidance of double taxation and prevention of tax evasion for income taxes	16 Jun 98 Cairo	27 May 99
25.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Slovakia on avoidance of double taxation and prevention of tax evasion for income and assets taxes	12 Jul 99 Bratislava	05 Jul 00
26.	Agreement between the Government of the Republic of Belarus and the Federal Council of Switzerland on avoidance of double taxation and prevention of tax evasion for income and capital taxes	26 Apr 99 Minsk	28 Dec 99
27.	Agreement between the Government of the Republic of Belarus and the Government of the United Arab Emirates on avoidance of double taxation and prevention of tax evasion for income and assets taxes	27 Mar 00 Dubai	01 Feb 01
28.	Agreement between the Government of the Republic of Belarus and the Government of the Islam Republic of Iran on avoidance of double taxation and prevention of tax evasion for income and assets (capital) taxes	14 Jul 95 Minsk	15 Nov 01
29.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Armenia on avoidance of double taxation and prevention of tax evasion for income and assets taxes	19 Jul 00 Minsk	19 Nov 01
30.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Austria on avoidance of double taxation and prevention of tax evasion for income and assets taxes	16 May 01 Minsk	24 Mar 02
31.	Convention between the Government of the Republic of Belarus and the Government of the Kingdom of Bahrain on avoidance of double taxation and prevention of tax evasion for income and assets taxes	27 Oct 02 Manama	16 Apr 08
32.	Convention between the Government of the Republic of Belarus and the Government of the Republic of Hungary on avoidance of double taxation and prevention of tax evasion for income and capital taxes	19 Feb 02 Budapest	24 Jun 04
33.	Agreement between the Government of the Republic of Belarus and the Government of the South African Republic on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	18 Sep 02 Minsk	29 Dec 03
34.	Convention between the Government of the Republic of Belarus and the Government of the Republic of Korea on avoidance of double taxation and prevention of tax evasion for income taxes	20 May 02 Seoul	17 Jun 03
35.	Convention between the Government of the Republic of Belarus and the Government of Turkmenistan on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	17 May 02 Ashgabat	29 Dec 04

Nº	Agreement	Date and place of signing	Effective date
36.	Agreement between the Government of the Republic of Belarus and the Government of the Syrian Arab Republic on avoidance of double taxation and prevention of tax evasion for income and taxes.	11 Mar 98 Damascus	03 Apr 02
37.	Agreement between the Government of the Republic of Belarus and the Government of the State of Kuwait on avoidance of double taxation and prevention of tax evasion for income and capital taxes	10 Jul 01 Al Kuwait	27 Mar 02
38.	Convention between the Government of the Republic of Belarus and the Government of the Republic of Azerbaijan on avoidance of double taxation and prevention of tax evasion for income and assets taxes	09 Aug 01 Baku	29 Apr 02
39.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Lebanon on avoidance of double taxation and prevention of tax evasion for income and assets taxes	19 Jun 01 Beirut	29 Dec 02
40.	Convention between the Government of the Republic of Belarus and the Government of the State of Israel on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	11 Apr 00 Jerusalem	29 Dec 03
41.	Agreement between the Government of the Republic of Belarus and the Government of the Mongolia on avoidance of double taxation and prevention of tax evasion for income and assets taxes	28 May 01 Minsk	27 Jan 02
42.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Croatia on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	11 Jun 03 Zagreb	04 Jun 04
43.	Convention between the Government of the Republic of Belarus and the Government of the Republic of Macedonia on avoidance of double taxation and prevention of tax evasion for income and capital (assets) taxes	19 May 05 Moscow	26 Jan 06
44.	Convention between the Government of the Republic of Belarus and the Government of the Islam Republic of Pakistan on avoidance of double taxation and prevention of tax evasion for income taxes	23 Jul 04 Minsk	05 Oct 06
45.	Convention between the Government of the Republic of Belarus and the Government of the Kingdom of Thailand on avoidance of double taxation and prevention of tax evasion for income and assets taxes	15 Dec 05 Moscow	02 Sep 06
46.	Convention between the Government of the Republic of Belarus and the Government of the Federal Republic of Germany on avoidance of double taxation for income and assets taxes	30 Sep 05 Minsk	31 Dec 06



Nº	Agreement	Date and place of signing	Effective date
47.	Agreement between the Government of the Republic of Belarus and the Government of the Democratic People's Republic of Korea on avoidance of double taxation and prevention of tax evasion for income and assets taxes	30 Jun 06 Minsk	20 Nov 07
48.	Agreement between the Government of the Republic of Belarus and the Government of the Qatar State on avoidance of double taxation and prevention of tax evasion for income taxes	03 Apr 07 Doha	24 Nov 07
49.	Agreement between the Government of the Republic of Belarus and the Government of the Sultanate of Oman on avoidance of double taxation and prevention of tax evasion for income and capital taxes	15 Apr 07 Mascat	09 Jan 08
50.	Agreement between the Government of the Republic of Belarus and the Government of the Republic of Finland on avoidance of double taxation and prevention of tax evasion for income taxes	18 Dec 07 Minsk	13 Jul 08
51.	Convention between the Government of the Republic of Belarus and the Government of the Bolivarian Republic of Venezuela on avoidance of double taxation and prevention of tax evasion for income and assets (capital) taxes	08 Dec 07 Anzoátegui State, Venezuela	20 Jan 09

# International agreements of the former Soviet Union on avoidance of double taxation and prevention of tax evasion for income and assets used in the Republic of Belarus\*

Nº	Agreement	Date and place of signing	Effective date
1.	Convention between the Government of the Union of the Soviet Socialist Republics and the Government of the United Kingdom of Great Britain and Northern Ireland on elimination of double taxation for income taxes and assets value increment	31 Jul 85 London	30 Jan 86
2.	Agreement between the Government of the Union of the Soviet Socialist Republics and the Government of the Kingdom of Denmark on elimination of double taxation of income and assets	21 Oct 86 Moscow	28 Sep 87 (between the Republic of Belarus and Denmark – 25 Dec 91)
3.	International act (Convention) between the Government of the Union of the Soviet Socialist Republics and the Government of Spain on avoidance of double taxation of income and assets	01 Mar 85 Madrid	07 Aug 86 (between the Republic of Belarus and Spain – 25 Dec 91)
4.	Convention between the Government of the Union of the Soviet Socialist Republics and the Government of the Republic of Italy on avoidance of double taxation of income (On 11 Aug 05 and 16 May 06, respectively, the Republic of Belarus signed and ratified the Convention between the Government of the Republic of Belarus and the Government of the Republic of Italy on avoidance of double taxation of income and capital and prevention of tax evasion)	26 Feb 85 Rome	25 Dec 91
5.	Agreement between the Government of the Union of the Soviet Socialist Republics and the Government of Malaysia on avoidance of double taxation of income	31 Jul 87 Moscow	04 Jul 88
6.	Convention between the Union of the Soviet Socialist Republics and the United States of America on taxation	20 Jun 73 Washington	28 Jan 76
7.	Agreement between the Government of the Union of the Soviet Socialist Republics and the Government of the French Republic on elimination of double taxation of income	04 Oct 85 Paris	28 Mar 87 (between the Republic of Belarus and France – 25 Dec 91)
8.	Convention between the Government of the Union of the Soviet Socialist Republics and the Government of Japan on avoidance of double taxation for income taxes	18 Jan 86 Tokyo	27 Nov 86

\* The Republic of Belarus is obliged to secure the execution of right and performance of duties on international agreements on avoidance of double taxation of income and assets, executed by the former Union of the Soviet Socialist Republics, in accordance with Article 3 of the Agreement on tax policy between the Government of the Russian Federation and the Government of the Republic of Belarus of 20 July 1992 (signed in Moscow).

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