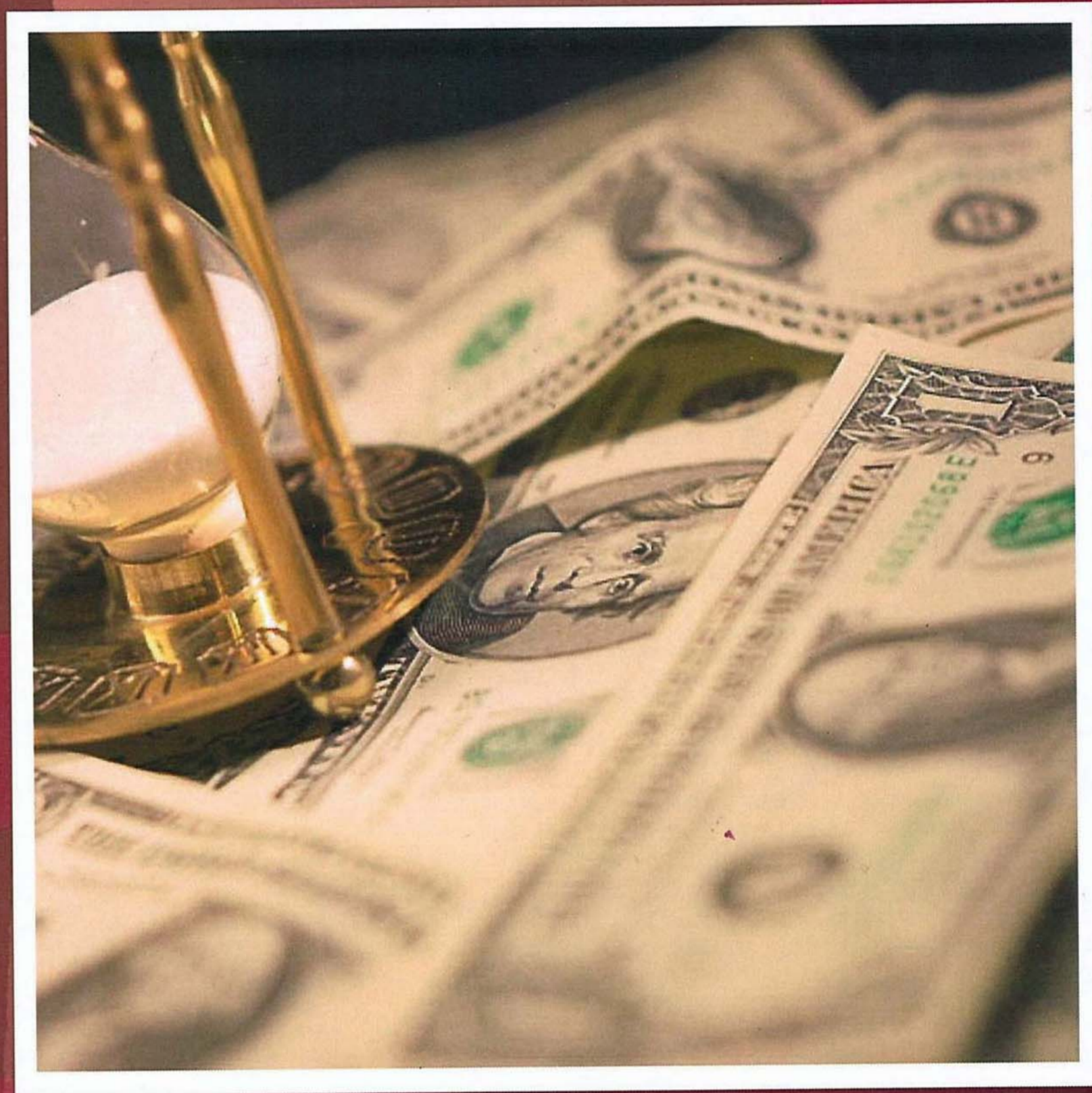


1H//816841K(039)

BELARUS

Investment, Trade Laws and Regulations Handbook



Volume 1
Strategic Information and Regulations

BELARUS

INVESTMENT, TRADE LAWS AND REGULATIONS HANDBOOK

VOLUME 1

STRATEGIC INFORMATION AND REGULATIONS

TABLE OF CONTENTS

STRATEGIC AND BUSINESS PROFILES.....	7
<i>GEOGRAPHY.....</i>	<i>9</i>
<i>PEOPLE.....</i>	<i>11</i>
<i>GOVERNMENT.....</i>	<i>16</i>
<i>ECONOMY.....</i>	<i>19</i>
<i>ENERGY.....</i>	<i>24</i>
<i>COMMUNICATIONS.....</i>	<i>27</i>
<i>TRANSPORTATION.....</i>	<i>28</i>
<i>MILITARY.....</i>	<i>29</i>
<i>TRANSNATIONAL ISSUES.....</i>	<i>30</i>
IMPORTANT INFORMATION FOR UNDERSTANDING BELARUS	31
<i>PROFILE.....</i>	<i>31</i>
<i>HISTORICAL HIGHLIGHTS.....</i>	<i>32</i>
<i>GOVERNMENT.....</i>	<i>32</i>
<i>POLITICAL CONDITIONS.....</i>	<i>32</i>
<i>ECONOMY.....</i>	<i>36</i>
<i>DEFENSE AND MILITARY ISSUES.....</i>	<i>40</i>
<i>FOREIGN RELATIONS.....</i>	<i>41</i>
<i>U.S.-BELARUSIAN RELATIONS.....</i>	<i>42</i>
BELARUS LEGAL SYSTEM BASICS	46
LEGAL SYSTEM OF THE REPUBLIC OF BELARUS	46
BUSINESS LAWS.....	48
PRACTICAL AND LEGAL INFORMATION FOR BUSINESS ACITIVITY	50
FREE ECONOMIC ZONES (FEZ)	50
IMPORTANT INFORMATION FOR INVESTING	52
INVESTMENT INCENTIVES	64
IV.FINANCIAL AND BANKING SECTOR.....	71
<i>A. Banking/Financial Facilities.....</i>	<i>71</i>
EXCHANGE CONTROLS	74
<i>B. Investment Controls.....</i>	<i>75</i>
<i>C. Money Transfer.....</i>	<i>76</i>
IMPORT/EXPORT REGULATIONS.....	77
<i>A. Customs Regulations.....</i>	<i>77</i>

B. Exports.....	78
C. Foreign Trade Regulations.....	78
D. Imports.....	78
E. Manufacturing Requirements.....	80
STRUCTURES FOR DOING BUSINESS.....	81
A. Governmental Participation.....	81
B. Types of business.....	82
C. REGISTRATION PROCESS.....	84
D. LIST OF DOCUMENTS FOR REGISTRATION.....	85
E. REGISTRATION COSTS.....	86
F. CAPITALIZATION.....	86
G. NATIONALITY OF THE PARTICIPANT, MANAGER OR DIRECTOR.....	87
H. TAXATION.....	87
SPECIAL TAXATION REGIMES.....	91
REQUIREMENTS FOR THE ESTABLISHMENT OF A BUSINESS.....	97
A. Alien Business Law.....	97
B. Antitrust Laws.....	97
C. Environmental Regulations.....	98
D. Government Approvals.....	99
Licenses/Permits.....	100
OPERATION OF THE BUSINESS.....	101
A. Advertising.....	101
C. Bookkeeping Requirements.....	103
D. Business Ethics/Codes.....	103
F. Construction.....	104
G. Contracts.....	105
H. Price Controls.....	105
I. Product Registration.....	106
K. Sale of Goods.....	107
L. Trade Associations.....	109
TERMINATION OF BUSINESS.....	109
A. Termination.....	109
B. Insolvency/Bankruptcy.....	111
LABOR LEGISLATION, RELATION, AND SUPPLY.....	112
A. Employer/Employee Relations.....	112
B. Employment Regulations.....	112
C. Hiring and Firing Requirements.....	113
E. Work Permits.....	114
F. Safety Standards.....	114
G. Unions.....	114
TAXATION SYSTEM AND REGULATIONS.....	115
GENERAL TAX CONSIDERATIONS.....	115
TAX ON CORPORATIONS.....	116
TAX ON INDIVIDUALS.....	125
TAX ON OTHER LEGAL BODIES.....	131
IMMIGRATION REQUIREMENTS.....	131
EXPATRIATE EMPLOYEES.....	137
BELARUS TRADE AND CUSTOMS REGULATIONS.....	144
STATE CUSTOMS COMMITTEE.....	144
Senior officials of the State Customs Committee of the Republic of Belarus.....	144
Main functions of customs bodies of Republic of Belarus.....	145
CUSTOMS REGULATIONS.....	148
Transfer of CURRENCY through the customs border of the Republic of Belarus.....	148

For additional analytical, business and investment opportunities information,
please contact Global Investment & Business Center, USA
at (202 546-2103. Fax: (202 546-3275. E-mail: rusric@erols.com

<i>The import of personal property into the Republic of Belarus</i>	148
<i>The export of personal property from the Republic of Belarus</i>	149
<i>Import/export prohibited</i>	149
TARIFF REGULATIONS OF FOREIGN TRADE IN THE REPUBLIC OF BELARUS	150
TRADE REGULATIONS AND STANDARDS	152
<i>Import Tariffs</i>	152
<i>Trade Barriers</i>	152
<i>Temporary Entry</i>	152
<i>Labeling and Marking Requirements</i>	153
<i>Prohibited and Restricted Imports</i>	153
<i>Customs Regulations and Contact Information</i>	153
<i>Standards</i>	153
<i>Web Resources</i>	153
BELARUS INVESTMENT CODE	155
IMPORTANT LAWS AND REGULATIONS	157
LAW ON FOREIGN INVESTMENTS ON THE TERRITORY OF THE REPUBLIC OF BELARUS	157
<i>Chapter I General Provisions</i>	157
<i>Chapter II Establishment and Operation of Enterprises with Foreign Investments</i>	158
<i>Chapter III Activity of Foreign Investors and Enterprises with Foreign Investments in Banking and Credit-Financial Spheres. Acquisition of Securities, Participation in Exchange Activities</i>	165
<i>Chapter IV Acquisition by Foreign Investors and Enterprises with foreign investments of Rights of Land Use and other Proprietary Rights</i>	166
<i>Chapter V Foreign Investments in Free Economic Zones</i>	166
<i>Chapter VI Taxation, Tax and Customs Privileges</i>	167
<i>Chapter VII Guarantees to Foreign Investors</i>	168
<i>Chapter VIII Settlement of Disputes</i>	170
FREE ECONOMIC ZONES LAW	171
<i>Chapter 1. General Provisions</i>	171
<i>Chapter 2. Establishment of the FEZ</i>	173
<i>Chapter 3. Management of the FEZ</i>	174
<i>Chapter 4. Regulation of tax, customs, currency and financial, labour relations in the FEZ</i>	177
<i>Chapter 5. State Guarantees to Investors</i>	178
<i>Chapter 6. Liquidation of the FEZ</i>	179
<i>Chapter 7. Concluding provisions</i>	179
ON CERTAIN ISSUES OF OPERATION OF FREE ECONOMIC ZONES	180
ON THE PROCEDURE OF OPENING AND OPERATION OF REPRESENTATIONS OF FOREIGN ORGANIZATIONS IN THE REPUBLIC OF BELARUS	186
COMPANY LAW	195
CURRENCY LAW	215
ON THE BASIS OF STATE REGULATION OF THE FOREIGN ECONOMIC ACTIVITY IN THE REPUBLIC OF BELARUS IN ORDER TO INCREASE THE EFFECTIVENESS OF THE FOREIGN ECONOMIC ACTIVITIES BE IT RESOLVED:	217
LAND LAW	218
SECTION I. GENERAL PROVISIONS	218
SECTION II. RATES OF THE LAND TAX AND UPPER RATES OF RENTAL PAYMENT	219
SECTION III. LAND PAYMENT PRIVILEGES	221
SECTION IV. PROCEDURES FOR COLLECTING LAND PAYMENTS	222
SECTION V. SUPERVISION AND LIABILITY FOR THE VIOLATION OF THE LAW ON LAND PAYMENT	222
ON RESISTANCE TO MONOPOLISTIC ACTIVITY AND DEVELOPMENT OF COMPETITION	222
<i>Chapter I. General Provisions</i>	223
<i>Chapter II Major Types of Monopolistic Activity</i>	225
<i>Chapter III. Prevention, Restriction and Suppression of Monopolistic Activity</i>	228

<i>Chapter IV Special Restriction on Activities of State Bodies and Their Authorized Persons</i>	233
<i>Chapter V. Certain Measures of State Bodies to Prevent and Eliminate Violations of the Present Law</i>	234
ON FINANCIAL AND INDUSTRIAL GROUPS.....	235
ON COMMODITY EXCHANGES	243
ON THE ENTREPRENEURSHIP IN THE REPUBLIC OF BELARUS.....	248
BUSINESS TRAVEL	256
<i>Business Customs</i>	256
<i>Travel</i>	256
<i>Visa Requirements</i>	257
<i>Telecommunications</i>	257
<i>Transportation</i>	257
<i>Local Time, Business Hours, and Holidays</i> Return to top.....	259
<i>Temporary Entry of Materials and Personal Belongings</i>	259
SUPPLEMENTS	260
BUSINESS LAWS.....	260
SELECTED STATISTICS	261
U.S. MERCHANDISE TRADE WITH BELARUS	262
<i>U.S. Imports from Belarus</i>	263
BELARUS INVESTMENT CODE.....	264
ON FOREIGN INVESTMENTS ON THE TERRITORY OF THE REPUBLIC OF BELARUS.....	265
<i>Law of the Republic of Belarus</i>	265
<i>Chapter I General Provisions</i>	265
<i>Chapter II Establishment and Operation of Enterprises with Foreign Investments</i>	267
<i>Chapter III Activity of Foreign Investors and Enterprises with Foreign Investments in Banking and Credit-Financial Spheres. Acquisition of Securities, Participation in Exchange Activities</i>	274
<i>Chapter IV Acquisition by Foreign Investors and Enterprises with foreign investments of Rights of Land Use and other Proprietary Rights</i>	274
<i>Chapter V Foreign Investments in Free Economic Zones</i>	275
<i>Chapter VI Taxation, Tax and Customs Privileges</i>	275
<i>Chapter VII Guarantees to Foreign Investors</i>	276
<i>Chapter VIII Settlement of Disputes</i>	279
BASIC TITLES FOR BELARUS	279
BASIC LAWS AND REGULATIONS AFFECTING BUSINESS	281