

LAW OF GEORGIA

on Timber Exports

Section I

General Provisions

Clause 1. Definition of Terms Used in the Text Below

Definition of terms used in the text below:

- **Export** – export of goods (customs regime of export – taking goods outside the territory regulated by Georgian customs without any liability of bringing it back to the same territory);
- **Sustainable Development** – a system of development which considers interests of both economic growth and natural protection, ensures improvement of life standards and a right of future generations to benefit from natural resources and the environment without causing their unrecoverable qualitative and quantitative reversions;
- **Principles of Sustainable Development** – principles which are integrated into final documents of 1992 Earth Summit in Rio-de-Janeiro: “Rio Declaration on the Environment and Development”, “Agenda 21 – A Program of Global Sustainable Development for the 21st Century” and “Non binding Statement of Commitment to Follow the Principles of Forest Protection, Sustainable Development and Management Principles”.
- **Commodity Nomenclature of Foreign Economic Activities** – a system of harmonized commodity inventory and coordination, defined by International Convention on “Commodity Inventory and Coordination” (Brussels, June 14, 1983) and elaborated by Customs Cooperation Council. (Based on this document Georgia accepted universal commodity nomenclature of foreign economic activities by signing an agreement on “Universal Commodity Nomenclature for foreign economic activities of NIS” in Moscow on November³, 1995);
- **A Type of Commodity Nomenclature for Foreign Economic Activities** – a type of similar commodities, which is established by commodity nomenclature for foreign economic activities and classified according to its origin and/or function;
- **A Code of Commodity Position** – Four digit code for commodity position of commodity nomenclature for foreign economic activities (Such code incorporates codes of sub-position and of under-sub-position, included in commodity position);

- **A Code of Commodity Sub-position** – Six digit code for commodity sub-position of commodity nomenclature for foreign economic activities (Such code incorporates code of under-sub-position, included in commodity position);
- **A Code of Commodity Under-sub-position** – Nine Digit code for commodity under-sub-position of commodity nomenclature for foreign economic activities (Such code is used for labeling singular level of commodities);
- **Timber** – all commodities which are defined and encoded as to belong to 44th type of commodity nomenclature for foreign economic activities, according to their commodity positions, sub-positions, and under-sub-positions.

Clause 2. Scope and Goals of the Law

1. Present law regulates timber exports from the whole territory of Georgia.
2. The main goals of present law are to:
 - Ensure rational utilization of forest resources based on the principles of sustainable development;
 - Support protection of the environment and natural resources, and to promulgate sustainability of the development.

Section II Principal Provisions

Clause 3. Types of Wood Products, Exporting of Which is Banned.

There is a ban on exporting of the following wood products:

- Fuel wood appearing as sawn or chopped stem, branches, twig piles, or the similar products belonging to the 44th type of commodity nomenclature for foreign economic activities (commodity position code 4401);
- Unprocessed trees with removed or intact bark, roughly logged or not logged wood - 44th type of commodity nomenclature for foreign economic activities (commodity position code 4403);
- 44th type of commodity nomenclature for foreign economic activities (commodity position code 4404).

Clause 4. Registering Export of Raw Products of Wood.

Export of raw products of wood shall be registered according to general legal provisions for keeping customs statistics on foreign trade. Along with other parameters, necessary for commodity specification, such information shall involve quantitative data (measured in cubic meters or meters) on the exported raw products of wood.

Clause 5. Liability for Violating the Law

Liability for violating of present law shall be defined by Georgian legislature.

Section III Licensing Provisions

Clause 6. Licensing for Wood Production

1. Export of raw products of wood belonging to commodity positions 4406 and 4407 of 44th type of commodity nomenclature for foreign economic activities is legal only if license for wood production, which has been issued by the State Department of Forestry, is presented to customs (along with other papers legally required for customs procedures);
2. License for wood production is a paper issued by the State Department for Forestry and contains the following information:
 - Forest farm, forest site or block, where the wood has been produced.
 - Amount of produced wood in cubic meters, cutting technology, and time of cutting.
 - Forest user (including official address and other requisites).
 - Number and date of issuance of the license for using floral resources (including wood) issued by Intergovernmental Expert Council for Licensing – if wood is produced by main-use cutting.
 - Date of purchase and title for wood produced by and acquired from an organization subordinate to the State Department of Forestry – if wood is produced by sanitation cutting.
3. If wood is produced inside administrative borders of autonomous republics of Abkhazia or Achara, then Abkhaz or Acharian Republican Departments of Forestry shall issue the license described in paragraph 2 of this clause.

4. The license described in paragraph 2 of this clause shall be given only to forest user himself/herself.
5. All kinds of raw products of wood, exporting of which is not banned, can be exported without export license.

Clause 7. Term of Law

Term of the present law is seven years.

Section IV Summary Provisions

Clause 8. Abolished Regulations.

Upon enacting of the present law that following regulations become void:

- 4th paragraph of presidential decree #270 of April 11, 1996 on “Regulation of Ferrous and Non-ferrous Scrap Metals, Magnesium Silicate (secondary), and Wood Exports”. Words “and wood” shall be removed from the title of the mentioned decree.
- Presidential decree #329 of June 29, 1997 on “Alterations of Presidential Decree #270 of April 11, 1996 on Regulation of Ferrous and Non-ferrous Scrap Metals, Magnesium Silicate (secondary), and Wood Exports”.

Clause 9. Enacting of Law

This law enters into force upon publication.

President of Georgia
Edward Shevardnadze

Tbilisi
February 20, 1998