



CABINET OF MINISTERS OF THE REPUBLIC OF LATVIA

Unofficial translation

December 16, 1997
Riga

Regulations No. 421
(protocol. No. 70 25§)

REGULATIONS OF CONTROL OF STRATEGIC GOODS

Issued in accordance with
Article 14 chpt. 3 of the Law
"On the Structure of the
Cabinet of Ministers".

I. General Provisions

1. Glossary of the Regulations:

1.1. **import Certificate** - a document containing a statement of a company or enterprise registered in the register of Enterprises of the Republic of Latvia (hereinafter - "the Company") to the exporter that the goods shall be used solely for the stated purposes and the Latvian Development Agency (hereinafter - "the Agency") shall control the use of the goods;

1.2. **licence** - permit issued for each export, import or transit consignment of strategic goods;

1.3. **strategic Goods** - articles, materials, technologies, software and services listed in the lists authorised and published by the Control Committee of Strategic Goods.

2. These Regulations are establishing procedure of control of export, import, transit, production, use and stockpiling of strategic goods in accordance with Latvian national security and international security interests and are directed against proliferation of nuclear, chemical, bacteriological and other weapons of mass destruction and means of their delivery.

II. Control of Strategic Goods

3. The control of export, import, transit, production, use and stockpiling of strategic goods shall be done by the Control Committee of Strategic Goods (hereinafter - "the Committee").

4. The Committee issues licences and import certificates.

5. The Agency issues statements, Delivery Verification Certificates, and End Use Certificates.

6. Statements, licences, certificates and other documents are issued for a fee. For governmental institutions these documents are issued free of charge.

7. Licences for strategic goods transferred into or from the Republic of Latvia temporarily (warranty repairs, exhibitions e.t.c.) are issued free of charge.

8. The Committee and the Agency:

8.1. supervise the use of strategic goods in accordance with the declared usage;

8.2. independently or with assistance of international inspections carry out control of production, usage and storage of strategic goods. Such controls may be also carried out on request of export control authorities of exporting country with or without participation of representatives of said authorities.

9. The Committee and the Agency has rights in accordance with legislative acts to require free of charge information related to strategic goods from state authority and other governmental institutions and companies using, producing, stockpiling, exporting, importing and transferring in transit strategic goods.

10. The Committee and the Agency has rights to verify the documents related to strategic goods in companies.

III. The Rights and Obligations of Exporters, Importers and Performers of Transit Operations

11. The Company shall have a licence for every export, import or transit transaction of strategic goods. Licence is not required for import of conventional arms and munitions performed by National Armed Forces and Ministry of Interior in accordance with regulations of the Ministry of Defence and Ministry of Interior.

12. The Company may receive an import certificate or an End User Certificate before import transaction of strategic goods, if required so by export control authorities of the exporting country.

13. If the transit of strategic goods is supplied with export licence of exporting country and import certificate or licence of importing country (or equivalent documents) and the transaction is not performed by Company, Latvian transit licence is not required.

14. The licence is required if the goods are transferred by the Company in transit outside the Republic of Latvia.

15. The transit licence is required if transit of strategic goods is performed in accordance with international agreements.

16. If the goods for export, import or transit are complicated chemical substances, technologies, software, materials or equipment, the technical experts of the Agency on request of the Company shall determine within 20 days whether the goods are strategic goods or not. If the goods are not strategic goods, the Agency issues a statement for customs authorities.

17. The statement mentioned in article 16 of these Regulations is valid indefinitely and for any transaction with goods having the same name, technical characteristics, customs code and other codes as the goods in the statement, if afterwards the goods are not included in the lists of controlled goods.

18. The Company shall perform export, import or transit of strategic goods in accordance with the trade name, technical characteristics and quantity of the goods stated in the licence. The Company shall observe special conditions or notes which may be introduced into export and import licences or into End Use Certificates.

19. Export and import of strategic goods shall be performed after receiving the licence within the term stated in the licence. Transit of strategic goods shall be performed within the term set by the Customs Office on the border of the Republic of Latvia not exceeding 5 days.

20. If an extension of the term of validity of the licence is necessary, all the application documents mentioned in article 24 and 25 of these Regulations shall be submitted by the Company once more. The application for extension of the term of validity of the licence shall be submitted 15 days before expiration of the previous term. The application shall contain information about the already transferred amount of goods and the amount still to be transferred.

21. The unused licences and import certificates shall be returned to the Agency within 15 days after expiration of the term of validity.

22. The Company shall inform the Agency immediately about any discrepancies in documents on delivery of the goods and about any other changes.

23. The company shall inform the Committee if it is aware of any possibility that the exported goods might be used for production, use or development of chemical, bacteriological, nuclear or other weapons of mass destruction, or in any other possible way to harm the international security.

IV. The Order of Issuing Licences

24. In order to obtain a licence the Company shall hand in to the Agency an application declaration, registration certificate of the Company and a special permit (licence) for several specified entrepreneurial activities if such permit is required in accordance with normative acts.

25. Licences are issued after consulting the ministry or the state institution responsible for the special permit. The corresponding ministry or state institution shall confirm its consent or denial to issue the licence within 7 days.

26. Together with the declaration specified in article 24 of these Regulations the following documents shall be produced:

26.1. if the strategic goods are for export:

26.1.1. the description of the goods (giving the international registration number for chemical substances);

26.1.2. the agreement or invoice (or a copy);

26.1.3. the International Import Certificate of the importing country (or an equivalent document - statement, permit etc.) and if required by the Agency - the End Use Certificate;

26.2. if the strategic goods are for import:

26.2.1. the description of the goods (giving the international registration number for chemical substances);

26.2.2. the agreement or invoice (or a copy);

26.3. if the strategic goods are for transit:

26.3.1. description of the goods (giving the international registration number for chemical substances);

26.3.2. copy of agreement;

26.3.3. the International Import Certificate of the importing country (or an equivalent document - statement, permit etc.) or the End Use Certificate.

27. To obtain an import certificate the Company shall hand in to the Agency an application with full information about the goods and transaction partners, registration certificate and special permit (licence) for several specified entrepreneurial activities if such permit is required in accordance with normative acts.

28. If the supplied information is not sufficient, the Committee has rights to require also other documents stating the origin of goods, technical characteristics and end use.

29. The foreign International Import Certificate (or an equivalent document) and End Use Certificate may be written in any language. If the International Import Certificate (or an equivalent document) or End Use Certificate is not written in Latvian, English, German or Russian languages, an official translation shall be provided.

30. The Agency shall verify the information in the presented documents and issues the licence or import certificate or notifies about denial of the licence or import certificate within 20 days.

31. If additional verification of the supplied information is necessary, the Committee decides to prolong the term of issue and the applicant shall be informed on this. In this case the Committee within 30 days decides to issue or to deny the licence or import certificate.

32. If the Company changes its address or address of the warehouse during processing of the licence or certificate or during the term of their validity, the Company shall inform the Agency on this within 10 days. If this information is not provided the Committee has rights not to issue the licence or certificate or to annul already issued licences or certificates.

33. The Committee may not disclose to the Company the reasons for denial of the licence or import certificate if denial is based on use of classified information.

34. In a case of denial of import licence or certificate the Committee shall notify the Customs Department within 3 days.

35. The Agency shall issue the export and import licences of strategic goods in four copies printed on special paper with raster design, transit licence - five copies, import certificate - three copies, which shall be used as follows:

35.1. one copy of the licence shall be produced at the Customs border control point and it accompanies the goods;

35.2. one copy of the licence (two copies for transit) shall be produced to the Customs border control point to be later returned to the Agency for statistics;

35.3. one copy of the licence shall be kept in the files of the Company;

35.4. one copy of the licence and import certificate shall be kept in the files of the Agency since the moment of issue;

35.5. one copy of the import certificate shall be sent to the export control authorities of the exporting country.

36. The licence or import certificate is issued to the person with corresponding warrant. The licence may be used only by the Company stated in the licence.

EXPORT, IMPORT AND TRANSIT CONTROL REGULATIONS IN THE REPUBLIC OF LATVIA

1. Introduction

The Republic of Latvia has signed (1992) the Treaty on the Non-Proliferation of Nuclear Weapons, signed and ratified (1996) the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, ratified (1997) the adherence to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, ratified (1997) accession to the Supplementary Protocol of Convention on the Prohibition of Use or Limitation of Certain Kinds of Weapons Regarded as Weapons of Mass Destruction or Nonselective Action and has signed (1993) the Agreement with the International Atomic Energy Agency on the Application of Safeguards in connection with the Treaty on the Non-Proliferation of Nuclear Weapons. Accordingly with the principles of the agreements and conventions mentioned above Latvian government in 1995 introduced export, import and transit control system based on the guidelines of AG, NSG and MTCR and later made formal applications for membership of AG, NSG and the Wassenaar Arrangement international export control regimes. Latvia has been accepted as a member of NSG and IAEA in 1997.

Two years of export, import and transit control practice made it clear that a number of amendments to existing regulations of control are necessary, but ratification of CWC required complete rewriting of regulations and so since December of 1997 in Latvia there are new regulations in force.

2. The Legal Basis of Latvian Export Import and Transit Controls

The following provides the legal basis for export, import and transit control:

- Regulations of the Cabinet of Ministers No. 429, December 23, 1997 "Regulations of the Control Committee of Strategic Goods";
- Regulations of the Cabinet of Ministers No. 421, December 24, 1997 "Regulations of the Control of Strategic Goods"
- Decision of the Control Committee of Strategic Goods, May 14, 1997 "On Lists of Goods, Production, Services and Technologies Which Require Licences for Export, Import and Transit".

The Regulations have been published in the official newspaper and translated into English. English copies are available at the Latvian Export and Import Control Department, 2 Perses Str., Riga, LV-1442.

3. Licensing Authority

Applications for export, import and transit licences and international import certificates for strategic goods are submitted to the **Latvian Export and Import Control Department** of the Latvian Development Agency (hereinafter - the Department). The Department is a non-governmental institution accountable to

government, The Department is responsible for pre-licence checks, preparing of licences, control of use of strategic goods, delivery verification and maintaining data bases of customers, goods and issued documents. The address of the Department is:

Dr. Girts Krumins
Deputy Director of Latvian Export and Import Control Department
Latvian Development Agency
2 Perses Str., Riga, LV-1442
Tel. 371 - 7212 595, Fax 371 - 7287503

Export, import and transit licences and import certificates are signed by the Chairman, his deputies or the Secretary of the **Control Committee of Strategic Goods** (hereinafter - the Committee) and authorised by the seal of the Ministry of Foreign Affairs. The Committee is an inter-ministerial body appointed by the Cabinet of Ministers and it consists of representatives of Ministry of Foreign Affairs, Ministry of Defence, Ministry of Interior, Ministry of Agriculture, Ministry of Environmental Protection, Ministry of Economy, Ministry of Finance, State Revenue Service, Customs Department and Security police. The Committee determines export and import control policy, lists of goods subject to control and is responsible for implementation of international economic sanctions and embargoes. The address of the Committee is:

Mr. Maris Riekstins
Chairman of Control Committee of Strategic Goods
Ministry of Foreign Affairs of the Republic of Latvia
36 Brivibas Blvd., Riga, LV-1395
Tel. 371 - 7288656, Fax 371 - 882 8121

4. Enforcement and Penalties

The Customs Department and the Security police are responsible for export, import and transit control enforcement. The Customs and Police co-operate closely with the Export and Import Control Department and are linked to the data bases of the Department.

Inspections of export, import and transit goods takes place at customs on an ad hoc basis or confidential information. The Department makes random controls of use and storage of imported strategic goods. Such controls may also be made on request of export control authorities of exporting countries.

The Latvian Criminal Code provides penalties for violations of the export control regulations - a fine or imprisonment for up to ten years, or both. The penalty for illegal handling of nuclear materials or sources of radiation or CWC toxic chemicals is imprisonment for up to five years.

Besides that a penalty of fines may be imposed in accordance with the Latvian Administrative Code for providing false information or forged documents to the export control authorities.

For lesser violations of export control regulations the Committee may deny licences to guilty companies.

5. Lists of Goods Subject to Export, Import and Transit Control

The Regulations of Control of Strategic Goods define Strategic Goods as goods, materials, equipment, technologies, software and services listed by the Control Committee of Strategic Goods. The latest decision of the Committee of May 14, 1997 contains three lists:

- 1) List of Toxic Chemicals of the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction.
- 2) List of Arms, Weapons and Munitions.
- 3) List of Dual-Use Goods.

List 1 contains toxic chemicals of the schedules 1, 2 and 3 of the CWC. The separate list for CWC chemicals, which are already completely covered by lists 2 and 3, was created for convenience of reference, regarding that CWC requires different licensing procedure.

List 2 is a direct translation into Latvian of the former COCOM International Munitions List.

List 3 is a direct translation into Latvian of the Annex 1 of the Council Regulations (EC) No 3381/94 of 19 December 1994 setting up a Community regime for the control of exports of dual-use goods. List 3 also includes the latest amendments to the EU lists made in 20.01.1997 by Decision No 97/100CFSP and in 26.07.1997 by Decision No 97/419CFSP.

By decision of the Committee since 1996 it is forbidden to export antipersonnel mines, handcuffs and leg irons to all destinations for humanitarian reasons.

6. Sensitive Destinations and Export Restrictions

By decision of the Committee export and transit licences of strategic goods to countries developing weapons of mass destruction or with risk of uncontrolled proliferation of such weapons shall be issued only after careful pre-licence checks, consultations with experts and receiving end-use guaranties. This also applies to countries without efficient export control system or countries with lists of controlled goods not based on AG, NSG, MTCR and WA guidelines.

Licences are not issued for transactions with countries under current embargoes and economic sanctions of the UN Security Council.

7. Types of licences and licensing procedure

For every export, import or transit transaction of strategic goods an individual licence is required to all destinations. The licences and licensing procedure are the same for military and dual-use goods and there are no value or quantity thresholds. Licences are valid for 6 months.

Licences and import certificates are issued to companies registered in the Register of Enterprises of the Republic of Latvia. To obtain a licence the company shall submit to the Department:

- application declaration on standard form;
- registration certificate of the company;
- special permit (licence) for several specified entrepreneurial activities (arms, dangerous chemicals etc.) if such permit is required by normative acts currently in force;
- description of the goods (giving the international registration number for chemical substances;
- agreement or invoice (or a copy);
- International Import certificate and/or End User statement of the importing country (or an equivalent document - statement, permit etc.) - if required so by the Department (for export and transit).

The foreign International Import Certificate (or an equivalent document) and End Use Certificate may be written in any language. If they are not written in Latvian, English, German or Russian language, an official translation shall be provided.

The Department issues the licence or denial within 20 days. The Department may also require additional information stating the origin, technical characteristics and end -use of the goods.

The licences are issued after consulting the Ministry responsible for special permits. The corresponding Ministry shall confirm its consent or denial to issue the licence within 7 days.

- The licence is also required if the goods are transferred by the company in transit outside the Republic of Latvia.

If the transit of strategic goods is supplied with export licence of the exporting country and import licence or certificate of the importing country (or equivalent documents) and the transaction is not performed by the Latvian company, Latvian transit licence is not required.

- Re-export of strategic goods shall be performed only with a special permission of the Committee, observing export control legislation of the country of origin of the goods.

Licences are not required for conventional weapons imported by the Ministry of Defence and Ministry of Interior.

The department issues licences and other documents for a fee, except to State institutions and for temporary export or import (exhibitions, repairs etc.).

The exporting company with its signature on the licence undertakes to inform the Committee if it is aware of any possibility that the exported goods might be used for production, use or development of chemical, bacteriological, nuclear or other weapons of mass destruction and means of their delivery or in any other possible ways to harm the international security.

The Department may write special conditions on licences, end use or import certificates that are mandatory to companies.

8. End - Use Guaranties

1) **End Use Certificates** are written on standard form by the importing company and authorised by the Department.

The importing company with its signature on the Import Certificate and End Use Certificate verifies that the goods shall not be used for production of weapons of mass

V. The Procedure of Export, Import or Transit of Strategic Goods

37. Export, import and transit of strategic goods shall be performed only through the border control points appointed by the decision of the Customs Department. The particular possible border crossing point shall be indicated on the corresponding licence.

38. Strategic goods shall be stored only in the customs warehouses appointed by decision of the Customs Department.

39. Transfers of strategic goods connected with long term (more than 5 days) storage in the warehouses appointed by the Customs Department, shall not be considered as transit. After storage exceeding 5 days transportation of such goods outside the Customs territory of the Republic of Latvia shall be considered as export.

40. If after packing of strategic goods the contents of the packages or containers change (e.g., adding goods from other loads), the transfer of the goods shall not be considered as transit and transportation of the goods outside the Customs territory of the Republic of Latvia shall be considered as export.

41. Importing Company performs import of strategic goods after receiving confirmation from the export control authorities of the exporting country that export is permitted to his business partner.

42. If the export control authorities of the exporting country require the End Use Certificate, the Company obtains this document at the Agency and forwards it to his business partner.

VI. The Control Procedure of Strategic Export, Import and Transit

43. Exporters, who receive export licences with special note, shall submit to the Agency a Delivery Verification Certificate or an equal document, issued or certified by the export control authorities of the importing state within 120 days after export of strategic goods.

44. If the export control authorities of the exporting country require the Delivery Verification Certificate, the Company - importer submits an application to the Agency and produces customs declaration confirming that the goods has been transferred into customs territory of the Republic of Latvia.

45. Application for a Delivery Verification Certificate mentioned in article 44 of these Regulations together with other documents shall be processed by the Agency within 10 days and the Delivery Verification Certificate or notification of denial shall be issued.

46. If the Company has received an import licence with a special note the Company shall report to the Committee on the use of strategic goods within 10 days after the end of each quarter of the year.

47. Re-export of strategic goods shall be performed only with a special permission of the Committee, observing export control legislation of the country of origin of goods.

VII. Liability

48. For violations of these Regulations the Committee has rights to decide not to issue export, import or transit licences of strategic goods.

X. Final Provisions

49. To consider invalid:

49.1. Regulations of the Cabinet of Ministers, June 27, 1995 No. 179 "Regulations of Export, Import and Transit of Strategic Goods, Production, Services and Technologies" (Latvijas Vestnesis, 1995, No. 104; 1996, No. 70, 116, 164);

49.2. Regulations of the Cabinet of Ministers, April 9, 1996 No. 110 "Amendments to Regulations of the Cabinet of Ministers, June 27, 1995 No. 167 "Regulations of the Control Committee of Strategic Export and Import" and to Regulations of the Cabinet of Ministers, June 27, 1995 No. 179 "Regulations of Export, Import and Transit of Strategic Goods, Production, Services and Technologies" (Latvijas Vestnesis, 1996, No. 116);

49.3. Regulations of the Cabinet of Ministers, July 2, 1996 No. 236 "Amendments to Regulations of the Cabinet of Ministers, June 27, 1995 No. 179 "Regulations of Export, Import and Transit of Strategic Goods, Production, Services and Technologies" (Latvijas Vestnesis, 1996, No. 116);

49.4. Regulations of the Cabinet of Ministers, September 24, 1996 No. 363 "Amendments to Regulations of the Cabinet of Ministers, June 27, 1995 No. 179 "Regulations of Export, Import and Transit of Strategic Goods, Production, Services and Technologies" (Latvijas Vestnesis, 1996, No. 164).

Prime Minister

G. Krasts

On behalf of the Minister of Foreign Affairs -
Assistant of the Prime Minister

J. Kaksitis



CABINET OF MINISTERS OF THE REPUBLIC OF LATVIA

Unofficial translation

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Riga

Regulations No. 429
(protocol. No. 72 2§)

REGULATIONS OF THE CONTROL COMMITTEE OF STRATEGIC GOODS

Issued in accordance with
article 14 chpt. 3 of the Law
"On the Structure of the
Cabinet of Ministers".

I. General provisions

1. The Control Committee of Strategic Goods (hereinafter - "The Committee") is an Interministerial Committee created by the Cabinet of Ministers..

2. The underlying task of the Committee shall be to manage and to develop Latvian control system of production, stockpiling, use, export, import and transit of strategic goods and to implement licencing and control of strategic goods.

II. Obligations and functions of the Committee

3. To perform the tasks specified in the article 2 of these regulations the Committee has the functions as follows:

3.1. to issue lists of controlled goods;

3.2. to issue the blank forms of export, import and transit control documents (licences, certificates, notices e.t.c.);

3.3. to issue licences for export, import and transit of strategic goods and import certificates;

3.4. in accordance with the law "On Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction" to carry out obligations stated in article VII par. 4 of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (hereinafter - CWC);

3.5. to demand from physical or legal persons any information necessary for implementation of requirements of CWC connected with activities of said persons in chemical industry or export and import of chemical substances;

3.6. To delegate functions mentioned in 3.4. and 3.5. to the Latvian Development Agency (Latvian Export and Import Control Department).

4. The Committee has obligations as follows:

4.1. to prepare the drafts of normative acts necessary to ensure control of production, stockpiling, use, export, import and transit of strategic goods;

4.2. to co-ordinate foreign assistance for the control system of strategic goods;

4.3. to represent the Republic of Latvia in international export control regime organisations and international negotiations on problems related to the control of strategic goods;

4.4. to prepare draft agreements with international organisations on prohibition and control of chemical, biological and other weapons of mass destruction, international export control regimes and export control authorities of other countries;

4.5. to prepare and to submit to the Minister of Foreign Affairs proposals on joining of the Republic of Latvia to international conventions and agreements on Non-proliferation of weapons of mass destruction, and on joining corresponding international organisations;

4.6. to ensure confidentiality of information concerning production, stockpiling, use, export, import and transit of strategic goods;

III. Committee members and procedure

5. The Committee shall be composed of authorised representatives of the ministries nominated by the Cabinet of Ministers, as well as the Director of Export and Import Control Department of the Latvian Development Agency and his deputies. The draft decision on the Committee Members shall be submitted to the Cabinet of Ministers by the Minister of Foreign Affairs after consultations with concerned ministries.

6. The Committee is run by the Chairman of the Committee nominated by the Cabinet of Ministers. The Chairman nominates two deputies and the Secretary of the Committee from the members of the Committee and specifies duties of the members of the Committee.

7. The regular meetings of the Committee shall be held once in a quarter of year. The extraordinary meetings of the Committee shall be called by the Chairman of the Committee or by at least three members of the Committee.

8. The form of the Committee meetings shall be closed sittings. Only the members of the Committee and invited persons shall take part in the meetings. The Committee members are invited in written form enclosing the agenda of the meeting.

9. To pass a decision of the Committee the presence of half of its members shall be mandatory. The member of the Committee representing a ministry or an institution under supervision of the ministry has veto rights on the vote if the decision concerns the competence of this ministry or institution and its motivated objections are not taken into account.

10. The decisions to issue, annul or to deny export, import or transit licences or import certificates, to forward the case to the technical experts or to prolong the term of validity of licences or import certificates shall be made by the Person authorised by the Committee.

11. The decisions of the Committee shall be passed by an open vote. The decision shall be passed by majority of votes if the veto rights are not used. In the case of even vote the decisive vote belongs to the Chairman of the Committee. In case when the veto rights has been used the Committee hand over the case to the Minister of Foreign Affairs to solve.

12. The rights to sign documents has the Chairman of the Committee, his deputies and the Secretary of the Committee.

13. Between the sittings of the Committee the functions of the control system of strategic goods shall be carried out by the Secretary of Committee.

IV. Final provisions

13. To consider invalid:

13.1. Regulations of the Cabinet of Ministers No. 167, June 27, 1995 "Regulations of the Control Committee of Strategic Export and Import" (Latvijas Vestnesis, 1995, No 101; 1996, No 164);

13.3. Regulations of the cabinet of ministers No. 362, September 24, 1996 "Amendments to regulations of the Cabinet of Ministers No. 167, June 27, 1995 "Regulations of the Control Committee of Strategic Export and Import" (Latvijas Vestnesis, 1996, No 164).

Prime Minister
of the Republic of Latvia

Guntars Krasts

Minister of Foreign Affairs

Valdis Birkavs