

Dear friends!

We are glad to offer you the next Newsletter issue of Arzinger & Partners law firm. In this issue you can become aware of regular amendments in price setting rules, amendments concerning performance of financial transactions subject to special control, some changes in legal regulation of state procurement. Apart from that we would like to bring to your notice the main changes in land legislation.



*Sergey Mashonsky  
Managing Partner*

Newsletter  
February 2015



*Note:*

*We pay your attention that the refinancing rate of the National Bank of the Republic of Belarus is 25 % per annum since January 9, 2015.*

## NEWS OF LEGISLATION

### *Changes in price setting rules*

Price setting rules are amended again since February 3, 2015.

Thus, earlier the manufacturer could increase selling price by the amount of change of the cost of imported raw materials originated from the third countries and delivered after December 18, 2014 but no more than by a percent of amount of change in Belarusian ruble rate to the rate of contract currency at the date of registration, reduced by 5 %.

The reduction by 5% has been cancelled and increase of prices has been permitted. Today it is permitted to raise prices not only by the amount of change of the cost of imported raw materials but also by the amount of costs of components, packing and wrapping materials originated from the third countries. It is also permitted to raise prices if the prices of energy products, fuel including oil products are changing.

We would like to pay your attention that the countries of the EEU are not regarded as Third Countries





The legislator permits to increase the selling price of imported goods (at the date of its setting) delivered after December 18, 2014 no more than by a percent of amount of change in Belarusian ruble rate to the rate of contract currency in comparison with the rate stated on December 18, 2014. Earlier the price stated at the date of registration has been taken into account. However, the ultimate level of profitability of sales has not changed and constitutes 3 %.



*The Letter of the Ministry of Trade of the Republic of Belarus  
and the Ministry of Economics of the Republic of Belarus No. 12-01-11/860 dated January 30, 2015*



## AMENDMENTS TO THE LAND CODE OF THE REPUBLIC OF BELARUS

The Law on amendments and additions to the Land Code of the Republic of Belarus has entered into force since January 20, 2015.

The main changes cover the issues of land parceling, land lease and some issues of dacha construction.

So, the land parceling and changing of designation of land plots granted for construction of capital buildings is forbidden up to the end of its construction.

According to the Law it is forbidden to rent out land plots granted to individuals and legal entities in private property up to the moment when its owner receives title establishing documents for the buildings located on these land plots.

Also the Law forbids to transfer the rights and obligations under the contracts for the lease of land plots granted for construction of buildings up to the moment when its leaseholders receive title establishing documents on the buildings located on these plots.

Unoccupied land plots for dacha construction located in the territory of suburban zone of Minsk City can be granted to individuals only in the result of auction.



*The Law of the Republic of Belarus No. 230-Z dated December 31, 2014  
“On amendments and additions to the Land Code of the Republic of Belarus”*



## STRENGTHENING OF SURVEILLANCE OVER FINANCIAL TRANSACTION SUBJECT TO SPECIAL CONTROL



*Dmitry Viltovsky*  
Partner

Dear Sirs, please pay your attention to the Law of the Republic of Belarus “On preventive measures regarding legalization of illegally gained income, financing of terrorism and spread of weapons of mass destruction” that has come into force since January 4, 2015.

The Law prescribes that the banks stock exchange and goods exchange markets, lombards, insurance companies, notary officers, audit companies, law firm and other persons are obliged to register financial transactions subject to special control and submit information on these transactions to financial monitoring body.

The above mentioned persons are obliged to identify the participants of economic transaction at their own discretion.

According to the Law the following issues are subject to identification:

- financial transaction the amount of which is equal to or exceeds 1000 basic values;
- written contracts on performance of financial transactions;
- opening an electronic purse and performing transactions with electronic money;
- performing of some money (bank, post) transfers by individuals in the amount equal to or exceeding 100 basic values;
- performing settlements using cash money in cash-in devices;
- receiving cash money from ATM using bank debit cards.

The list of conditions under which financial transactions can be referred to the transactions subject to special control has been defined. Thus, for example, the transactions the amount of which is equal to or exceeds 20 000 basic values (for legal entity) are subject to control.





Such transactions shall refer to one of the following kinds of financial transactions:

- financial transactions using cash money;
- financial transactions using money transfer by post;
- financial transactions using movable and immovable property;
- financial transactions using securities;
- financial transactions using loans and transactions covering transfer of obligations and assignment of a claim.



*The Law of the Republic of Belarus No. 165-Z dated June 30, 2014  
“On preventive measures regarding legalization of illegally gained income, financing of  
terrorism and spread of weapons of mass destruction”*



## CHANGES IN THE PROCEDURE OF STATE PROCUREMENT

The Edict of the President of the Republic of Belarus No. 657 have specified some changes in the procedure of state procurement.

According to the amendments the procedure of request of price offers shall be performed by the customer only by means of electronic trading platforms.

The customer is obliged to place the documents, amendments and additions to them, all requests regarding the explanation of the documents and the replies on them, the minutes of offers opening and selecting the winner, the notifications on the results of state procurement procedure on electronic resource.

The information on the claims to the actions and decisions of the customer, goods exchange market, the operator of electronic trading platform and the operator of official web-site as well as the contents of such claims and the decisions made in the result of their consideration received by an authorized state body on state procurement will be placed on official web-site and will be available to the public.

The Edict has come into force on January 1, 2015. The Edict does not apply to the procedure of state procurement that was started before January 1, 2015 and also it does not apply to the supply contracts that were concluded before January 1, 2015.



*The Edict of the President of the Republic of Belarus No. 657 dated December 31, 2014  
"On amendments and additions to the Edict of the President of the Republic of Belarus  
dated December 31, 2013 No. 590"*



## LAW FIRM NEWS

\*\*\*

International law firm Arzinger & Partners and JSC BPS-Sberbank have signed Cooperation Agreement. Cooperation Agreement was signed between Arzinger & Partners and JSC BPS-Sberbank in January 2015.

The Agreement provisions state that both parties are intended to assist in promotion of services and growth of business reputation of each other, to perform mutual consultations, to hold business meetings, thematic courses and seminars as well as to assist in forming of positive image in potential customers' and business partners' sight.



\*\*\*

The deputy director Juri Slepitch took part in Belarusian-Iraqi business forum on January 23, 2015. In the course of the meeting bilateral talks regarding the development of cooperation in the sphere of production, housing and road construction, agriculture and food, healthcare were held.



\*\*\*

**ANNOUNCEMENT!!!**

Dear ladies and gentlemen!

On February 16, 2015 the Representation of the German economy in the Republic of Belarus holds an information event on the subject "The Actual Aspects of Taxation in the Republic of Belarus in 2015". The event will be interesting to the foreign companies and representatives of the firms which are carrying out activity (trade operations) in Belarus. The partner of our law firm Viltovsky Dmitry Mikhaylovich will deliver the report on the subject "Problematic issues of the taxation of foreign organizations".

Arzinger and Partners LLC  
Nezavisimosti ave. 169 Office 304C  
220114, Minsk, Republic of Belarus  
Tel.: + 375 17 218 10 54  
Fax: + 375 17 218 10 55  
Velcom+ 375 29 304 34 11  
MTS + 375 29 851 10 54

mail@arzinger.by  
**www.arzinger.by**