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FACTUAL PRESENTATION

FREE TRADE AGREEMENT BETWEEN GEORGIA AND THE RUSSIAN FEDERATION (GOODS)

Report by the Secretariat

This report, prepared for the consideration of the Free Trade Agreement between Georgia and the Russian Federation has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

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Key Facts	
Parties to the Agreement:	Georgia and the Russian Federation
Date of Signature:	03 February 1994
Date of Entry into Force:	10 May 1994
Date of Notification:	8 February 2001
Full implementation:	10 May 1994

1 TRADE ENVIRONMENT

1.1. The Free Trade Agreement between Georgia and the Russian Federation ("the Agreement") is Georgia's first RTA to enter into force, and the fourth to enter into force for the Russian Federation.[1]

1.2. The Parties to the Agreement have very different economies in terms of size, profile and development. In 2015 Georgia's GDP was estimated at US$13.9 billion, and the Russian Federation's at US$1,326 billion. In terms of trade, Georgia's total merchandise exports and imports totalled US$2.2 billion and US$7.7 billion respectively (excluding intra-EU trade), making it the world's 103rd largest exporter and 83rd largest importer in 2015. In 2015 the Russian Federation's total merchandise exports and imports totalled US$340 billion and US$194 billion respectively, making it the world's 10th largest exporter and 17th largest importer (excluding intra EU trade).

1.3. Manufactures and agriculture dominate Georgia's exports (76% of total exports) while manufactures represent 64.8% of its imports. The Russian Federation's exports are dominated by fuels and mining products (67.4%), followed by manufactures (22.3%). Its main imports are manufactures (75.5%) and agricultural products (14.2%). The trade to GDP ratios of the Parties are 95.9% for Georgia and 51.5% for the Russian Federation.

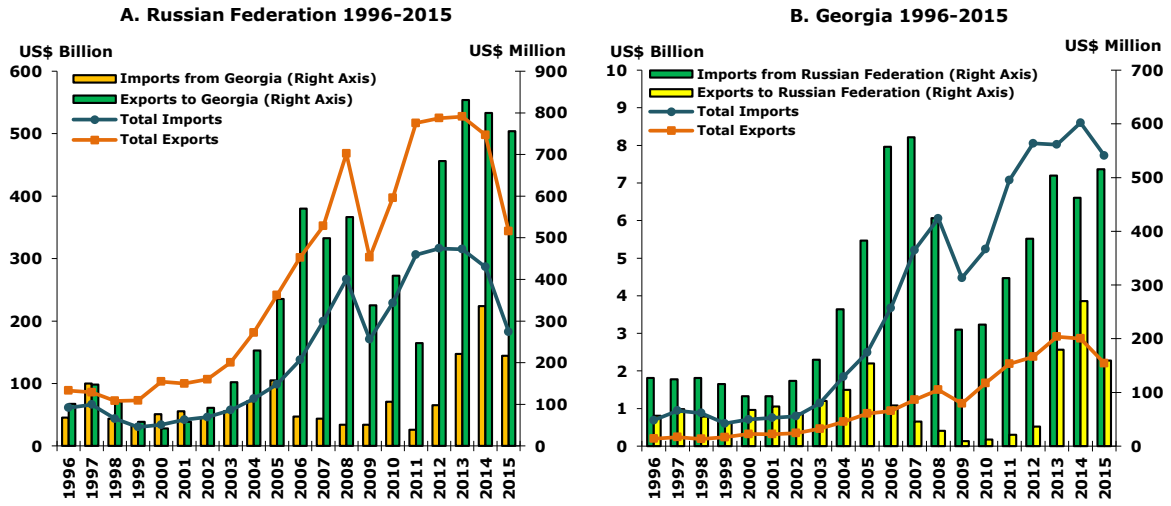
1.4. In 2015, exports to and imports from the Russian Federation represented, respectively, 7.2% and 6.7% of Georgia's total exports and imports, making the Russian Federation the 4th largest export destination and import source. Georgia was Russian Federation's 31st and 43rd largest export and import partner with 0.2% of its total exports and 0.1% of imports.

1.5. Charts 1.1A and B show global and bilateral trends in merchandise trade for each Party for the period 1996-2015. Georgia's total imports were valued at US$686 million in 1996 and rose to US$7.7 billion in 2015. Georgia's total exports were US$198 million in 1996, rising to US$2.2 billion in 2015. During that same period the Russian Federation's global exports rose from US$88 billion in 1996 to US$343 billion in 2015, while imports rose from US$61 billion to US$182 billion. While Georgia ran a widening global trade deficit during the period, the Russian Federation enjoyed a substantial global trade surplus from 1996-2015.

1.6. Georgian exports to the Russian Federation rose from US$56 million to US$153 million between 1996 and 2005, and dropped to US$75 million in 2006 before recovering in 2007 and rising to a peak of US$270 million in 2014; its exports have declined since then. Imports by the Russian Federation rose from US$127 million in 1996 to peak at US$575 million in 2007. In 2008 Georgia's imports from Russia were US$424 million but then declined dramatically before increasing to US$515 million in 2015. The Russian Federation's exports to Georgia were US$101 million in 1996, declining to US$42 million in 2000, increasing from US$58 million in 2001 through to US$831 million in 2013, then US$756 million in 2015. Georgia ran a large trade deficit with the Russian Federation from 1996 to 2015.

[1] WTO RTA Information System (http://rtais.wto.org), Table 4.1 below.

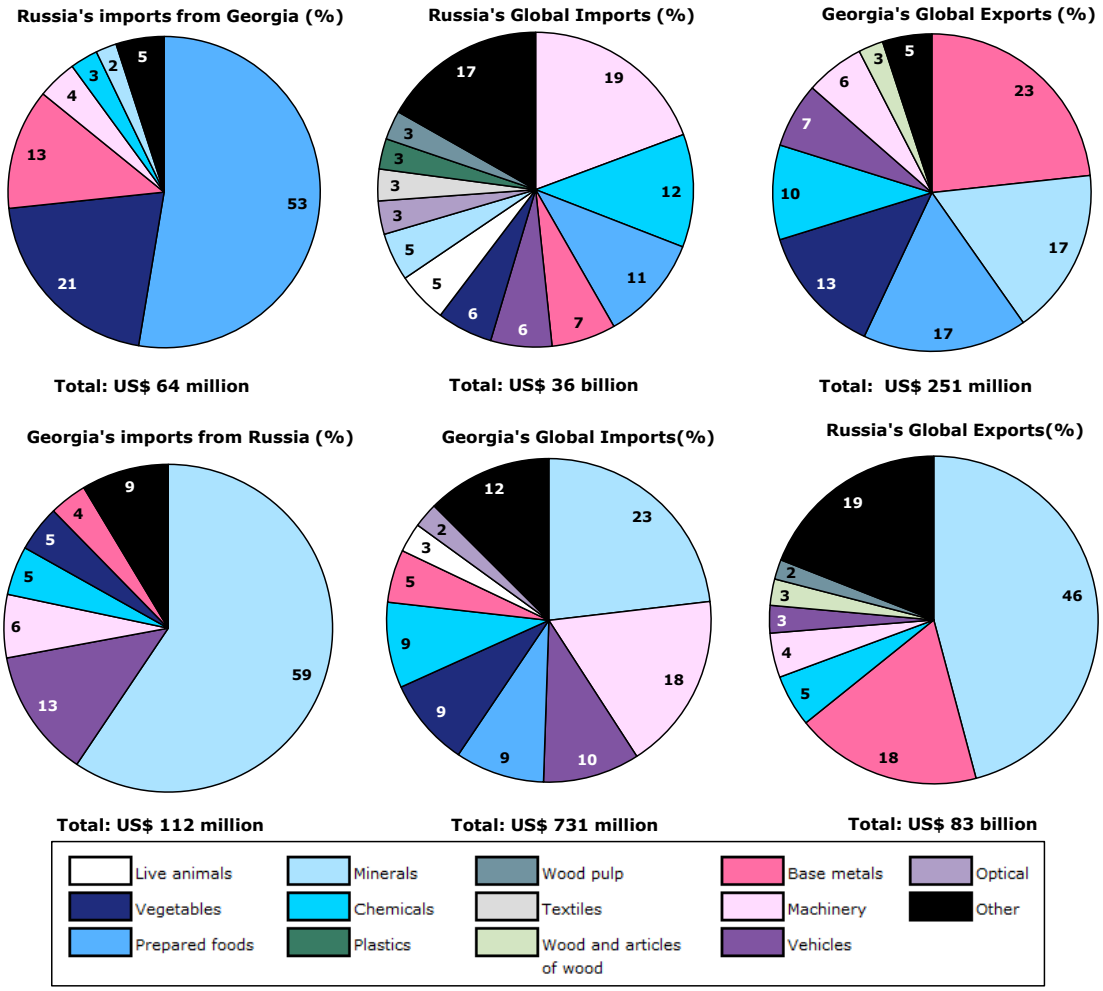
Chart 1.1 Russian Federation and Georgia: Merchandise bilateral trade and with world, 1996-2015



Source: UNSD, Comtrade database.

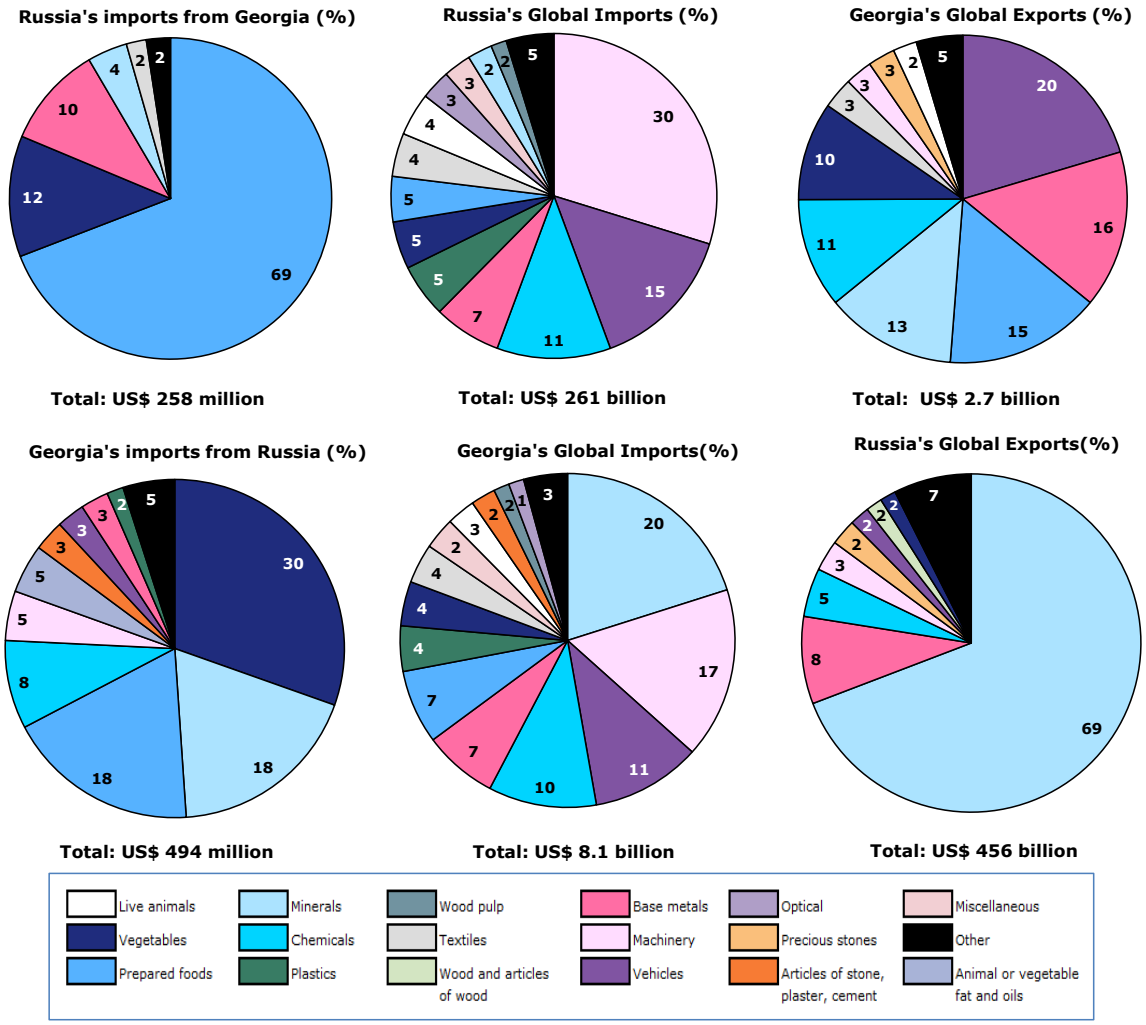
1.7. Charts 1.2 and 1.3 show the product composition of merchandise trade between the parties and their global trade during 1998-2000, the earliest years for which data are available and 2013-2015 respectively by broad HS Section Headings. Between these two periods there has been a considerable shift in the product composition of bilateral trade. During 1998-2000 Russia's global exports were dominated by minerals and base metals (together accounting for 64% of its global exports). Minerals also formed 59% of Georgia's imports from Russia during this period, followed by vehicles (13%). By 2013-15 while Russia's global exports continued to be dominated by minerals (69%) and base metals (8%), Georgia's imports from Russia were more diversified and included vegetable products (30% of imports from the Russian Federation), minerals and prepared foods (18% each) and chemicals (8%). Of the four largest global export categories for Georgia in 1998-2001 (base metals, minerals, prepared foods and vegetable products) which accounted for 70% of its global exports, prepared foods, vegetable products and base metals formed the bulk (89%) of Russia's imports from Georgia. By 2013-2015 the composition of Georgia's global exports had changed, and the share of vehicles had risen from 7% to 20%, the share of base metals had dropped from 23% to 16%, the share of minerals and prepared foods had fallen from 17% each to 13% and 15% respectively and the share of chemicals rose from 10% to 11%. Russia's imports from Georgia remained concentrated in prepared foods, whose share rose from 53% to 69% and vegetable products (whose share fell from 21% to 12%).

Chart 1.2 Russian Federation and Georgia: product composition of merchandise trade, annual average (1998-2000)



Source: UNSD, Comtrade database.

Chart 1.3 Russian Federation and Georgia: product composition of merchandise trade, annual average (2013-2015)



Source: UNSD, Comtrade database.

2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

2.1 Background Information

2.1. The Free Trade Agreement between Georgia and the Russian Federation was signed on 3 February 1994. It was notified to the WTO with a translation in English in document WT/REG118/N/1 on 8 February 2001 under Article XXIV:7(a) of the GATT 1994 following the entry into force of the Agreement on 10 May 1994. The text of the Agreement was circulated in document WT/REG118/1 on 8 March 2001 and is also available on the following official websites of the Parties. According to the Parties, the Agreement was updated with the addition of a 2001 Protocol was added to the Agreement.

Georgia: https://matsne.gov.ge/ka/document/view/1211507 (in Georgian language)

Russian Federation: http://docs.pravo.ru/document/view/16654375 (in Russian language)

2.2. According to the Parties, pursuant to Article 22 of the Agreement the Agreement comes into effect from the date of exchange of notifications on implementation of internal procedures that are necessary for its entry into force. It will be in force within twelve months after the date, when one of the Parties sends to another Party written notification of its intention to operate the Agreement.

2.3. The Agreement is composed of 22 Articles (see Box 2.1 below):

Box 2.1 Contents of the Agreement

Preamble	
Article 1	General provisions and Origin
Article 2	MFN and National Treatment
Article 3	Quantitative Restrictions (import and export)
Article 4	Re-export restrictions
Article 5	Exchange of Information
Article 6	Customs Tariff Preferences
Article 7	Cooperation
Article 8	Competition
Article 9	Subsidies
Article 10	Tariff nomenclature
Article 11	Transit
Article 12	Exceptions
Article 13	Trade Fairs
Article 14	Relationship with other Agreements
Article 15	Relations with non-Parties
Article 16	Dispute Settlement
Article 17	Joint Commission
Article 18	Representative offices
Article 19	Accession
Article 20	Exclusions
Article 21	Amendment of the Agreement
Article 22	Entry into Force
Protocols	11 May 1994 10 July 2001

Source: The Agreement.

3 PROVISIONS ON TRADE IN GOODS

3.1 Import duties and charges, and quantitative restrictions

3.1. Article 1.1 of the Agreement provides that the Parties to the Agreement will not impose customs duties, taxes and charges having equivalent effect on imports of products originating in the customs area of the other Party. Annual protocols (that form part of the Agreement) will be developed between the Parties concerning the application of Article 1.1. According to the Parties there have been no additional Protocols concluded apart from the 1994 and 2001 Protocols mentioned below.

3.1.1 General provisions

3.2. Article 2 of the Agreement provides that the Parties will not impose local taxes or charges directly or indirectly upon goods covered by the Agreement in excess of the rate applied to similar locally produced or third country goods. Article 2 also provides that the Parties will not introduce special restrictions or requirements during import (or export) of goods that are not applied to similar locally produced or third country goods. The Parties will also not use different rules on warehousing, transport, storage, shipment of goods originating in a Party, nor in relation to payments and remittances unless those requirements are also applied to domestically produced or third country originating goods.

3.3. The 11 May 1994 Protocol to the Agreement provides in its Article 2 that the Parties must apply MFN treatment in; (i) the imposition of customs duties, taxes and charges including the methods of calculation of such taxes, (ii) procedures and rules regarding export (import) of goods, including those related to customs declarations, transit, storage and reloading; (iii) taxes and other domestic charges of any kind directly and indirectly connected with exportation (importation) of goods; (iv) rules relating to sale, purchase, transportation, distribution and use of goods on the

domestic market; and (v) methods of payment and transfer of payments. Article 3 of the 1994 Protocol provides that Article 2 of the Protocol will not apply to advantages and benefits granted to third countries with the aim of creating a customs union or free trade area or as a result of the establishment of such union or area or developing countries. According to the Parties, the 11 May 1994 Protocol is an integral part of the Agreement.

3.4. Article 10 of the Agreement provides that for the purposes of implementation of tariff liberalization, non-tariff regulation, for the exchange of statistics and implementation of customs procedures the Parties agree to use a common nine digit tariff nomenclature, derived from the harmonized system. If required, the Parties may use tariff data beyond a nine-digit level for governmental purposes. Article 10 also provides that the Russian Federation will follow the implementation of the harmonized system due to its participation in international organizations until Georgia fully implements the harmonized system.[2]

3.1.2 Liberalization of trade and tariff lines

3.5. Table 3.1A below shows that at the entry into force of the Agreement, 10,889 lines became duty free for Russian exports to Georgia, representing 100% of lines in Georgia's tariff and 100% of Russia's exports to Georgia during 2006-08.[3] However, following the Protocol of 10 July 2001, 25 lines became subject to duty for imports from the Russian Federation. These lines account for 0.2% of Georgia's tariff and 0.7% of its imports from the Russian Federation during 2006-08.

Table 3.1 Tariff elimination commitments under the Agreement and corresponding average trade
A. Georgia

Duty phase-out period	Number of lines	% of total lines in Georgia's tariff schedule	Value of Georgia's imports from Russian Federation (2006-2008) in million US$	% of Georgia's total imports from Russian Federation 2006-2008
Duty free under the agreement (1994)	10,889	100.0	520.5	100.0
Remain dutiable under the protocol*	25	0.2	3.8	0.7

* Upon entry into force of the agreement, all trade in goods became duty-free. In 2001, 25 tariff lines are exempted from free trade agreement based on the Annex 2 to the 10 July 2001 Protocol. Based on the HS 2002 nomenclature.

Source: WTO estimates based on data provided by Georgia and the WTO-IDB Database.

3.6. Table 3.1B shows trade liberalization under the Agreement by the Russian Federation. In 1997, the earliest date for which data are available, 83 tariff lines were duty free for imports from all sources. As a result of the Agreement entering into force, the Russian Federation liberalized the remainder of its tariff (10,880 lines or 99.24% of its tariff) for imports from Georgia.[4] Following the Protocol of 10 July 2001 signed by the two Parties, 9 tariff lines became dutiable for imports from Georgia.

[2] According to the Parties, Georgia implemented the 2002 harmonised system in 2006 and currently uses the 2012 harmonised system and plans to make the transition to HS 2017.

[3] In 1995, Georgia's tariff had 10,889 lines at the HS eight digit level. All these lines were subject to *ad valorem* rates of duty.

[4] In 1997 the tariff of the Russian Federation consisted of 10,963 lines at the HS ten digit level. Of these, 9,701 lines or 88.5% of the tariff had *ad valorem* rates of duty, while 1,015 lines had mixed rates of duty, 176 lines specific duty and 71 lines compound rates of duty.

Table 3.1 Tariff elimination commitments under the Agreement and corresponding average trade
B. Russian Federation

Duty phase-out period	Number of lines	% of total lines in Russian Federation's tariff schedule	Value of Russian Federation's imports from Georgia (1997-1999) in million US$	% of Russian Federation's total imports from Georgia 1997-1999
Applied duty free (1997)	83	0.76	0.0	0.0
Duty free under the agreement	10,880	99.24	86.7	100.0
Total	**10,963**	**100.0**	**86.7**	**100.0**
Remain dutiable under the protocol*	9	0.08	0.0	0.0

* Upon entry into force of the agreement, all trade in goods became duty-free. In 2001, nine (9) tariff lines are exempted from free trade agreement based on the Annex 2 to the 10 July 2001 Protocol. Based on the HS 1996 nomenclature.

Source: WTO estimates based on data from the Russian authorities and Trade Analysis Information System (Trains) database via World Integrated Trade Solution (WITS) for MFN 1997 of HS chapter 76 and WTO-IDB.

3.1.3 Liberalization schedule

3.1.3.1 Georgia

3.7. Table 3.2 below shows tariff liberalization by Georgia under the Agreement by HS Section. At the end of implementation of the Agreement 25 lines in HS Section IV remain dutiable for import by Georgia from the Russian Federation with an average MFN rate of duty of 12%.

Table 3.2 Georgia: Tariff elimination under the Agreement, by HS section

HS Section	Applied average % 1994	Total No. of lines	No. of duty-free lines under the agreement (1994)	No. of lines remaining dutiable under the protocol*	Avg. Final Dutiable Tariff% (2001)
I	2.0	840	840		
II	2.0	568	568		
III	2.0	128	128		
IV	2.0	907	907	25	12.0
V	2.0	257	257		
VI	2.0	1,317	1317		
VII	2.0	379	379		
VIII	2.0	223	223		
IX	2.0	190	190		
X	2.0	260	260		
XI	2.0	1304	1304		
XII	2.0	121	121		
XIII	2.0	264	264		
XIV	2.0	63	63		
XV	2.0	1119	1119		
XVI	2.0	1709	1709		
XVII	2.0	569	569		
XVIII	2.0	397	397		
XIX	2.0	30	30		
XX	2.0	237	237		
XXI	2.0	7	7		
Total	**2.0**	**10,889**	**10,889**	**25**	**12.0**

* Upon entry into force of the agreement, all trade in goods became duty-free. In 2001, 25 tariff lines are exempted from free trade agreement based on the Annex 2 to the 10 July 2001 Protocol. Based on the HS 2002 nomenclature.

Source: WTO estimates based on data provided by Georgia and the WTO-IDB Database.

3.1.3.2 Russian Federation

3.8. Table 3.3 shows liberalization by the Russian Federation under the Agreement presented by HS Section. Following implementation of the Agreement nine tariff lines in HS Section IV remain subject to duty for imports from Georgia.

Table 3.3 Russian Federation: Tariff elimination under the Agreement, by HS section

HS Section	Applied average % 1997	Total No. of lines	No. of duty-free lines		Remain dutiable under the Protocol*	Avg. Final Dutiable Tariff% (2001)
			Applied 1997	under the agreement		
I	12.6	810	16	794		
II	9.1	718	3	715		
III	10.4	128		128		
IV	15.7	867		867	9	-
V	5.0	256		256		
VI	6.7	1,283	3	1,280		
VII	12.2	361		361		
VIII	10.0	206		206		
IX	16.0	222		222		
X	12.3	252	16	236		
XI	18.0	1,356	6	1,350		
XII	19.3	121		121		
XIII	16.2	277	1	276		
XIV	29.4	68	1	67		
XV	11.3	1,148	1	1,147		
XVI	13.0	1,874	26	1,848		
XVII	14.8	317	3	314		
XVIII	11.0	403		403		
XIX	30.0	28		28		
XX	21.1	261		261		
XXI	0.0	7	7			
Total	**12.8**	**10,963**	**83**	**10,880**	**9**	**-**

- specific duties.

* Upon entry into force of the agreement, all trade in goods became duty-free. In 2001, nine (9) tariff lines are exempted from free trade agreement based on the Annex 2 to the 10 July 2001 Protocol.
For the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included.
Based on the HS 1996 nomenclature.

Source: WTO estimates based on data from the Russian authorities and TRAINS database via WITS for MFN 1997 of HS chapter 76 and WTO-IDB .

3.1.3.3 Exemptions

3.9. As noted above, Article 2 of the 1994 Protocol requires the Parties to apply MFN treatment in; (a) the imposition of customs duties, taxes and charges including the methods of calculation of such taxes, (b) procedures and rules regarding export (and import) of goods, including those related to customs declarations, transit, storage and reloading; (c) taxes and other domestic charges of any kind directly and indirectly connected with exportation (importation) of goods; (d) rules relating to sale, purchase, transportation, distribution and use of goods on the domestic market; and (e) methods of payment and transfer of payments.

3.10. Annex 2 to the 10 July 2001 Protocol also provides two additional Annexes of products excluded from coverage of the Agreement. Annex 1 to the Annex to the 10 July 2001 Protocol lists goods which are excluded from coverage of the Agreement when imported into the Russian Federation from Georgia, or vice versa. These are reproduced in Tables 3.4 and 3.5 below.

Table 3.4 Georgia: Products Excluded from the Agreement when imported from the Russian Federation

HS Code	Product Description	Rate of duty (%)		
		Applied 1994	MFN	
			2001	2016
22030001000	Beer made from malt, in bottles	2.0	12.0	12.0
22030009000	Beer made from malt other than in bottles	2.0	12.0	12.0
22030010000	Beer made from malt, in containers holding more than 10 litres	2.0	12.0	12.0
22071000000	Undenatured ethyl alcohol, of actual alcoholic strength of >= 80%	2.0	12.0	0
22072000000	Denatured ethyl alcohol and other spirits of any strength	2.0	12.0	3 euro/L
22089091000	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous beverages, 2 litres or less	2.0	12.0	1.5 euro/%vol/HL
22089099000	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous beverages, more than 2 litres	2.0	12.0	1.5 euro/%vol/HL
24021000001	- Cigars, cigars with the cut off ends and cigarillos, containing tobacco	2.0	12.0	12.0
24021000002	- Cigarillos, containing tobacco	2.0	12.0	12.0
24022010000	- - Containing cloves	2.0	12.0	12.0
24022090001	- - - "Marlboro"	2.0	12.0	12.0
24022090002	- - - "Winston"	2.0	12.0	12.0
24022090003	- - - "Camel"	2.0	12.0	12.0
24022090004	- - - "Parliament"	2.0	12.0	12.0
24022090005	- - - "Kent"	2.0	12.0	12.0
24022090006	- - - "L&M"	2.0	12.0	12.0
24022090007	- - - "Virginia Slims"	2.0	12.0	12.0
24022090008	- - - "Davidoff"	2.0	12.0	12.0
24022090009	- - - "Lucky Strike"	2.0	12.0	12.0
24022090010	- - - "Gauloises"	2.0	12.0	12.0
24022090011	- - - "Magna"	2.0	12.0	12.0
24022090012	- - - "West"	2.0	12.0	12.0
24022090013	- - - "Pall Mall"	2.0	12.0	12.0
24022090099	- - - Other	2.0	12.0	12.0
24029000000	Cigars, cheroots, cigarillos and cigarettes consisting wholly of tobacco substitutes	2.0	12.0	12.0

Source: Annex No. 1 to the Protocol on Amendments and Additions to the Protocol on the Exceptions to Free Trade Regime to the Agreement between the Government of the Russian Federation and the Government of the Republic of Georgia on Free Trade of 3 February 1997 signed on 11 May 1994, of 10 July 2001; Georgia authorities and WTO-IDB.
Based on HS 2002 nomenclature.

Table 3.5 Russian Federation - Products Excluded from the Agreement when imported from Georgia

HS Code	Product description	Rate of duty		
		Applied		MFN 2016
		1997	2001	
1701991000	– – – white sugar	25, but not less than 0.07 ECU/kg	30 but not less than 0.12 euro/kg.	340 USD/1000 kg
2207100000	Undenatured ethyl alcohol, of actual alcoholic strength of >= 80%	100, but not less than 2 ECU/L	100 but not less than 2 euro/L	100, but not less than 2 euro/L
2207200000	Denatured ethyl alcohol and other spirits of any strength	100, but not less than 2 ECU/L	100 but not less than 2 euro/L	100, but not less than 2 euro/L
2208909100	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous beverages, 2 litres or less	4 ECU/L	4 euro/L	4 euro/L
2208909900	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous beverages, more than 2 litres	4 ECU/L	4 euro/L	4 euro/L
2402100000	Cigars, cheroots and cigarillos containing tobacco	30, but not less than 3 ECU/1000 pcs	30 but not less than 3 euro/1000 pcs	22.2, but not less than 2.22 euro/1000 pcs
2402201000	Cigarettes containing tobacco, containing cloves	30, but not less than 3 ECU/1000 pcs	30 but not less than 3 euro/1000 pcs	2 euro/1000 pcs
2402209000	Cigarettes containing tobacco, other than cloves	30, but not less than 3 ECU/1000 pcs	30 but not less than 3 euro/1000 pcs	2 euro/1000 pcs
2402900000	Cigars, cheroots, cigarillos and cigarettes consisting wholly of tobacco substitutes	30, but not less than 3 ECU/1000 pcs	30 but not less than 3 euro/1000 pcs	22.5, but not less than 2.25 euro/1000 pcs

Source: Annex No. 1 to the Protocol on Amendments and Additions to the Protocol on the Exceptions to Free Trade Regime to the Agreement between the Government of the Russian Federation and t-he Government of the Republic of Georgia on Free Trade of 3 February 1997 signed on 11 May 1994, of 10 July 2001; Russian authorities and WTO-IDB.
Based on HS 1996 nomenclature.

3.1.4 Tariff rate quotas

3.11. Article 3.1 exhorts the Parties to not use quantitative restrictions or equivalent measures on imports. Article 3.3 of the Agreement provides that quantitative restrictions under Article 3.1 may be agreed by the Parties through annual protocols as mentioned in Article 1 of the Agreement. According to the Parties no tariff rate quotas, quantitative restrictions or equivalent measures are applied under the Agreement.

3.2 Rules of origin

3.12. Article 1.2 concerns the determination of origin. It provides that the following goods will be considered to have originated in the territory of Parties: (a) goods fully produced in the territory of the Parties; (b) goods processed from raw materials, ingredients, subassemblies originating in third countries which have been processed to have undergone a change in the first four digits of foreign economic activity nomenclature classification based on the Harmonised Commodity Description and Coding System and the Combined Tariff-Statistical Nomenclature of the European Economic Community; and (c) goods produced from raw materials, ingredients, subassemblies referred in paragraph (b) provided that the final total value of raw materials, ingredients, sub-assemblies does not exceed the fixed share of the exported value of sold goods. According to the Parties, the percentage of the value of raw materials, ingredients, sub-assemblies of foreign origin used in the manufacture of goods shall not exceed for example 50% in the value of exported goods determined on the basis of the ex-works price of manufacturer.

3.13. Article 1.2 also states that detailed rules of origin will be set out in a separate document which will be an inherent part of the Agreement. According to one of the Parties, the Parties apply rules of origin since March 16 2010 which were stipulated in bilateral diplomatic notes. According to one of the Parties, after Georgia withdrew from the Commonwealth of Independent States (CIS) agreement in 2009 the CIS Rules of Origin (and the certificate form "CT-1") have been applicable on the basis of bilateral diplomatic notes and for the Russian Federation according to the Letter of the Federal Customs Service on 2 September 2013, No. 22-126/38385 "On conformity the origin of goods from the territory of Georgia".

3.3 Export duties and charges, and quantitative restrictions

3.14. A Protocol to the Agreement, signed in Moscow on 10 July 2001 amended the Agreement and its coverage. As a result of the 10 July 2001 Protocol, the scope and coverage of Article 1.1 of the Agreement is amended to exclude coverage of goods subject to export tariffs, licensing and quotas on export of goods (works, services) which apply at the moment a customs declaration on export is prepared. This exclusion concerns exports from either Party to the territory of the other Party.

3.15. Georgia does not apply an export tariff.[5] Although Article 1 of the Agreement provides that the Parties shall not apply tariffs on, *inter alia*, exports, "[a]ccording to the agreed commodity nomenclature, peculiarities of application of trade regime are generally drawn up between both countries through annual protocols that are inherent parts of the present agreement" (Article 1). Also according to the Parties, Article 1 of the 10 July 2001 Protocol provides that exceptions from the free trade regime provided for by the Article 1 of the Agreement on 2 February 1994 extend to: goods falling under Russian legislation on export tariff, licensing and quoting of goods (works, services) active at the moment of customs clearance on their export from the Russian Federation to Georgia; and goods falling under Georgian legislation on export tariff, licensing and quoting of goods (works, services) active at the moment of customs clearance of goods on their export from Georgia to the Russian Federation. Accordingly, Russia applies the export tariffs[6] set out in Table 3.6 below.

Table 3.6 Export tariff of the Russian Federation

Code	Rate of export duty (% of customs value, or in euro)
0301, 0302, 0303, 0307, 1605 10 000, 1605 20, 1605 30 000, 1650 40 000, 1605 90 900, 2705 00 000, 2706 00 000, 2707, 2708, 2710 00, 2711, 2714, 2715 00, 2907 23 100, 3102 30, 3104 10 000, 3104 30 000, 3104 90 000, 3104 20, 3105, 7108, 7201-7203, 7205-7229, 7204 41, 7601	5
0306, 4701 00-4707, 4801 00-4823, 7401, 7402 00 000, 7403, 7405 00 000, 7501, 7520, 7901	10
1201 00, 1205 00	10 no less than 20 euro for 1,000 kg.
1206 00	10 no less than 15 euro for 1,000 kg.
4104	10 no less than 90 euro for 1,000 kg.
4105	10 no less than 70 euro for 1,000 kg.
4107	10 no less than 60 euro for 1,000 kg.
4402-4421	10 no less than 5 euro for 1m^3.
4407 91, 4407 92	10 no less than 10 euro for 1m^3.
4407 99	10 no less than 12 euro for 1m^3.
4703 21 000 0, 4704 21 000 0	10 no less than 40 euro for 1,000 kg.
2207, 2208, 2501 00, 2502 00 000, 2504, 2505, 2506, 2507 00, 2508, 2509 00 000, 2510, 2511, 2512 00 000, 2513, 2514 00 000, 2515, 2516, 2517, 2518, 2519, 2520, 2521 00 000, 2522, 2523, 2524 00, 2525, 2526, 2527 00 000, 2528, 2529, 2530 10, 2530 20 000, 2530 40 000, 2530 90 2000, 2530 90 950 2601, 2602 00 000-2621 00 000, 2704 00, 2805, 2818 20 000, 2818 30 000, 2825, 2902 41 000-2902 43 000, 2902 50 000, 2905 13 000, 2907, 2933 71 000, 3901, 3902, 3904, 7101-7112, 8001, 8002 00 000, 8101 91, 810291, 8103 10, 8106 00, 8107, 8108 10 1000, 8109-8112	6.5
2709 00	27 euro for 1,000 kg.
2711 11 000-2711 14 000, 2711 19 000	40 euro for 1,000 kg.

[5] Source: WT/REG118/3, communication from the Government of Georgia.
[6] Source: WT/REG118/3, communication from the Government of Georgia.

Code	Rate of export duty (% of customs value, or in euro)
2711 21 000	5 no less than 2.5 euro for 1,000 kg.
3102 10	5 no less than 4 euro
4408 90, 4409 20	5 no less than 6 euro for 1m^3.
4101	15 no less than 150 euro for 1,000 kg.
4102	15 no less than 105 euro for 1,000 kg.
4103	15 no less than 90 euro for 1,000 kg.
4104	10 no less than 90 euro for 1,000 kg.
4105	10 no less than 70 euro for 1,000 kg.
4107	10 no less than 60 euro for 1,000 kg.
4402-4421	10 no less than 5 euro for 1m^3.
4407 91, 4407 92	10 no less than 10 euro for 1m^3.
4407 99	10 no less than 12 euro for 1m^3.
4703 21 000 0, 4704 21 000 0	10 no less than 40 euro for 1m^3.
7404 00	30 no less than 330 euro for 1,000 kg.
7503 00	30 no less than 720 euro for 1,000 kg.
7602 00	30 no less than 150 euro for 1,000 kg.
7802 00 000	30 no less than 105 euro for 1,000 kg.
7902 00 000	30 no less than 180 euro for 1,000 kg.
8105 10 900	30 no less than 1,200 euro for 1,000 kg.
8108 10 900	30 no less than 225 euro for 1,000 kg.

Source: Annex I, page 5 of WT/REG118/3, communication from the Government of Georgia.

3.16. Article 4 concerns the re-exportation of goods already exported from the territory of one Party to another. Each Party will not permit the re-exportation of goods (imported from the territory of the other Party) and which the other Party subjects to tariff and or non-tariff measures. The Article requires the Parties to exchange lists of goods subject to such restrictions. According to the Parties, such lists of goods subject to re-export restrictions have not been exchanged. The re-exportation of goods will only be permitted upon a written letter of consent from the authorized body in the producing Party.

3.17. In the case of a breach of Article 4, the complaining Party will be permitted to unilaterally introduce measures to regulate the exportation of the good from its territory. Any revenue from exportation of the concerned good will be remitted to the producing Party. Both Parties will annually coordinate the terms, nomenclature and volume of products permitted to be re-exported. According to the Parties, no such lists have been agreed. Article 4 of the Agreement notes that for the purposes of the Article, re-export is defined to mean the export of the good from the territory of one Party which good originated in the territory of the other Party, to the territory of a third party.

3.18. Article 4 of the 11 May 1994 Protocol provides that the Parties will not apply export duties on goods supplied for state needs, clearing and mutual needs (barter trade) in accordance with the Intergovernmental Agreement on Trade-Economic Co-operation of 1994. According to the Parties this Agreement was only in force until 31 December 1994.

3.4 Regulatory Provisions of the Agreement

3.4.1 Standards

3.4.1.1 Sanitary and phytosanitary measures

3.19. According to the Parties there are no provisions on Standards or SPS in the Agreement.

3.4.1.2 Technical barriers to trade

3.20. According to the Parties there are no provisions on Technical Barriers to Trade in the Agreement.

3.4.2 Safeguard mechanisms

3.21. Although the Agreement contains no specific provisions on application of safeguards, as noted above, Article 3.2 permits the use of quantitative restrictions only on the basis of the

following conditions: (i) in the case of a severe shortage of a good on the domestic market, until such time as the market situation stabilises; (ii) in the case of a balance of payments deficit, until such time as the balance of payments situation stabilises; (iii) when a good is imported in such an increased quantity or under conditions that cause or threaten to cause damage on domestic producers of similar or competing goods; and (iv) in order to prevent the re-export of goods per Article 4 of the Agreement).

3.4.3 Anti-dumping and countervailing measures

3.22. There are no provisions on anti-dumping or countervailing measures in the Agreement.

3.4.4 Subsidies and State-aid

3.23. Article 9 of the Agreement provides that the Parties will not use subsidies or any other such assistance to enterprises in its territory if the effect of such subsidization or assistance is to distort normal economic conditions in the territory of the other Party.

3.4.5 Customs-related procedures

3.24. Article 11 of the Agreement concerns transit. In Article 11, the Parties agree that the principle of the freedom of transit is central to the objectives of the Agreement and an essential element in the development of co-operation between the Parties and the international division of labour.

3.25. Article 11 provides also that the Parties agree to ensure the freedom of transit, through their territory of goods originating in the territory of the other Party and also from third countries and destined for the customs territory of the other Party or a third country. The Parties agree to provide exporters and importers with facilities for transit security on national treatment and most favoured nation bases. Both Parties agree to not request the payment of warehousing, unloading, storage and shipment fees in the currency of any other third country.

3.5 Sector-Specific Provisions of the Agreement

3.26. There are no sector-specific provisions in the Agreement.

4 GENERAL PROVISIONS OF THE AGREEMENT

4.1 Transparency

4.1. Article 17 of the Agreement provides that the Parties agree to establish a joint Commission in order to implement the Agreement and elaborate recommendations for the improvement of trade and economic co-operation between the Parties. According to the Parties, following the severing of diplomatic relations between the Parties in 2008 the Joint Commission has not met or elaborated any recommendations.

4.2 Current payments and capital movements

4.2. There are no provisions on current payments and capital movements in the Agreement.

4.3 Exceptions

4.3. Article 12 of the Agreement provides that nothing in the Agreement shall prevent a Party from taking measures considered to be necessary for the protection of its fundamental interests and that are required under international agreements to which it is a party, provided that such measures concern: (i) information regarding national security interests, (ii) trade in weapons, ammunition and military equipment, (iii) investigations and production related to defence, (iv) the supply of materials and equipment related to the nuclear industry, (v) protection of public order and public morals, (vi) protection of industrial and intellectual property, (vii) gold, silver or other precious metals or stones, or (viii) protection of human health, animals and plants.

4.4 Accession and Withdrawal

4.4. Article 19 provides that with the agreement of both Parties, any other country may join the Agreement on terms to be agreed between the acceding country and the Parties.

4.5. There are no provisions in the Agreement on withdrawal from the Agreement.

4.6. Article 21 provides that the Agreement may be amended on the basis of written amendments agreed by the Parties.

4.5 Institutional framework

4.7. Article 17 of the Agreement establishes a joint Russian-Georgian Commission for the development of recommendations for the improvement of trade and economic cooperation between the two Parties.

4.8. Article 5 of the Agreement provides that the Parties shall, on a regular basis, exchange information concerning customs issues, including customs statistics. Authorized bodies will establish modalities for the exchange of such information. According to the Parties, modalities were developed and fixed in the Agreement about main principles of the mechanism of customs administration and monitoring of trade in goods on 9 November 2011.

4.9. Article 6 provides that the Parties shall take measures in order to ensure the harmonization of their tariff regime with third countries and hold regular consultations on the topic. The Parties will also advise one another about any customs tariff exemptions administered in their territory. The July 10 2001 Protocol provides in Article 1 that Article 6 of the Protocol of 11 May 1994 shall be deleted.

4.10. Article 7 provides that, as permitted by domestic legislation, the Parties will promote the extension and deepening of balanced and mutually advantageous economic, social and technical co-operation between all levels of economic entities and concerning all levels and kinds of property, establishment of joint ventures and international companies, with a view to also include the participation of third countries in order on economic space of mutual interest.

4.11. Article 13 concerns cooperation of the Parties in relation to trade fairs, and provides that the Parties will assist each other in participation in trade fairs and exhibitions which are held in one of the Parties.

4.12. Article 18 of the Agreement permits Georgia to establish a trade representation in the Russian Federation and the Russian Federation to establish a trade representation in Georgia.

4.6 Dispute settlement

4.13. According to the Parties, Article 16 of the Agreement provides that disputes arising from only interpretation and implementation of the Agreement shall be settled through negotiations.

4.7 Relationship with other agreements concluded by the Parties

4.14. Table 4.1 lists the notified and non-notified (if any) trade agreements that have either Georgia or the Russian Federation as members (excluding the current Agreement).

Table 4.1 Russian Federation and Georgia: Participation in other RTAs (notified and non-notified in force), as of 28 February 2017

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
RUSSIAN FEDERATION				
Eurasian Economic Union (EAEU) - Accession of the Kyrgyz Republic	12-Aug-15	Goods & Services	2015	GATT Art. XXIV & GATS Art. V
Eurasian Economic Union (EAEU) - Accession of Armenia	02-Jan-15	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Eurasian Economic Union (EAEU)	01-Jan-15	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Treaty on a Free Trade Area between members of the Commonwealth of Independent States (CIS)	20-Sep-12	Goods	2013	GATT Art. XXIV
Russian Federation - Serbia	03-Jun-06	Goods	2012	GATT Art. XXIV
Common Economic Zone (CEZ)	20-May-04	Goods	2008	GATT Art. XXIV
Russian Federation - Belarus - Kazakhstan	03-Dec-97	Goods	2012	GATT Art. XXIV
Russian Federation - Turkmenistan	06-Apr-93	Goods	2013	GATT Art. XXIV
Russian Federation - Uzbekistan	25-Mar-93	Goods	2013	GATT Art. XXIV
Russian Federation - Azerbaijan	17-Feb-93	Goods	2012	GATT Art. XXIV
EAEU - Viet Nam	05-Oct-16	Goods & Services*	Not notified	
GEORGIA				
EU - Georgia	01-Sep-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Turkey - Georgia	01-Nov-08	Goods	2009	GATT Art. XXIV
Georgia - Turkmenistan	01-Jan-00	Goods	2001	GATT Art. XXIV
Georgia - Kazakhstan	16-Jul-99	Goods	2001	GATT Art. XXIV
Georgia - Armenia	11-Nov-98	Goods	2001	GATT Art. XXIV
Georgia - Azerbaijan	10-Jul-96	Goods	2001	GATT Art. XXIV
Georgia - Ukraine	04-Jun-96	Goods	2001	GATT Art. XXIV
Commonwealth of Independent States (CIS)	30-Dec-94	Goods	1999	GATT Art. XXIV
Georgia - Uzbekistan	15-Oct-10	Goods	Not notified	
Moldova - Georgia	19-Apr-07	Goods	Not notified	
GUAM (Georgia, Ukraine, Azerbaijan, Moldova)	10-Dec-03	Goods	Not notified	

* The Russian Federation has advised that this Agreement also covers services in relations between the Russian Federation and Viet Nam.

Source: WTO Secretariat.

4.15. Article 14 provides that the Agreement shall not affect the operation of other agreements concluded earlier between the Parties and third countries.

4.16. Article 15 states that the Agreement will not prevent the Parties from establishing relations with third countries as well as third country associations. If the Parties do so in a way that may affect the interests of the other Party they must hold consultations with the other Party.

4.8 Government procurement

4.17. There are no provisions in the Agreement on Government Procurement.

4.9 Intellectual Property Rights

4.18. There are no provisions on intellectual property rights in the Agreement, apart from the Exceptions mentioned above contained in Article 12 ("protection of industrial or intellectual property") of the Agreement.

4.10 Other

4.10.1 Competition

4.19. Article 8 concerns competition. It provides that the following kind of behaviour in the territory of a Party constitutes unfair business practice inconsistent with the objectives of the Agreement: (i) agreements between enterprises or associations which have as their aim the prevention, restriction or violation of conditions of competition in the territories of either or both Parties; and actions through which one or several enterprises, in abuse of their dominant market position, act to restrict competition over the entire territory of the Parties or a substantial part of one Party's territory. According to the Parties there are no implementing regulations or other guidance on interpretation, or application of competition measures.

ANNEX 1

INDICATORS OF MARKET ACCESS

1. A comparison between the scheduled elimination of tariffs applied to the Parties' mutual imports and their average MFN duties is shown in Tables A1.1 and A1.2, by agricultural (WTO definition), non-agricultural and total products. Applied duty rates from all sources in 1994 (when the Agreement entered into force) and MFN applied rates in 2016 serve as a comparison.

2. When the Agreement entered into force in 1994, Georgia's average applied rates for imports from all sources was 2% for all imports. In comparison its overall MFN applied rate of duty in 2016 had fallen to 1.8% overall and 6.4% for agricultural products and 0.8% for non-agricultural products. The share of duty free lines had risen from zero in 1994 to 79.5% overall, and 39.9% for agricultural products and 89.1% for non-agricultural products. Under the Agreement, Georgia eliminated all tariffs for imports from Russia when the Agreement entered into force in 1994. In 2001, however, following the signing of a new Protocol, Georgia imposed duties of 12% of imports of certain agricultural products from the Russian Federation, with the result that the share of duty free tariff lines fell from 100% to 99.9% overall, 99.5% for agricultural products and 100% for non-agricultural products.

Table A1.1 Georgia:
Indicators of MFN tariff rates and preferential rates for imports from Russian Federation

Year	ALL PRODUCTS			Agricultural products [a]			Non-agricultural products		
	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
	Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
Applied 1994	2.0	2.0	0.0	2.0	2.0	0.0	2.0	2.0	0.0
MFN 2016	1.8	11.0	79.5	6.4	11.5	39.9	0.8	10.3	89.1
1994 (under the agreement)	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0
2001 (under the protocol)	0.0	12.0	99.9	0.1	12.0	99.5	0.0	0.0	100.0

a WTO Definition.
Based on the HS 2002 nomenclature and HS 2012 nomenclature for MFN 2016.

Source: WTO Secretariat estimates based on data provided by Georgia and the WTO-IDB Database.

3. When the Agreement entered into force in 1994, the Russian Federation's average applied rates for imports from all sources was 12.8% for all imports, 12.1% for agricultural products and 12.9% for non-agricultural products; 0.8% of the tariff was duty free (1.1% for agricultural products and 0.7% for non-agricultural products). In comparison its overall MFN applied rate of duty in 2016 had fallen to 8.2% overall and 14.1% for agricultural products and 6.6% for non-agricultural products. The share of duty free lines had risen to 15.7% overall, and 6.2% for agricultural products and 18.5% for non-agricultural products. Under the Agreement, Russia eliminated all tariffs for imports from Georgia when the Agreement entered into force in 1994. In 2001, however, following the signing of a new Protocol, the Russian Federation imposed duties on certain agricultural products from Georgia, with the result that the share of duty free tariff lines fell from 100% to 99.9% overall, 99.6% for agricultural products and 100% for non-agricultural products.

Table A1.2 Russian Federation:
Indicators of MFN tariff rates and preferential rates for imports from Georgia

Year	ALL PRODUCTS			Agricultural products [a]			Non-agricultural products		
	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
	Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
Applied 1997	12.8	12.9	0.8	12.1	12.3	1.1	12.9	13.0	0.7
MFN 2016	8.2	9.8	15.7	14.1	15.1	6.2	6.6	8.1	18.5
1997 (under the agreement)	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0
2001 (under the protocol)	0.0	-	99.9	0.1	-	99.6	0.0	0.0	100.0

- specific duties.

a WTO Definition.
Based on the HS 1996 nomenclature used for MFN 1997 and HS 2012 nomenclature used for MFN 2016.

Source: WTO estimates based on data from the Russian authorities, TRAINS database via WITS for MFN 1997 of HS chapter 76 and WTO-IDB.

4. Table A1.3 shows market access opportunities for Russia's top 25 exports in Georgia, as a result of the Agreement. In 1994 when the Agreement entered into force the Russian Federation's top 25 exports to Georgia accounted for 81.6% of its global exports and was covered by 103 tariff lines in the Georgian tariff. As a result of the Agreement all 103 lines were liberalized in 1994 and tariffs have not been re-imposed on any of these products following the 2001 Protocol.

Table A1.3 Georgia:
Market access opportunities under the agreement for Russian Federation's top 25 exports.

Russian Federation's top export products in 2006-2008			Access Conditions to Georgia's import markets		
			Applied (1994)		Duty-free in 1994
HS number and description of the product		Share in global exports (%)	Average MFN applied rate (%)	No. of tariff dutiable lines	
270900	Petroleum oils and oils obtained from bituminous minerals, crude.	35.2	2.0	2	2
271121	Natural gas	14.8	2.0	1	1
271019	Medium oils and preparations, of petroleum or bituminous minerals, n.e.s.	14.0	2.0	25	25
271011	Light oils and preparations	2.9	2.0	12	12
750210	Nickel, not alloyed	1.8	2.0	1	1
270112	Bituminous coal	1.5	2.0	2	2
760110	Aluminium, not alloyed	1.4	2.0	1	1
720712	Other, of rectangular (other than square) cross-section	1.3	2.0	2	2
440710	Coniferous	0.8	2.0	7	7
440320	Other, coniferous	0.8	2.0	6	6
100190	Wheat and meslin (excl. durum wheat)	0.8	2.0	3	3
310420	Potassium chloride	0.7	2.0	3	3
740811	Of which the maximum cross-sectional dimension exceeds 6 mm	0.7	2.0	1	1
720110	Non-alloy pig iron containing by weight 0.5% or less of phosphorus	0.6	2.0	4	4
760120	Aluminium alloys	0.5	2.0	3	3

Russian Federation's top export products in 2006-2008			Access Conditions to Georgia's import markets		
			Applied (1994)		Duty-free in 1994
HS number and description of the product		Share in global exports (%)	Average MFN applied rate (%)	No. of tariff dutiable lines	
720720	Containing by weight 0.25% or more of carbon	0.5	2.0	13	13
710231	Unworked or simply sawn, cleaved or bruted	0.5	2.0	1	1
720449	Waste and scrap of iron or steel	0.5	2.0	4	4
740311	Cathodes and sections of cathodes	0.5	2.0	1	1
720839	Flat-rolled products of iron or non-alloy steel, Of a thickness of less than 3 mm	0.5	2.0	2	2
720711	Of rectangular (including square) cross-section, the width measuring less than twice the thickness	0.4	2.0	4	4
310210	Urea, whether or not in aqueous solution	0.4	2.0	2	2
281410	Anhydrous ammonia	0.3	2.0	1	1
840130	Fuel elements (cartridges), non-irradiated	0.3	2.0	1	1
722511	Grain-oriented	0.3	2.0	1	1
Total of above		**81.6**		**103**	**103**

Note: Based on the HS 2002 nomenclature.
For calculations, correlation between HS 1996 and HS 2002 were used at the HS 6-digit level.

Source: WTO estimates based on data provided by Georgia and the UNSD, Comtrade database.

5. Table A1.4 shows market access opportunities for Georgia's top 25 exports in the Russian market. Georgia's top 25 export products to Russia in 1997-1999 (the earliest years for which data are available), accounted for 66.7% of its global exports, and were covered by 193 tariff lines in the Russian tariff. When the Agreement entered into force tariffs on 190 tariff lines were eliminated. However, following the 2001 Protocol three tariff lines became subject to specific duties (cigarettes and undenatured ethyl alcohol).

Table A1.4 Russian Federation:
Market access opportunities under the agreement for Georgia's top 25 exports

Georgia's top export products in 1997-1999			Access Conditions to Russian Federation's import markets			
			Applied (1997)		Duty-free in 1997	Remain dutiable in 2001
HS number and description of the product		Share in global exports (%)	Average MFN applied rate (%)	No. of tariff dutiable lines		
310230	Ammonium nitrate, whether or not in aqueous solution	5.0	10.0	2	2	
220421	In containers holding 2 l or less	5.0	0.5 euro/1 L	51	51	
720230	Ferro-silico-manganese	4.7	5.0	1	1	
271000	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bitumi	4.4	5.0	35	35	
220110	Mineral waters and aerated waters	4.1	20.0	4	4	
271600	Electrical energy. (optional heading)	4.1	5.0	1	1	
080222	Shelled	4.0	5.0	1	1	
270900	Petroleum oils and oils obtained from bituminous minerals, crude	3.7	5.0	2	2	
090240	Other black tea (fermented) and other partly fermented tea	3.7	5.0	1	1	

Georgia's top export products in 1997-1999			Access Conditions to Russian Federation's import markets			
			Applied (1997)		Duty-free in 1997	Remain dutiable in 2001
HS number and description of the product		Share in global exports (%)	Average MFN applied rate (%)	No. of tariff dutiable lines		
720211	Containing by weight more than 2 % of carbon	3.2	5.0	2	2	
261690	Other	3.1	5.0	1	1	
880230	Aeroplanes and other aircraft, of an unladen weight exceeding 2,000 kg but not exceeding 15,000 kg	2.8	30.0	2	2	
720429	Waste and scrap of alloy steel	2.4	5.0	1	1	
730410	Line pipe of a kind used for oil or gas pipelines	2.3	10.0	9	9	
080520	Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids	1.8	5 but not less than 0.03 euro/ kg	15	15	
720711	Of rectangular (including square) cross-section, the width measuring less than twice the thickness	1.6	5.0	4	4	
260300	Copper ores and concentrates	1.5	5.0	1	1	
440392	Of beech (fagus spp.)	1.5	20.0	1	1	
240220	Cigarettes containing tobacco	1.3	30 but not less than 3 euro per 1000 st.	2		2
220710	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher	1.3	100 but not less than 2 euro/1L	1		1
090220	Other green tea (not fermented)	1.2	5.0	1	1	
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	1.2	10.0	6	6	
720449	Waste and scrap of iron or steel	1.0	5.0	4	4	
220429	Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of > 2 l (excl. sparkling wine)	1.0	0.12 euro/1 L	34	34	
220820	Spirits obtained by distilling grape wine or grape marc	0.9	2.0 euro/1 L	11	11	
Total of above		**66.7**		**193**	**190**	**3**

Note: Based on the HS 2002 nomenclature.
For calculations, correlation between HS 1992, HS 1996 and HS 2002 were used at the HS 6-digit level.

Source: WTO estimates based on data provided by Georgia and the UNSD, Comtrade database.