

COUNCIL OF MINISTERS OF THE R.S.F.S.R.
RESOLUTION

From June 26, 1991 No. 359

Moscow

Concerning the immediate measures of the development of the Free Economic Zone "Sakhalin" (FEZ "Sakhalin")

In accordance with the resolution of the Presidium of the Supreme Soviet of the RSFSR of May 27, 1991 "Concerning the Free Economic Zone "Sakhalin" (FEZ "Sakhalin"), the Council of Ministers of the RSFSR resolves:

1. To affirm the accompanying Proposition of the Free Economic Zone "Sakhalin" (FEZ "Sakhalin"), in agreement with the concerned ministries and departments.

2. To the State Committee of the RSFSR for Ecology and Environmental Use, the Ministry of External Economic Ties of the RSFSR and the Ministry of Foreign Affairs of the RSFSR introduce in a two month period to the Council of Ministers of the RSFSR the proposal of the determination of the regions of the continental shelf and economic zones of the USSR, which are included in the FEZ "Sakhalin".

3. To the State Committee of the RSFSR for Ecology and Environmental Use, To the State Committee for Geology and the Use of Fuel-Energies and Raw Mineral Resources, to the Ministry of Industry of the RSFSR, to the State Committee of the RSFSR Economics and the Ministry of Justice of the RSFSR in agreement with the Sakhalin Regional Executive Political Committee to bring in a two month period to the Council of Ministers of the RSFSR the proposal:

Of the necessity of changes in the active legislation, the regulation of intelligence service and the exploitation of natural resources, living, as well as, mineral, fish, and also the control of these resources in the regions of the continental shelf and the economic zone of the USSR, adjacent to the territory of the Sakhalin oblast;

Of enumeration of various forms of agricultural activities, the liability to license, and quotas within the FEZ "Sakhalin". 4. To The State Committee of the RSFSR for Antimonopoly Politics and Support for New Economic Structures, to the State Committee of the RSFSR for Economics, the Ministry of External Economic Ties of the RSFSR, the Ministry of Finance of the RSFSR, and the Ministry of Justice of the RSFSR jointly with the Sakhalin Oblast Executive Committee in a two month period to work out and present to the Council of Ministers of the RSFSR the plan of the Proposition of the Administration of the FEZ "Sakhalin". Seeing in it the procedure for state registration of the founding within the FEZ ventures with foreign investors, as well as, affiliates of associations, departments and representatives of ventures with foreign investments and foreign legal entities.

5. To The State Committee of the RSFSR for Antimonopoly Politics and the Support of New Economic Structures, the Ministry of Justice of the RSFSR and the Sakhalin Oblast Executive Committee in a two month period to present to the Council of Ministers RSFSR the charter of the State Investment Corporation for the development of natural resources to the FEZ "Sakhalin".

6. To the State Committee RSFSR for Ecological and Environmental Use, and the State Committee of the RSFSR for Economics to provide on a constant basis the building

of ecological expertise and ecological inspection of economic activities in the FEZ "Sakhalin".

7. To establish that in the course of five years the contents of the plan in the social sphere: roads, manufacturing, and communications in the Sakhalin Oblast are financed on the account of the republic budget of the RSFSR and the centralized funds on a general basis.

Arrangements in the realization of Union and Republic programs, accomplished within the bounds of the Sakhalin Oblast, in the amount of capital investment toward the realization of food programs, the development of regions of the Extreme North and locally, equal status to the regions of the Extreme North, Regions with high concentrations of minority peoples. They are financed accordingly from the Union budget and the republic budget of the RSFSR.

To take into consideration, that the Ministry of Defense of the USSR will carry out financing and apportionment of material and technical resources for the construction and upkeep and the units of the social sphere for military personnel who are stationed on the territory of the FEZ "Sakhalin" at the expense of the means of the ministry.

8. To the RSFSR State Economic Committee and the Committee for Material-Technical Provision of the regional and republican programs foreseeing the apportionment for the FEZ "Sakhalin" to the industrial exploitation of needs, the building of capital, and scientific research work on material-technical resources, the equipment for central distribution system of the nomenclature of production by a priority direction.

Material-technical provision of FEZ "Sakhalin" in the framework of general republican programs will be carried out on general bases.

9. To the Ministry of Finance of the RSFSR in agreement with the Central Bank of the RSFSR and the Bank of External Trade of the RSFSR:

To define in a three month term the order of allotment to the Sakhalin Oblast Executive Committee the supplementary tax advantages for ventures without foreign investments and ventures with foreign investments, and also the supplemental advantages separate categories of citizens of the USSR, foreign citizens, and persons without citizenship carrying out their own activities in the FEZ "Sakhalin";

To define jointly with the Sakhalin Oblast Executive Committee in a two month period the procedure of the establishment of tax turnover (tax on additional value and excise) on goods, imports, manufactured and consumer goods in the FEZ "Sakhalin";

To work out in a two month period the application with accelerated depreciation of basic manufacturing fund of ventures, associations and organizations in the FEZ "Sakhalin";

To give help to the creation of a bank for the development of Sakhalin to the organization of its work;

To render assistance in the creation and functioning to the FEZ Sakhalin in hard currency and stock exchanges;

To jointly devise with the Sakhalin Oblast Executive Committee and present within a two month period to the Council of Ministers of the RSFSR the proposal concerning material-technical provision and the financing of the organs of customs control in the FEZ Sakhalin.

10. To The Ministry of Finance of the RSFSR and to The Sakhalin Oblast Executive Committee within a two month period to bring to the Council of Ministers of the RSFSR the proposal for the procedure of allocation in the course of a seven year tax credit for the

Sakhalin Oblast on commercially agreed conditions, and also a system of mutual calculations of the FEZ Sakhalin with the republican budget of the RSFSR for calculation of enlisting all taxes and incomes in the budget of the Oblast.

11. To the State Committee of the RSFSR for Economics and the Ministry of Finance of the USSR jointly with the Central Bank of the RSFSR to present to the Council of Ministers of the RSFSR the proposal of the special order of formation of currency funds of ventures and organizations located in the FEZ Sakhalin.

12. To the Ministry of Finance of the RSFSR and the Ministry of Labor of the RSFSR jointly with the Central Bank of the RSFSR in a one month period bring to the Council of Ministers of the RSFSR the proposal for the order of payments to Soviet citizens working in the territory of the FEZ Sakhalin, of wages in foreign currency and the taxation of the wages.

13. To grant the right to the Sakhalin Oblast Executive Committee as agreed with the Ministry of Finance of the RSFSR and the Central Bank of the RSFSR to allow Soviet ventures, associations, and organizations (independent from forms of property), ventures with foreign investors, to practice specialized trade and the rendering of services on the territory of the FEZ Sakhalin in freely convertible currency.

14. To the Ministry of Internal Affairs of the RSFSR jointly with the Sakhalin Oblast Executive Committee to devise in a two month period to present to the Council of Ministers of the RSFSR the proposal for material-technical provisions and the financial organs of internal affairs of in the FEZ Sakhalin.

15. To the Ministry of Foreign Affairs of the RSFSR and the Ministry of Internal affairs of the RSFSR within a one month period the proposition concerning the establishment of simplification in the order of arrivals and departures, and visits of foreign citizens to the territory of the FEZ Sakhalin.

To the Ministry of Foreign Affairs of the RSFSR to examine the question of establishing in the city of Yuzhno-Sakhalinsk representation of the ministry.

16. To the Ministry of External Economic Relations of the RSFSR jointly with the Sakhalin Oblast Executive Committee to render assistance in the creation in the FEZ Sakhalin a center of international trade and linked with the all-union system of external economic information.

17. To the State Committee of the RSFSR for Matters of Defense jointly with the Ministry of Transport of the RSFSR, with the State Committee for Economics, the Sakhalin Oblast Executive Committee, the Ministry of Defense of the USSR, and the Committee for State Security of the USSR in a two month period bring to the Council of Ministers of the RSFSR the proposal of the transmission of the airport "Sokol" for civil aviation.

18. To the Council of Ministers of the republics composing the RSFSR, the Executive Committees of local Soviets of People's Deputies provide reservations for persons leaving for work in the FEZ Sakhalin, dwelling space (in the place) of permanent residence for the whole period of their work in this zone.

19. To the Moscow City Executive Committee to render assistance in the opening of representation of the FEZ "Sakhalin" in the city of Moscow.

Chairman
Salayev

Council of Ministers of the RSFSR I.