MEMORANDUM OF UNDERSTANDING ON COOPERATION WITH RESPECT TO TRADE IN ALCOHOL BETWEEN THE UNITED STATES DEPARTMENT OF THE TREASURY AND THE MINISTRY OF AGRICULTURE OF GEORGIA

To protect the public and to establish a consistent channel for information exchange regarding the import and export of alcohol products, the United States Department of the Treasury and the Ministry of Agriculture of Georgia have, through friendly consultations, reached this Memorandum of Understanding (MOU). The designated implementing agencies for this MOU are the Alcohol and Tobacco Tax and Trade Bureau (TTB) of the United States Department of the Treasury and the Department for Vine and Wine (SAMTREST) of the Ministry of Agriculture of Georgia (hereinafter referred to as "the implementing agencies").

Section 1

The implementing agencies intend to establish a consultative process to strengthen cooperation in the administration of import and export alcohol regulations and compliance determinations. Through this process, the implementing agencies intend to enhance bilateral cooperation consistent with international trade obligations, including, but not limited to, the Marrakesh Agreement Establishing the World Trade Organization.

Section 2

The implementing agencies intend to establish consultative and collaborative processes to provide exchanges of information with regard to the identity and quality of imported and exported alcohol products. Through these processes and exchanges the implementing agencies intend to lay the foundation for further discussions to improve cooperation and enhance transparency of regulations on alcohol products including the recognition of standards of identity for alcohol products.

The implementing agencies intend to strengthen cooperation as follows:

- 1) By exchanging information on alcohol issues related to their laws, regulations, policies and procedures, standards, and labeling administration. If changes are made to the above information, each implementing agency intends to update the other implementing agency through timely notifications.
- 2) By providing timely notifications regarding changes to their laws, regulations, policies, and procedures affecting the import and export trade in alcohol products insofar as such changes relate to the implementing agency's jurisdiction over such matters. When problems are identified during the import

process, the implementing agencies intend to make all efforts to resolve the issue through immediate information exchange and cooperative consultation via the points of contact listed Annex 1 and in conjunction with any other applicable regulatory agencies. The contact points, identified in Annex 1, intend to ensure that action is taken to examine the issue and that a response to the inquiry or information provided is handled in a timely manner. The contact points serve as the primary conduits for information exchange and cooperative consultation between the two implementing agencies with respect to this MOU.

- 3) By developing bilateral training and seminars for the implementing agencies' regulatory, technical and scientific staff, and, where appropriate, include officials from other relevant regulatory agencies.
- 4) By exchanging information with a view to developing cooperative laboratory testing procedures for alcohol classification and compliance determinations, emphasizing the use of AOAC International (previously known as the Association of Official Analytical Chemists) and AOAC equivalent methods. The implementing agencies intend to develop additional technical research, as necessary, based on the process of on-going cooperative efforts and mutually identified needs.
- 5) Exchange information on alcohol counterfeit or smuggling cases.

Section 3

In carrying out activities under this MOU, TTB of the United States Department of the Treasury and SAMTREST of the Ministry of Agriculture of Georgia are to comply with the relevant laws and regulations of the United States of America and Georgia, respectively. This MOU is not intended to affect disclosure or privacy rights under the law of the respective countries.

Section 4

Any cooperative activities carried out under this MOU should be based on available resources. The implementing agencies intend to fund their own respective participation in activities carried out this MOU, unless they make other arrangements.

Section 5

In carrying out all of the above activities under this MOU, implementing agencies intend to employ friendly consultation to resolve issues that may arise.

Section 6

This MOU is signed in duplicate on 4 June, 2009 in both Georgian and English.

United States Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau (TTB) Ministry of Agriculture of Georgia Vine and Wine Department "SAMTREST"

WILLIAM H. FOSTER

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[SIGNED]

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Assistant Administrator Headquarters Operations

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Annex 1

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