

Conditions and Transitional Clauses

I. Matters Related to the Appointment of the Members of the Board of the Eurasian Economic Commission from the Republic of Armenia

1. When the first members of the Board of the Eurasian Economic Commission from the Republic of Armenia are appointed, they shall perform their functions until the end of the term of office for which the members of the Board of the Eurasian Economic Commission from the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation were appointed prior to the entry into force of the Treaty on the Eurasian Economic Union dated 29 May 2014, as defined in the fourth paragraph of Point 3 of Article 99 of the Treaty on the Eurasian Economic Union dated 29 May 2014.

For the period of time specified in paragraph 1 of this Point the Republic of Armenia shall be represented in the Board of the Eurasian Economic Commission by three members of the Board of the Eurasian Economic Commission each having one vote, without securing for them areas of competence

II. Matters Related to the Accrual and Distribution of the Sums of Import Customs Duties (and Other Duties, Taxes, or Fees of Equivalent Effect) and Special, Anti-Dumping, and Compensatory Duties

2. The Protocol on the Procedure of Accruing and Distributing the Sums of Import Customs Duties (and Other Duties, Taxes, or Fees of Equivalent Effect) and Their Transfer to the Budget Revenues of Member States (Annex 5 to the Treaty on the Eurasian Economic Union dated 29 May 2014) and the Regulation on the Accrual and Distribution of Special, Anti-Dumping, and Compensatory Duties (Annex to Annex 8 to the Treaty dated 29 May 2014) shall be applied by the Republic of Armenia from the first day of the month that follows the month of entry into force of the Treaty on the Accession of the Republic of Armenia to the Treaty on the Eurasian Economic Union dated 29 May 2014 (hereinafter, “the Treaty”).

III. Matters of Legal Relations in Customs

With Respect to Persons Carrying out Activities in the Customs Sphere and Other Persons

3. Customs intermediaries (brokers), customs forwarders, persons carrying out storage in customs warehouses, and persons establishing duty-free shops, which were created in the Republic of Armenia prior to the entry into force of the Treaty shall, from the date of entry into force of the Treaty, be recognized as customs representatives, customs forwarders, owners of customs warehouses, and owners of duty-free shops, respectively, and shall have the right to carry out activities in the customs sphere subject to the conditions prescribed by the Republic of Armenia legislation prior to the entry into force of the Treaty during:

- 18 months after the date of entry into force of the Treaty if they are customs intermediaries (brokers), persons carrying out

storage in customs warehouses, and persons establishing duty-free shops; or

- 6 months after the date of entry into force of the Treaty if they are customs forwarders.

Customs representatives, customs forwarders, owners of customs warehouses, owners of temporary storage warehouses, and authorized economic operators created in the Republic of Armenia after the date of entry into force of the Treaty shall have the right to carry out activities in the customs sphere under the conditions established by the Customs Code of the Customs Union, which is an integral part of the Treaty on the Customs Code of the Customs Union dated 27 November 2009 (hereinafter, “the Customs Code of the Customs Union”), as well as under other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, without providing any security of the payment of the customs duties and taxes stipulated by sub-paragraph 3 of Article 13, sub-paragraph 2 of Article 19, and sub-paragraph 1 of Article 39 of the Customs Code of the Customs Union and/or without presenting a contract on the insurance of their civil liability risk, which is stipulated by sub-paragraph 2 of Article 13, sub-paragraph 2 of Article 24, and sub-paragraph 2 of Article 29 of the Customs Code of the Customs Union during:

- 18 months after the date of entry into force of the Treaty if they are customs representatives, owners of customs warehouses, and owners of temporary storage warehouses; or

- 6 months after the date of entry into force of the Treaty if they are customs forwarders and authorized economic operators.

4. Customs forwarders created in the Republic of Armenia before the entry into force of the Treaty shall have the right to carry

out the forwarding of commodities, which are subject to customs control, in the customs territory of the Eurasian Economic Union during 6 months after the entry into force of the Treaty in the cases and upon the conditions established by the Customs Code of the Customs Union, as well as by other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, without proving their status in accordance with Paragraph 4 of Article 18 of the Customs Code of the Customs Union, provided however that there is information on the inclusion of such customs forwarders in the common register of customs forwarders created by the Eurasian Economic Commission, and provided that there is a copy of a document confirming the right to carry out the activities of a customs forwarder.

Prior to the entry into force of the Treaty, the customs bodies of the Republic of Armenia shall provide to the Eurasian Economic Commission the registers of customs forwarders created in the Republic of Armenia, for the purpose of creating the common register of customs forwarders.

5. Insofar as the provisions of Articles 13, 19, 24, 29, and 39 of the Customs Code of the Customs Union are concerned, with respect to the provision of security of the payment of the customs duties and taxes, and with respect to the existence of a contract on the insurance of civil liability risk, as conditions for the inclusion of legal entities into the register of customs representatives and into the register of customs forwarders, the register of temporary storage warehouses, and the register of customs warehouses, and as conditions for granting legal entities the status of an authorized economic operator, shall enter into force in respect of the Republic of Armenia:

- After 18 months have lapsed from the date of entry into force of the Treaty – for the provisions of Articles 13, 24, and 29 of the Customs Code of the Customs Union; or
- After 6 months have lapsed from the date of entry into force of the Treaty – for the provisions of Articles 19 and 39 of the Customs Code of the Customs Union.

With Respect to the Peculiarities of Performing Customs Operations

6. Commodities subject to customs control in the Republic of Armenia, which were placed under responsible custody of the customs bodies prior to the entry into force of the Treaty, shall, from the date of entry into force of the Treaty, be considered placed under temporary custody, and such commodities shall become subject to the provisions of the Customs Code of the Customs Union, as well as of other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, with due respect for Paragraph 7 of this Annex.

7. The term of temporary custody of the commodities specified in Paragraph 6 of this Annex shall be calculated as from the date of entry into force of the Treaty.

8. Prior to the end of the temporary custody term, calculated as from the date of entry into force of the Treaty, a customs declaration shall be submitted to the customs body in respect of commodities that are in the Republic of Armenia under customs control and have been placed under responsible custody of the customs bodies as of the date of entry into force of the Treaty.

9. Commodities in respect of which a customs declaration has been accepted by a customs body of the Republic of Armenia prior to

the entry into force of the Treaty shall be subject to placement under the declared customs regime in the procedure and upon the terms established by the Republic of Armenia legislation as of the date of acceptance of such customs declaration by the customs body.

With Respect to the Peculiarities of Forwarding Commodities under Customs Control

10. With respect to commodities for which a customs body of the Republic of Armenia has, prior to the entry into force of the Treaty, accepted bills of lading that perform the role of transit declarations, customs transit permission shall be granted, and the forwarding in the Republic of Armenia territory under customs control shall be performed and completed, in the procedure and upon the terms established by the Republic of Armenia legislation as of the date of acceptance of such bills of lading by the customs body of the Republic of Armenia.

11. The forwarding of such commodities in the Republic of Armenia territory under customs control, for which a customs body of the Republic of Armenia has, prior to the entry into force of the Treaty, granted a transit permission, shall be performed and completed in the procedure and upon the terms established by the Republic of Armenia legislation as of the date of granting such permission for customs transit.

With Respect to the Status of Commodities and Customs Procedures

12. Commodities that are in the Republic of Armenia territory and, prior to the entry into force of the Treaty, have been placed under

the customs regimes of “importation for free circulation,” “re-importation,” and “relinquishing ownership rights for the benefit of the state” shall, from the date of entry into force of the Treaty, be deemed to have been placed under the customs procedures of “release for domestic consumption,” “re-importation,” and “relinquishment for the benefit of the state,” respectively, and shall be recognized as commodities of the Eurasian Economic Union. Such commodities shall become subject to the provisions of the Customs Code of the Customs Union, as well as of other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union.

13. Passenger automobiles and other motor transport vehicles, which are classified into the commodity groups 8702, 8703, and 8704 of the Common Commodity Nomenclature of Foreign Trade Activities of the Eurasian Economic Union (“CN of FTA of the EAEU”), and are imported to territory of the Republic of Armenia from third parties and, after the signature of the Treaty, placed under the customs regime of “importation for free circulation” or the customs procedure of “release for domestic consumption,” in respect of which customs duties were paid at rates that differ from those set by the Common Customs Tariff of the Eurasian Economic Union (“CCT of the EAEU”) in respect of passenger automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, and 8704 of the CN of FTA of the EAEU, shall be recognized as foreign commodities in the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation:

- Until such time when customs duties have been paid in the amount of the difference between the paid sums of customs duties and the customs duty sums payable under the rates set by the CCT of the EAEU in respect of passenger automobiles and other motor transport

vehicles classified into the commodity groups 8702, 8703, and 8704 of the CN of FTA of the EAEU;

- Until 3 years have lapsed since the time of the Republic of Armenia starting to apply the rates set by the CCT of the EAEU in respect of passenger automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, and 8704 of the CN of FTA of the EAEU.

This Paragraph 13 shall not apply to the commodities specified in its first text sub-paragraph, in respect of which customs duties were paid at rates set by the CCT of the EAEU.

14. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regime of “exportation for free circulation” shall, from the date of entry into force of the Treaty, be recognized as placed under the customs procedure of export, and such commodities shall be subject to the provisions of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union.

15. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regimes of “temporary importation for processing” and “temporary exportation for processing” shall, from the date of entry into force of the Treaty, be recognized as placed under the customs procedures of “processing inside the customs territory” and “processing outside the customs territory,” respectively. Such commodities, as well as commodities that were received before the entry into force of the Treaty as a result of performing operations of processing such commodities, shall be subject to the provisions of the Customs Code of the Customs Union, as well as

other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, subject to Paragraphs 16 to 20 of this Annex.

16. The customs procedures specified in Paragraph 15 of this Annex shall remain valid until the end of the time periods set when placing the commodities under the respective customs regime, with the possibility of extending the time periods for processing commodities up to the maximum time periods stipulated by Articles 243 and 256 of the Customs Code of the Customs Union.

17. The customs regime of “temporary exportation for processing,” which was, prior to the entry into force of the Treaty, applied in the Republic of Armenia in respect of commodities exported from the territory of the Republic of Armenia to the territory of a Member State of the Customs Union shall terminate on the date of entry into force of the Treaty. Commodities placed under this customs regime and commodities received as a result of performing processing operations with such commodities shall, from the date of entry into force of the Treaty, be recognized as commodities of the Eurasian Economic Union.

18. Customs procedures of “processing outside the customs territory,” which were, prior to the entry into force of the Treaty, applied in Member States of the Customs Union in respect of such commodities of the Customs Union that were exported from the territory of Member States of the Customs Union to the territory of the Republic of Armenia shall terminate on the date of entry into force of the Treaty. Commodities placed under these customs procedures and commodities received as a result of performing processing operations with such commodities shall, from the date of entry into force of the Treaty, be recognized as commodities of the Eurasian Economic Union.

19. The customs regime of “temporary importation for processing,” which was, prior to the entry into force of the Treaty, applied in the Republic of Armenia in respect of commodities imported to the territory of the Republic of Armenia from the territory of a Member State of the Customs Union shall terminate on the date of entry into force of the Treaty. Commodities placed under this customs regime and commodities received as a result of performing processing operations with such commodities shall, from the date of entry into force of the Treaty, be recognized as commodities of the Eurasian Economic Union.

20. The customs regime of “temporary importation for processing,” which was, prior to the entry into force of the Treaty, applied in the Republic of Armenia in respect of commodities imported to the territory of the Republic of Armenia from the territories of third-party countries for the subsequent exportation of products of their processing to the territory of a Member State of the Customs Union shall terminate, and such commodities and commodities obtained as a result of performing processing operations with such commodities shall not be placed under the customs procedures stipulated by the Customs Code of the Customs Union, provided that the products of the processing of commodities placed under the customs regime of “temporary importation for processing” are, at any time before the end of the time period for processing the commodities but no later than on 1 January 2016, recognized as commodities originating from the Republic of Armenia in accordance with the criteria of sufficient processing set by the Agreement on the Rules for the Determination of the Country of Origin of Commodities in the Commonwealth of Independent States dated 20 November 2009. In this case, the commodities placed under the customs regime of “temporary

importation for processing” and the commodities received as a result of performing processing operations with such commodities shall be recognized as commodities of the Eurasian Economic Union.

21. The customs procedures of processing in the customs territory, which were, prior to the entry into force of the Treaty, applied in Member States of the Customs Union in respect of goods imported from the territory of the Republic of Armenia shall terminate on the date of entry into force of the Treaty. Commodities placed under these customs procedures and commodities received as a result of performing processing operations with such commodities shall, from the date of entry into force of the Treaty, be recognized as commodities of the Eurasian Economic Union.

22. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regimes of “importation to a customs warehouse” or “importation to a free customs warehouse” shall, from the date of entry into force of the Treaty, be recognized as having been placed under the customs procedure of a customs warehouse, save for commodities destined for exportation in accordance with the customs procedure for exportation, and such commodities shall be subject to the rules of the Customs Code of the Customs Union, as well as of other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, subject to Paragraph 23 of this Annex.

23. Commodities destined for exportation from the territory of the Republic of Armenia in accordance with the customs procedure of exportation and placed under the customs regimes of “importation to a customs warehouse” or “importation to a free customs warehouse” prior to the entry into force of the Treaty, shall be stored in customs

warehouses during six months following the date of entry into force of the Treaty.

The customs procedure of a customs warehouse shall remain valid until the end of the storage time periods set when placing the commodities under the customs regimes of “importation to a customs warehouse” or “importation to a free customs warehouse,” with the possibility of extending such time periods up to the maximum time periods stipulated by Article 231 of the Customs Code of the Customs Union.

24. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regimes of “temporary importation” and “temporary exportation” shall, from the date of entry into force of the Treaty, be recognized as having been placed under the customs procedures of “temporary importation” (access) and “temporary exportation,” respectively. Such commodities shall be subject to the provisions of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, subject to the second and third text sub-paragraphs of this Paragraph.

Commodities placed under the customs regime of “temporary importation” prior to the entry into force of the Treaty shall be subject to full conditional exemption from the payment of customs duties and taxes.

The customs procedure of “temporary importation” (access) shall remain valid until the end of the temporary importation time period set when placing such commodities under the customs regime of “temporary importation,” with the possibility of extending such time

period up to the maximum time period stipulated by Article 280 of the Customs Code of the Customs Union.

The customs procedure of “temporary exportation” shall remain valid until the end of the temporary exportation time period set when placing such commodities under the customs regime of “temporary exportation,” with the possibility of extending such time period up to the maximum time period stipulated by Article 288 of the Customs Code of the Customs Union.

After the entry into force of the Treaty, the validity of the customs procedures of “temporary importation” (access) or “temporary exportation” in respect of commodities imported (exported) to the Republic of Armenia from Member States of the Customs Union and from the Republic of Armenia to Member States of the Customs Union prior to the entry into force of the Treaty shall terminate and such commodities will acquire the status of commodities of the Eurasian Economic Union.

25. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regime of “re-exportation” shall, from the date of entry into force of the Treaty, be recognized as having been placed under the customs procedure of re-exportation. Such commodities shall be subject to the provisions of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union.

Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regime of “re-exportation for purposes of exporting the processing products obtained as a result of performing processing operations with such commodities in accordance with the customs regime of temporary

importation for processing” shall, from the date of entry into force of the Treaty, be recognized as having been placed under the customs procedure of re-exportation.

26. Commodities that, prior to the entry into force of the Treaty, were in the Republic of Armenia placed under the customs regimes of “destruction” and “importation to a duty-free shop” shall, from the date of entry into force of the Treaty, be recognized as having been placed under the customs procedures of “destruction” and “duty-free trade,” respectively. Such commodities shall be subject to the provisions of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, subject to the provisions stipulated by Paragraph 27 of this Annex.

27. From the date of entry into force of the Treaty, duty-free shops established in the territory of the Republic of Armenia shall be allowed to sell to passengers, including passengers of air vessels bound for other Member States of the Eurasian Economic Union as well as for the Republic of Armenia, after presentation by such passengers of their boarding passes, the following:

- Foreign commodities placed under the customs procedure of “duty-free trade,” provided that the duty-free shop owner subsequently pays the import customs duties, which shall be subject to distribution; and
- Commodities of the Eurasian Economic Union placed under the customs procedure of “duty-free trade.”

The Republic of Armenia hereby undertakes the obligation to preclude the possibility of sale of alcohol produce and beer, tobacco, and tobacco produce placed under the customs procedure of “duty-free trade” in quantities that exceed the standard quantities of movement of

such commodities with exemption from customs payments set by acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union

Foreign commodities that are, after the entry into force of the Treaty, sold in duty-free shops established in the territory of the Republic of Armenia to passengers of air vessels bound for other Member States of the Eurasian Economic Union as well as for the Republic of Armenia, shall, no more than 10 calendar days after such sale, be subject to placement in the Republic of Armenia under the customs procedure of “release for domestic consumption” without paying (exempted from payment of) excise tax and value-added tax.

The provisions of the first, second, third, fourth, and fifth text subparagraphs of this Paragraph shall be applied until analogous provisions are enshrined in the Customs Code of the Eurasian Economic Union.

In respect of commodities of the Eurasian Economic Union that are sold in duty-free shops established in the territory of the Republic of Armenia to passengers of air vessels bound for other Member States of the Eurasian Economic Union as well as for the Republic of Armenia, the customs procedure of duty-free trade shall be completed by means of presenting to the customs body a report in the form defined by the legislation of the Republic of Armenia.

With Respect to the Peculiarities of Performing Customs Operations in Relation to Vehicles

28. Vehicles imported to the territory of the Republic of Armenia prior to the entry into force of the Treaty while performing international transportation of passengers and commodities, which are

registered in another Member State of the Eurasian Economic Union or in a state that is not a Member of the Eurasian Economic Union shall, from the date of entry into force of the Treaty, be recognized as vehicles of international transportation. Such vehicles shall be subject to the provisions of Chapter 48 of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union.

29. Vehicles registered in the Republic of Armenia, which were, prior to the entry into force of the Treaty, exported from the territory of the Republic of Armenia while performing international transportation of passengers and commodities shall, from the date of entry into force of the Treaty, be recognized as vehicles of international transportation. Such vehicles shall be subject to the provisions of Chapter 48 of the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union.

With Respect to the Status of Personal-Use Automobiles

30. The customs duty rates and tax rates set by Annex 5 to the Treaty on the Procedure of the Movement by Natural Persons of Commodities for Personal Use through the Customs Border of the Customs Union and the Procedure of Performing Customs Operations Related to Their Release dated 18 June 2010 (hereinafter, "the Treaty") shall not apply in the Republic of Armenia with respect to passenger automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, 8704 21, and 8704 31 of the CN of FTA of the EAEU, which are imported by natural persons for personal use

(hereinafter “the Automobiles”) until such time when the Republic of Armenia starts applying the rates set by the CCT of the EAEU with respect to passenger Automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, 8704 21, and 8704 31 of the CN of FTA of the EAEU.

Before the Republic of Armenia starts applying the customs duty rates and tax rates set by Annex 5 to the Treaty with respect to Automobiles, customs duty rates and tax rates with respect to Automobiles shall be payable in accordance with the legislation of the Republic of Armenia.

31. Automobiles imported to the territory of the Republic of Armenia from third-party countries after the signature of the Treaty, with respect to which customs duties and taxes were paid under rates that differ from the rates set by Annex 5 to the Treaty, as well as the Automobiles indicated in Paragraph 30 of this Annex, shall in other Member States of the Eurasian Economic Union be recognized as foreign commodities:

- Until such time when customs duties and taxes have been paid in the amount of the difference between the paid sums of customs duties and taxes and the sums of customs duties and taxes payable under the rates set by Annex 5 to the Treaty; or
- Until 3 years have lapsed since the time of the Republic of Armenia starting to apply the rates set by the CCT of the EAEU in respect of passenger Automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, 8704 21, and 8704 31 of the CN of FTA of the EAEU.

This Paragraph 31 shall not apply to Automobiles imported after the signature of the Treaty, in respect of which customs duties were paid at rates set by the CCT of the EAEU.

32. With respect to Automobiles imported to the territory of the Republic of Armenia after the signature of the Treaty, which are being imported to the territories of other Member States of the Eurasian Economic Union, the difference [between the paid sums of customs duties and taxes and the sums of customs duties and taxes payable under the rates set by Annex 5 to the Treaty] may be paid into the budget of the Republic of Armenia prior to their importation to the territories of such Member States of the Eurasian Economic Union.

33. With respect to the Automobiles mentioned in Paragraphs 30 and 31 of this Annex, which are being imported to the territories of other Member States of the Eurasian Economic Union, customs control shall be performed, and if it is necessary to make customs payments, then customs operations shall be performed in the procedure set by the Customs Code of the Customs Union, as well as other international treaties and other acts that regulate legal relations in customs and make up the law of the Eurasian Economic Union, subject to the provisions of Paragraphs 34 and 35 of this Annex.

34. If, prior to importation to the territories of other Members States of the Eurasian Economic Union, customs duties and taxes have not been paid to the Republic of Armenia budget in the amount specified in the second text sub-paragraph of Paragraph 31 of this Annex with respect to the Automobiles specified in Paragraphs 30 and 31 of this Annex, then such customs duties and taxes shall be paid when filing the customs declaration for such Automobiles to the budget of such Member State of the Eurasian Economic Union, the customs body of which covers the area that includes such place of movement of

commodities across the customs border of the Eurasian Economic Union, in which such Automobiles have arrived.

35. Automobiles specified in Paragraphs 30 and 31 of this Annex, which are registered in the territory of the Republic of Armenia, may be temporarily imported to the territories of other Member States of the Eurasian Economic Union only by persons that permanently reside in the Republic of Armenia, without paying customs duties and taxes, and without providing any security of the payment of customs duties and taxes. The importation of such Automobiles and their utilization in the territories of other Member States of the Eurasian Economic Union by other persons, as well as their sale, transfer for use, and disposition in the territories of such Member States of the Eurasian Economic Union shall be allowed only after filing a customs declaration on such Automobiles in the customs bodies of such other Member States and paying the customs duties and taxes, with due respect for Paragraph 31 of this Annex.

36. The customs bodies of the Republic of Armenia shall inform the customs bodies of other Member States of the Eurasian Economic Union about Automobiles imported to the Republic of Armenia territory and released for free circulation after the signature of the Treaty, as well as about the amount of customs duties and taxes paid with respect to such Automobiles.

37. Automobiles, with the exception of those specified in Paragraphs 30 and 31 of this Annex, which were imported to the Republic of Armenia territory prior to the signature of the Treaty shall, from the date of entry into force of the Treaty, be deemed commodities of the Eurasian Economic Union.

After the lapsing of three years since the time of the Republic of Armenia starting to apply the rates set by the CCT of the EAEU in

respect of passenger Automobiles and other motor transport vehicles classified into the commodity groups 8702, 8703, 8704 21, and 8704 31 of the CN of FTA of the EAEU, the Automobiles specified in Paragraphs 30 and 31 of this Annex shall be deemed commodities of the Eurasian Economic Union, regardless of whether or not customs duties and taxes in the amount of the difference [between the paid sums of customs duties and taxes and the sums of customs duties and taxes payable under the rates set by Annex 5 to the Treaty] has been paid to the budget of a Member State of the Eurasian Economic Union.

IV. Matters Related to the Membership of the Republic of Armenia in the World Trade Organization

38. In connection with the accession of the Republic of Armenia to the Eurasian Economic Union, negotiations shall be conducted with the members of the World Trade Organization in relation to changing the existing tariff obligations of the Republic of Armenia in accordance with the rules of the World Trade Organization, as well as Paragraph 4 of Article 1 of the Treaty on the Functioning of the Customs Union in the Framework of the Multilateral Trade System dated 19 May 2011.

Such negotiations shall be conducted by a delegation authorized to do so on the basis of directives. Directives and the delegation composition shall be approved and when necessary modified by the Council of the Eurasian Economic Commission.

The understandings reached as a result of negotiations shall, prior to their final adoption in the World Trade Organization, be approved by the Council of the Eurasian Economic Commission.

In accordance with such understandings, relevant amendments shall be made to the Common Customs Tariff of the Eurasian Economic Union.

39. The obligations of the Republic of Armenia contained in the Report of the Working Group on the Accession of the Republic of Armenia to the World Trade Organization shall not apply to other Member States of the Eurasian Economic Union.

V. Matters of Customs Tariff Regulation

40. From the date of entry into force of the Treaty, rates of import customs duties that differ from the duty rates of the CCT of the EAEU shall be applied by the Republic of Armenia during a transition period with respect to commodities indicated in a list provided by Annex 4 to the Treaty.

The Republic of Armenia shall ensure that commodities, with respect to which lower rates of import customs duties are applied than the customs duty rates of the CCT of the EAEU, are utilized only inside the territory of the Republic of Armenia, and shall take measures to not allow the exportation of such commodities to the territories of other Member States of the Eurasian Economic Union without paying the amount of the difference between the sums of customs duties accrued using the rates of the CCT of the EAEU and the sums of import customs duties paid when importing such commodities to the territory of the Republic of Armenia.

The Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation shall have the right to determine the procedure of entry of such commodities into their territory.

The compilation and updating of the list of commodities and rates, with respect to which the Republic of Armenia shall apply import customs duty rates differing from the customs duty rates of the CCT of the EAEU shall, from the date of entry into force of the Treaty, be performed by the Eurasian Economic Commission.

41. Import customs duty payment exemptions provided to the Republic of Armenia shall apply:

1) In the framework of the international treaties of the Republic of Armenia concluded prior to 1 January 2015 (including programs implemented after 1 January 2015 under such international treaties), in accordance with such international treaties;

2) In the framework of implementing the “Armenian-Indian Educational Center for Information and Communication Technologies” Program—up to the end of its term in accordance with the Memorandum of Understanding between the Government of the Republic of Armenia and the Government of the Republic of India on the Creation of the Armenian-Indian Educational Center for Information and Communication Technologies dated 26 June 2009; and

3) In the framework of implementing the “Dilijan International School” Program approved by the Republic of Armenia Law dated 19 June 2013—up to 1 January 2018, with the exception of vehicles, bicycles, and water and air transport.

42. During the period from 2015 to 2025, it shall be permitted to import, exempt from import customs duties, raw sugar cane under the commodity groups 170113 and 170114 of the CN of FTA of the EAEU (hereinafter in this Paragraph, “Raw Sugar”) for industrial processing in the territory of the Republic of Armenia.

A condition for the importation of Raw Sugar for industrial processing in the territory of the Republic of Armenia shall be the existence of confirmation by an authorized body of the Republic of Armenia, indicating that the importation of such Raw Sugar is intended for sugar processing enterprises in the territory of the Republic of Armenia. Such confirmation shall be issued in accordance with the legislation of the Republic of Armenia.

The Republic of Armenia shall inform the Eurasian Economic Commission of the annual volumes of imports of Raw Sugar for industrial processing in agreement with the sugar production and consumption balance in the Republic of Armenia compiled for the upcoming period.

The Republic of Armenia shall guarantee that the Raw Sugar imported for industrial processing, as well as the white sugar produced from Raw Sugar imported under the tariff exemption indicated in the first text sub-paragraph of this Paragraph 42 shall not be forwarded to the territories of the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation.

The provisions of this Paragraph 42 shall not serve as a basis for the Republic of Armenia to apply restrictions on the importation of sugar from the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation.

43. During two years from the date of entry into force of the Treaty, it shall be permitted to import, subject to payment of import customs duties in the amount of 10 percent of the customs value, white sugar under the commodity subgroups 170199 100 1 and 170199 100 9 of the CN of FTA of the EAEU (hereinafter in this Paragraph, "Raw Sugar") in an amount that does not exceed 4,000 tons a year.

A condition for the importation of white sugar shall be the import license issued by an authorized body of the Republic of Armenia.

44. From the date of entry into force of the Treaty, the following commodities shall be exempted of import customs duties:

1) Commodities of military use, the importation of which into the Republic of Armenia during the period from 2015 to 2022 shall be performed for meeting the needs of the Armed Forces of the Republic of Armenia, and the analogs of which are not produced in the territories of the other Member States of the Eurasian Economic Union.

A condition for their importation shall be the end-use certificate issued by the Ministry of Defense of the Republic of Armenia in accordance with the legislation of the Republic of Armenia.

2) The following, if imported into the Republic of Armenia prior to 31 December 2022, for purposes of use in international transportation and/or internal transportation within the territory of the Republic of Armenia and/or between the territories of Member States of the Eurasian Economic Union:

- Civilian helicopters with a maximum takeoff weight of more than 750 kg, but no more than 3,175 kg, which are included in the commodity subgroups 880211000 1 of the CN of FTA of the EAEU; civilian helicopters with a basic empty weight of more than 2,000 kg, but not more than 5,000 kg, and civilian helicopters with a maximum takeoff weight of more than 4,000, but no more than 10,500, of the commodity subgroup 8802120001 of the CN of FTA of the EAEU; civilian passenger airplanes with a basic empty weight of no more than 2,000 kg and a maximum takeoff weight of more than 750 kg, of the commodity subgroup 880220 0001 of the CN of FTA of the EAEU; civil cargo mid-range airplanes with a basic empty weight of more than 60,000 kg, but no more than 90,000 kg, with a maximum takeoff weight of more

than 120,000 kg, but no more than 180,000 kg, of the commodity subgroup 8802400039 of the CN of FTA of the EAEU; civil cargo wide-body long-range airplanes with a basic empty weight of more than 160,000 kg and a maximum takeoff weight of no more than 370,000, of the commodity subgroup 8802400097 of the CN of FTA of the EAEU;

- Civilian passenger airplanes of the commodity subgroups 8802 400035 and 8802 400036 of the CN of FTA of the EAEU, with a passenger capacity of at least 110, but no more than 300, which are determined in accordance with a standard certificate issued by the authorized body of the manufacturing country, which are imported to the Republic of Armenia prior to 31 December 2016, as well as airplanes with a passenger capacity of at least 110, but no more than 300, which are determined in accordance with the Layout of Passenger Accommodation (“LOPA”) approved by the authorized body responsible for ensuring airworthiness of air vessels, imported to the Republic of Armenia from 1 January 2017 to 30 June 2019 for the purpose of use for international transportation and/or domestic transportation in the territory of the Republic of Armenia and/or between the territories of the Member States of the Eurasian Economic Union;

- Civilian passenger airplanes of the commodity subgroups 880240 003 5 and 8802 40 003 6 of the CN of FTA of the EAEU, which are imported to the Republic of Armenia under the exemption specified in the fifth text sub-paragraph of this Paragraph 44, which are imported to the Republic of Armenia during the term of their operation after their renovation or technical maintenance performed outside the customs territory of the Eurasian Economic Union;

3) Commodities imported to the customs territory of the Eurasian Economic Union for purposes of the construction and modernization, in the territory of the Republic of Armenia, of

a nuclear power plant and its operation during the guarantee term, subject to the List of Commodities Imported to the Customs Territory of the Customs Union for the Purpose of Construction of Nuclear Power Plants and Their Operation during the Guarantee Term, approved by Decision number 9 of the Council of the Eurasian Economic Commission dated 19 March 2012.

45. The Republic of Armenia shall ensure that commodities, which are imported under the tariff exemptions specified in Paragraphs 41, 43, and 44 above, are utilized only inside the territory of the Republic of Armenia, and shall take measures to not allow the exportation of such commodities to the territories of other Member States of the Eurasian Economic Union without paying the amount of the difference between the sums of import customs duties accrued using the rates of the CCT of the EAEU and the sums of import customs duties paid when importing such commodities to the territory of the Republic of Armenia.

46. The codes of the CN of FTA of the EAEU, which are specified in this Annex as well as in Annex 4 to the Treaty may be modified by the Eurasian Economic Commission in the event of changes in the CN of FTA of the EAEU.

VI. Matters Related to the Application of Special Protective, Anti-Dumping, and Compensatory Measures with Respect to Third Countries

47. The body responsible for conducting investigations preceding the introduction of special protective, anti-dumping, and compensatory measures in the customs territory of the Eurasian Economic Union may carry out, upon its initiative or based on an application of an interested party, and in accordance with the Protocol on the Application of Special

Protective, Anti-Dumping, and Compensatory Measures with Respect to Third Countries (Annex 8 to the Treaty on the Eurasian Economic Union dated 29 May 2014), a repeat investigation in relation to special protective, anti-dumping, and compensatory measures that are in effect in the Eurasian Economic Union on the date of entry into force of the Treaty.

A decision to launch such a repeat investigation may be taken only when there is sufficient evidence that the use of data on the market of the Republic of Armenia for purposes of an investigation, which could lead to a decision on the application of a special protective, anti-dumping, or compensatory measure, would result in a material change in the grounds for introducing the respective measure.

The repeat investigation specified in the first text sub-paragraph of this Paragraph 47 shall not be subject to the provisions of Paragraphs 35, 110, and 175 of the Protocol on the Application of Special Protective, Anti-Dumping, and Compensatory Measures with Respect to Third Countries (Annex 8 to the Treaty on the Eurasian Economic Union dated 29 May 2014), which define the minimum term that must lapse before a repeat investigation may be launched on special protective, anti-dumping, or compensatory measures.

Decisions of the Eurasian Economic Commission on the application of special protective, anti-dumping, or compensatory measures, which were taken after the entry into force of the Treaty on the basis of investigations conducted in the customs territories of the Eurasian Economic Union on the date of entry into force of the Treaty, shall be subject to direct application in the territory of the Republic of Armenia and may be reviewed in the

procedure specified in the first, second, and third text sub-paragraphs of this Paragraph 47.

From the date of entry into force of the Treaty, the amounts of import quotas set as special protective measures shall be modified in line with the volumes of imports of the respective commodities to the Republic of Armenia from third countries during the period from 2011 to 2013.

VII. Matters of Technical Regulation

48. The provisions of the first text sub-paragraph of Paragraph 3 of Article 53 of the Treaty on the Eurasian Economic Union dated 29 May 2014 shall be applied by the Republic of Armenia after 12 months from the date of entry into force of the Treaty, with the exception of the following technical regulations of the Customs Union ("TR of the CU"), in respect of which the following terms of entry into force of the aforementioned provisions shall be hereby set:

After 24 months:

- "On the Safety of Machinery and Equipment" (TR of the CU number 010/2011);
- "On the Safety of Furniture Production" (TR of the CU number 025/2012); and
- "On the Safety of Agricultural and Forestry Tractors and Their Trailers" (TR of the CU number 031/2012);

After 48 months:

- "The Safety of Automotive Roads" (TR of the CU number 014/2011); and

After 60months:

- “On the Safety of Wheeled Vehicles” (TR of the CU number 018/2011).

Along with the provisions of the Technical Regulations of the Customs Union, the application of the provisions of the Republic of Armenia legislation shall be permitted in the Republic of Armenia as follows:

- During 12months after the entry into force of the Treaty, with respect to the objects subject to technical regulation by the Technical Regulations of the Customs Union (with the exception of the following Technical Regulations of the Customs Union: “On the Safety of Machinery and Equipment” (TR of the CU number 010/2011), “The Safety of Automotive Roads” (TR of the CU number 014/2011), “On the Safety of Wheeled Vehicles” (TR of the CU number 018/2011), “On the Safety of Furniture Production” (TR of the CU number 025/2012), and “On the Safety of Agricultural and Forestry Tractors and Their Trailers” (TR of the CU number 031/2012));
- During 24 months after the entry into force of the Treaty, with respect to the objects subject to technical regulation by the Technical Regulations of the Customs Union “On the Safety of Machinery and Equipment” (TR of the CU number 010/2011), “On the Safety of Furniture Production” (TR of the CU number 025/2012), and “On the Safety of Agricultural and Forestry Tractors and Their Trailers” (TR of the CU number 031/2012);
- During 48 months after the entry into force of the Treaty, with respect to the objects subject to technical regulation by the

Technical Regulations of the Customs Union “The Safety of Automotive Roads” (TR of the CU number 014/2011); and

- During 60 months after the entry into force of the Treaty, with respect to the objects subject to technical regulation by the Technical Regulations of the Customs Union “On the Safety of Wheeled Vehicles” (TR of the CU number 018/2011).

49. The procedure of putting into effect in the Republic of Armenia the Technical Regulations of the Customs Union, which entered into force on the date of entry into force of the Treaty, shall be set by the Eurasian Economic Commission with due consideration that the time periods of transitional provisions of such Technical Regulations of the Customs Union, which were earlier set by decision of the Eurasian Economic Community, shall be extended for a term of 6 to 24 months.

50. The requirements set by the legislation of the Republic of Armenia shall apply with respect to products included in the Common List of Products compiled in accordance with Paragraph 7 of the Protocol on Technical Regulation in the Frameworks of the Eurasian Economic Union (Annex 9 to the Treaty on the Eurasian Economic Union dated 29 May 2014) prior to the entry into force of the relevant Technical Regulations.

51. The provisions of Paragraphs 48 to 50 of this Annex shall apply to products destined for circulation in the territory of the Republic of Armenia.

52. The assessment of the conformity of objects of technical regulation with the requirements of the Technical Regulations of the Eurasian Economic Union (the Customs Union) shall be performed by conformity assessment bodies accredited in the procedure and upon

the terms stipulated by Article 54 of the Treaty on the Eurasian Economic Union dated 29 May 2014.

The registration (state registration) of objects of technical regulation in accordance with the requirements of the Technical Regulations of the Eurasian Economic Union (the Customs Union) shall be performed by the bodies authorized to perform such activities under the legislation of the Republic of Armenia.

VIII. Matters Related to the Application of Sanitary, Veterinary-Sanitary, and Quarantine Phytosanitary Measures

53. The state registration of products (commodities) for conformity with the common sanitary-epidemiological and hygiene requirements or with the requirements of the Technical Regulations of the Eurasian Economic Union (the Customs Union) shall be performed by the Republic of Armenia bodies authorized in the area of sanitary-epidemiological well-being of the population, in accordance with the legislation of the Republic of Armenia.

54. In the Republic of Armenia, the costs related to the performance of audits and joint inspections shall be funded from the relevant budgets or from other sources not prohibited by the legislation of the Republic of Armenia, unless a different procedure is agreed upon in each particular case.

IX. Matters Related to the Protection of Consumer Rights

55. In the Republic of Armenia, the term “no-quality goods” shall mean goods that do not conform to the accepted standards and rules of safety.

X. Matters of Regulation of Trade in Services and of the Making, Operation, and Implementation of Investments

56. The restrictions, exemptions, additional requirements, and conditions (except for horizontal ones) stipulated by Paragraphs 15-17, 23, 26, 28, 31, 33, and 35 of the Protocol on Trade in Services and the Making, Operation, and Implementation of Investments (Annex 16 to the Treaty on the Eurasian Economic Union dated 29 May 2014) shall apply from the date on which the Supreme Eurasian Economic Council approves, in accordance with the fourth text sub-paragraph of Paragraph 2 of the aforementioned Protocol, the individual national list of restrictions, exemptions, additional requirements, and conditions for the Republic of Armenia.

57. The individual national list of restrictions, exemptions, additional requirements, and conditions for the Republic of Armenia shall be approved by the Supreme Eurasian Economic Council in accordance with the fourth text sub-paragraph of Paragraph 2 of the Protocol on Trade in Services and the Making, Operation, and Implementation of Investments (Annex 16 to the Treaty on the Eurasian Economic Union dated 29 May 2014) no later than 3 months after the entry into force of the Treaty.

58. The list of service sectors in which the common market of services will function, as provided by Paragraph 40 of the Protocol on Trade in Services and the Making, Operation, and Implementation of Investments (Annex 16 to the Treaty on the Eurasian Economic Union dated 29 May 2014) shall be approved by the Supreme Eurasian Economic Council no later than 3 months after the entry into force of the Treaty.

59. The list of service sectors (subsectors) in which the formation of a common market of services shall be performed in accordance with the plans of liberalization (during the transition period) shall be approved by the Supreme Eurasian Economic Council no later than 3 months after the entry into force of the Treaty.

XI. Matters Related to the Collection of Indirect Taxes

60. The customs bodies of the Republic of Armenia shall perform the collection of indirect taxes for commodities transported (imported) from the territories of Member States of the Eurasian Economic Union and placed under customs procedures, regimes, and operations under the customs legislation of the Republic of Armenia, which are not completed as of 1 January 2015.

Matters of electronic information sharing between the tax bodies of the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation during the performance of mutual trade shall be regulated by adopting a protocol amending the 11 December 2009 Protocol on Electronic Sharing of Information between the Tax Bodies of Member States of the Customs Union about the Amounts of Indirect Taxes Paid. Such amending protocol shall enter into force no later than the date of entry into force of the Treaty.

61. In mutual trade involving commodities for which preliminary declaration has been filed with a customs body of the Republic of Armenia, and the declarant has paid indirect taxes, prior to 1 January 2015, the exporter of such goods offloaded after 1 January 2015 shall, for proving the existence of grounds for applying the zero-rated VAT and/or for exempting from the payment of excise taxes, present to the tax body (as a part of the package of documents required by Paragraph

4 of the Protocol on the Procedure of Collecting Indirect Taxes and Mechanisms of Controlling Their Payment during Exportation and Importation of Commodities, Performance of Works, and Provision of Services (Annex 18 to the Treaty on the Eurasian Economic Union dated 29 May 2014)) a copy of the customs declaration filed when releasing the commodities for free circulation, instead of the statement on the importation of the commodities and the payment of indirect taxes.

XII. Matters of Regulation of the Spheres of Natural Monopolies

62. The provisions of the XIX Section of the Treaty on the Eurasian Economic Union dated 29 May 2014 shall apply to relations involving the natural monopoly entities, the consumers, the bodies of executive power, and the state bodies and local self-government bodies of the Republic of Armenia in the spheres of natural monopolies, which influence trade between the Member States of the Eurasian Economic Union, as specified in Annex 1 to the Protocol on the Common Principles and Rules of Regulating the Activities of Natural Monopoly Entities (Annex 20 to the Treaty on the Eurasian Economic Union dated 29 May 2014).

63. In the territory of the Republic of Armenia, the services defined by the Republic of Armenia legislation as “public services” shall be, in accordance with Annexes 1 and 2 to the Protocol on the Common Principles and Rules of Regulating the Activities of Natural Monopoly Entities (Annex 20 to the Treaty on the Eurasian Economic Union dated 29 May 2014), equated to services of natural monopolies. With respect to such public services, the Republic of Armenia shall apply those provisions of the Treaty on the Eurasian Economic Union dated 29 May 2014, which regulate the services of natural monopolies.

XIII. Matters of Regulation of the Energy Sector

64. The provisions of the XX Section of the Treaty on the Eurasian Economic Union dated 29 May 2014 shall be applied by the Republic of Armenia in accordance with the Protocol on Amending the said Treaty, insofar as they concern the Methodology of Performing Inter-State Transmission of Electricity (Capacity) between the Member States, which shall enter into force no later than one year after the date of entry into force of the Treaty.

XIV. Matters of Protection of and Respect for Intellectual Property Rights

65. The provisions of the V Section of the Protocol on the Protection of and Respect for Intellectual Property Rights (Annex 26 to the Treaty on the Eurasian Economic Union dated 29 May 2014) shall be applied by the Republic of Armenia after three years have lapsed since the date of entry into force of the Treaty.

66. The Republic of Armenia shall guarantee the implementation of measures that will bar the exportation from the Republic of Armenia territory to the territories of other Member States of the Eurasian Economic Union of such commodities that were imported into the Republic of Armenia territory from third countries and marked with trademarks that are included in the Common Customs Register of Intellectual Property Objects of Member States of the Customs Union and in the customs register of intellectual property objects of the destination country of such commodities, unless it is done with the consent of the rights-holder.

67. No later than on the date of entry into force of the Treaty, the Republic of Armenia shall develop and approve a normative legal act that sets the procedure of control of the exportation of commodities marked with trademarks that are included in the Common Customs Register of Intellectual Property Objects of Member States of the Customs Union and in the customs register of intellectual property objects of the destination country of such commodities.

68. Within six months of the date of entry into force of the Treaty, the Republic of Armenia shall develop and approve a plan of measures to adapt business entities to doing business in the Republic of Armenia in a framework that is subject to the regional principle of exhaustion of the exclusive right to trademarks.

69. The Republic of Armenia shall ensure the performance of monitoring of the honoring of obligations stipulated by Paragraph 66 of this Annex and shall ensure the provision to the Eurasian Economic Commission of statistical data on the volumes of the trade turnover between the Republic of Armenia and the Member States of the Eurasian Economic Union, including in respect of goods originating from the Republic of Armenia, at least once a quarter.

The Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation shall have the right to initiate a procedure of amending the Treaty to provide for early cancellation for the Republic of Armenia of the transition period stipulated by Paragraph 65 of this Annex in case if the share of commodities produced in third countries exceeds 15 percent of annual exports from the Republic of Armenia to the territories of the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation.