

TREATY ON THE EURASIAN ECONOMIC UNION

The Republic of Belarus, the Republic of Kazakhstan and the Russian Federation, hereinafter referred to as the Parties,

based on the Declaration on Eurasian Economic Integration of November 18, 2011,

guided by the principle of the sovereign equality of states, the need for unconditional respect for the rule of constitutional rights and freedoms of man and national,

seeking to strengthen the solidarity and cooperation between their peoples while respecting their history, culture and traditions,

convinced that further development of Eurasian economic integration shall serve the national interests of the Parties,

driven by the urge to strengthen the economies of the Member States of the Eurasian Economic Union and to ensure their balanced development, convergence, steady growth in business activity, balanced trade and fair competition,

ensuring economic progress through joint actions aimed at solving common problems faced by the Member States of the Eurasian Economic Union with regard to sustainable economic development, comprehensive modernisation and improving competitiveness of national economies within the framework of the global economy,

confirming their commitment to further strengthen mutually beneficial and equal economic cooperation with other countries, international integration associations, and other international organisations,

taking into account the regulations, rules and principles of the World Trade Organisation,

confirming their commitment to the objectives and principles of the United Nations Charter and other universally recognised principles and regulations of international law,

have agreed as follows.

PART ONE ESTABLISHING THE EURASIAN ECONOMIC UNION

Section I GENERAL PROVISIONS

Article 1 Establishing the Eurasian Economic Union Legal Personality

1. The Parties hereby establish the Eurasian Economic Union (hereinafter “the Union”, “the EAEU”) ensuring free movement of goods, services, capital and labour within its borders, as well as coordinated, agreed or common policy in the economic sectors determined under this Treaty and international treaties within the Union.

2. The Union shall be an international organisation of regional economic integration and shall have international legal personality.

Article 2 Terms and Definitions

For the purposes of this Treaty, the terms below shall have the following meanings:

“harmonisation of legislation” means the approximation of legislation of the Member States aimed at establishing similar (comparable) legal regulations in certain spheres;

“Member States” means the states that are members of the Union and Parties to this Treaty;

“officials” means the nationals of the Member States appointed as Directors of Departments of the Eurasian Economic Commission, Deputy Directors of Departments of the Commission, and the Head of the Secretariat of the Court of the Union, Deputy Head of the Secretariat of the Court of the Union and advisers to judges of the Court of the Union;

“common economic space” means the space consisting of the territories of the Member States implementing similar (comparable) and uniform economy regulation mechanisms based on market principles and the application of harmonised or unified legal norms, and having a common infrastructure;

“common policy” means the policy implemented by the Member States in certain spheres as specified in this Treaty and envisaging the application of unified legal regulations by the Member States, including on the basis of decisions issued by Bodies of the Union within their powers;

“international treaties within the Union” means international treaties concluded between the Member States on issues related to the functioning and development of the Union;

“international treaties of the Union with a third party” means international treaties concluded with third countries, integration associations thereof and international organisations;

“single (common) market” means a set of economic relations within the Union ensuring the freedom of movement of goods, services, capital and labour;

“disposition” means an organisational and administrative document enacted by the Bodies of the Union;

“decision” means a regulatory document enacted by the Bodies of the Union;

“coordinated policy” means policy implying the cooperation between the Member States on the basis of common approaches approved within Bodies of the Union and required to achieve the objectives of the Union under this Treaty;

“agreed policy” means policy implemented by the Member States in various areas suggesting the harmonisation of legal regulations, including on the basis of decisions of the Bodies of the Union, to the extent required to achieve the objectives of the Union under this Treaty;

“employees” means nationals of the Member States employed in Bodies of the Union under concluded employment contracts (agreements), except for the officials;

“Customs Union” means a form of trade and economic integration of the Member States envisaging a common customs territory, within which no customs duties (other duties, taxes and fees having equivalent effect), non-tariff regulatory measures, safeguard, anti-dumping and countervailing measures shall be applied to the mutual trade, while applying the Common

Customs Tariff of the Eurasian Economic Union and common measures regulating foreign trade with a third party;

“third party” means a state which is not a member of the Union, an international organisation or an international integration association;

“unification of legislation” means the approximation of legislation of the Member States aimed at establishing identical mechanisms of legal regulation in certain spheres as specified in this Treaty.

Other terms and definitions used in this Treaty shall have the meanings provided for by the relevant Sections of this Treaty and its Annexes.

Section II

BASIC PRINCIPLES, OBJECTIVES, JURISDICTION AND LAW OF THE UNION

Article 3

Basic Principles of Functioning of the Union

The Union shall carry out its activities within the jurisdiction granted by the Member States in accordance with this Treaty, based on the following principles:

respect for the universally recognised principles of international law, including the principles of sovereign equality of the Member States and their territorial integrity;

respect for specific features of the political structures of the Member States;

ensuring mutually beneficial cooperation, equality and respect for the national interests of the Parties;

respect for the principles of market economy and fair competition;

ensuring the functioning of the Customs Union without exceptions and limitations after the transition period.

The Member States shall create favourable conditions to ensure proper functioning of the Union and shall refrain from any measures that might jeopardise the achievement of its objectives.

Article 4

Main Objectives of the Union

The main objectives of the Union shall be as follows:

to create proper conditions for sustainable economic development of the Member States in order to improve the living standards of their population;

to seek the creation of a common market for goods, services, capital and labour within the Union;

to ensure comprehensive modernisation, cooperation and competitiveness of national economies within the global economy.

Article 5

Jurisdiction

1. The Union shall have jurisdiction within the scope and limits determined under this Treaty and international treaties within the Union.

2. The Member States shall carry out coordinated or agreed policy within the scope and limits determined under this Treaty and international treaties within the Union.

3. In other spheres of the economy, the Member States shall seek to implement coordinated or agreed policy in accordance with the basic principles and objectives of the Union.

To this end, by decision of the Supreme Eurasian Economic Council, auxiliary authorities may be established (councils of state authorities' heads of the Parties, working groups, special commissions) in the relevant areas and/or the Eurasian Economic Commission may be instructed to coordinate the interaction between the Parties in their respective spheres.

Article 6 Law of the Union

1. The Law of the Union shall consist of the following:

this Treaty;

international treaties within the Union;

international treaties of the Union with a third party;

decisions and dispositions of the Supreme Eurasian Economic Council, the Eurasian Intergovernmental Council, and the Eurasian Economic Commission adopted within the powers provided for by this Treaty and international treaties within the Union.

Decisions of the Supreme Eurasian Economic Council and Eurasian Intergovernmental Council shall be enforceable by the Member States in the procedure provided for by their national legislation.

2. International treaties of the Union with a third party shall not contradict the basic objectives, principles and rules of the functioning of the Union.

3. In case of conflict between international treaties within the Union and this Treaty, this Treaty shall prevail.

Decisions and dispositions of the Union shall not be inconsistent with this Treaty and international treaties within the Union.

4. In case of conflict between decisions of the Supreme Eurasian Economic Council, the Eurasian Intergovernmental Council, or the Eurasian Economic Commission:

decisions of the Supreme Eurasian Economic Council shall prevail over decisions of the Eurasian Intergovernmental Council and the Eurasian Economic Commission;

decisions of the Eurasian Intergovernmental Council shall prevail over decisions of the Eurasian Economic Commission.

Article 7 International Activities of the Union

1. The Union shall be entitled to perform, within its jurisdiction, international activities aimed at addressing the challenges faced by the Union. As part of such activities, the Union shall have the right to engage in international cooperation with states, international organisations, and international integration associations and independently or jointly with the Member States conclude international treaties therewith on any matters within its jurisdiction.

The Procedure for the International Cooperation of the Union shall be determined by decision of the Supreme Eurasian Economic Council. All matters relating to the conclusion of international treaties of the Union with a third party shall be determined under an international treaty within the Union.

2. Negotiations on draft international treaties of the Union with a third party, as well as signing thereof, shall be conducted by decision of the Supreme Eurasian Economic Council upon completion of all internal legal procedures by the Member States.

The decision of the Union to give consent to be bound by an international treaty of the Union with a third party, termination/suspension of or withdrawal from an international treaty shall be adopted by the Supreme Eurasian Economic Council upon completion of all required internal legal procedures by the Member States.

Section III BODIES OF THE UNION

Article 8 Bodies of the Union

1. Bodies of the Union shall be represented by:

Supreme Eurasian Economic Council (hereinafter “the Supreme Council”);

Eurasian Intergovernmental Council (hereinafter “the Intergovernmental Council”);

Eurasian Economic Commission (hereinafter “the Commission”, “the EEC”);

Court of the Eurasian Economic Union (hereinafter “the Court of the Union”).

2. Bodies of the Union shall act within the powers accorded to them by this Treaty and international treaties within the Union.

3. Bodies of the Union shall act on the basis of the principles set forth in Article 3 of this Treaty.

4. Chairmanship of the Supreme Council, the Intergovernmental Council and the Commission shall be arranged on a rotational basis, in the

Russian alphabetic order, with one Member State chairing within 1 calendar year without the right of prolongation.

5. The terms of stay of the Union's Bodies on the territories of the Member States shall be set out in international treaties between the Union and the host states.

Article 9 Appointments in Structural Subdivisions of Permanent Bodies of the Union

1. The right to hold office in the structural subdivisions of Permanent Bodies of the Union shall be provided to nationals of the Member States having relevant specialised education and work experience.

2. Officials of a Department of the Commission may not be nationals of the same state. Candidates for these positions shall be selected by the EEC Competition Commission with regard to the principle of equal representation of the Parties. In order to participate in the competition for these positions, each candidate shall be nominated by a Council member of the Commission from the respective Party.

3. The selection of candidates for other positions in departments of the Commission shall be conducted by the EEC on a competitive basis, with due account of equity participation of the Parties in financing of the Commission.

4. The EEC Competition Commission for the selection of candidates for positions referred to in paragraph 2 of this Article shall be composed of all members of the Board of the Commission, excluding the Chairman of the Board of the Commission.

The EEC Competition Commission shall make decisions in the form of recommendations by a majority vote and submit them to the Chairman of the Board of the Commission for approval. If in respect of a particular candidate

the Chairman of the Board of the Commission decides contrary to the recommendation of the EEC Competition Commission, the Chairman of the Board of the Commission shall refer the issue to the Council of the Commission for a final decision.

The regulation on the EEC Competition Commission (including the rules of competition), its composition and required qualifications of candidates for the positions of Directors and Deputy Directors of the Departments of the Commission shall be approved by the Council of the Commission.

5. The procedure for the selection of candidates and appointment to the positions in the Administration of the Court of the Union shall be in accordance with the documents regulating activities of the Court of the Union.

Article 10 The Supreme Council

1. The Supreme Council shall be the supreme Body of the Union.
2. The Supreme Council shall consist of the heads of the Member States.

Article 11 Procedures of the Supreme Council

1. Meetings of the Supreme Council shall be held at least once a year.

In order to solve urgent issues of the Union, on the initiative of any Member State or the Chairman of the Supreme Council, extraordinary meetings of the Supreme Council may be convened.

2. Meetings of the Supreme Council shall be chaired by the Chairman of the Supreme Council.

The Chairman of the Supreme Council shall:

chair meetings of the Supreme Council;

organise the work of the Supreme Council;

generally manage the preparation of issues submitted to the Supreme Council for consideration.

In the event of early termination of powers of the Chairman of the Supreme Council, the new member of the Supreme Council of the presiding Member State shall exercise the powers of the Chairman of the Supreme Council in the remaining period.

3. Meetings of the Supreme Council may, at the invitation of the Chairman of the Supreme Council, be attended by members of the Council of the Commission, Chairman of the Board of the Commission, and other invited persons.

The list of participants and the format of meetings of the Supreme Council shall be determined by the Chairman of the Supreme Council in consultation with its members.

The agenda for each meeting of the Supreme Council shall be arranged by the Commission based on proposals made by the Member States.

The issue as to the presence of accredited media representatives at meetings of the Supreme Council shall be decided on by the Chairman of the Supreme Council.

4. The procedure for the organisation of meetings of the Supreme Council shall be approved by the Supreme Council.

5. Organisational, information and logistics support in preparation of and holding meetings of the Supreme Council shall be provided by the Commission with the assistance of the host Member State. Financial support of meetings of the Supreme Council shall be provided from the budget of the Union.

Article 12

Powers of the Supreme Council

1. The Supreme Council shall consider the main issues of the Union's activities, define the strategy, directions and prospects of the integration development and make decisions aimed at implementing the objectives of the Union.

2. The Supreme Council shall have the following basic powers:

1) to determine the strategy, directions and prospects for the formation and development of the Union and make decisions aimed at implementing the objectives of the Union;

2) to approve the composition of the Board of the Commission, distribute responsibilities among Board of the Commission members and terminate their powers;

3) to appoint the Chairman of the Board of the Commission and decide on early termination of his/her powers;

4) to appoint judges of the Court of the Union on the recommendation of the Member States;

5) to approve the Rules of Procedure of the Eurasian Economic Commission;

6) to approve the Budget of the Union, the Regulation on the Budget of the Eurasian Economic Union and the report on implementation of the Budget of the Union;

7) to determine the amount (scale) of contributions of the Member States into the Budget of the Union;

8) to consider, on the proposal of a Member State, any issues relating to the cancellation or amendment of decisions adopted by the Intergovernmental Council or the Commission, subject to paragraph 7 of Article 16;

9) to consider, on the proposal of the Intergovernmental Council or the Commission, any issues on which no consensus was reached in decision-making;

10) to make requests to the Court of the Union;

11) to approve the procedure for verifying authenticity and completeness of information on the income, property and property obligations of judges of the Court of the Union, officials and employees of the Administration of the Court of the Union and their family members;

12) to determine the procedure for admission of new members to the Union and termination of membership in the Union;

13) to decide on granting or revocation of an observer status or the status of a candidate country for accession to the Union;

14) to approve the Procedure for International Cooperation of the Eurasian Economic Union;

15) to decide on negotiations with a third party on behalf of the Union, including on the conclusion of international treaties with the Union and empowerment to negotiate, as well as the expression of consent of the Union to be bound by an international treaty with a third party, termination/suspension of or withdrawal from an international treaty;

16) to approve the total staffing of Bodies of the Union and the parameters of representation of officials from amongst the nationals of the Member States in Bodies of the Union presented by the Member States on a competitive basis;

17) to approve the procedure for remuneration of members of the Board of the Commission, judges of the Court of the Union, officials and employees of Bodies of the Union;

18) to approve the Regulation on External Audit (Control) in Bodies of the Eurasian Economic Union;

19) to review the results of external audit (control) in Bodies of the Union;

20) to approve symbols of the Union;

21) to issue instructions to the Intergovernmental Council and the Commission;

22) to decide on the establishment of the auxiliary bodies in the relevant areas;

23) to exercise other powers provided for by this Treaty and international treaties within the Union.

Article 13
Decisions and Dispositions of the Supreme Council

1. The Supreme Council shall issue decisions and dispositions.
2. Decisions and dispositions of the Supreme Council shall be adopted by consensus.

Decisions of the Supreme Council related to the termination of membership of a Member State in the Union shall be taken on the principle of “consensus minus the vote of the Member State declaring its intent to terminate its membership in the Union”.

Article 14
Intergovernmental Council

The Intergovernmental Council shall be a Body of the Union consisting of the heads of governments of the Member States.

Article 15
Procedure of the Intergovernmental Council

1. Meetings of the Intergovernmental Council shall be held as necessary, but at least twice a year.

In order to solve urgent issues of the Union, by initiative of any Member State or the Chairman of the Intergovernmental Council, extraordinary meetings of the Intergovernmental Council may be convened.

2. Meetings of the Intergovernmental Council shall be chaired by the Chairman of the Intergovernmental Council.

The Chairman of the Intergovernmental Council shall:

chair meetings of the Intergovernmental Council;
organise the work of the Intergovernmental Council;
generally manage the preparation of issues submitted to the Intergovernmental Council for consideration.

In the event of early termination of powers of the Chairman of the Intergovernmental Council, the new member of the Intergovernmental Council of the presiding Member State shall exercise the powers of the Chairman of the Intergovernmental Council in the remaining period.

3. Meetings of the Intergovernmental Council may, at the invitation of the Chairman of the Intergovernmental Council, be attended by members of the Council of the Commission, Chairman of the Board of the Commission, and other invited persons.

The list of participants and the format of meetings of the Intergovernmental Council shall be determined by the Chairman of the Intergovernmental Council in consultation with its members.

The agenda for each meeting of the Intergovernmental Council shall be arranged by the Commission based on proposals made by the Member States.

The issue as to the presence of accredited media representatives at meetings of the Intergovernmental Council shall be decided on by the Chairman of the Intergovernmental Council.

4. The procedure for the organisation of meetings of the Intergovernmental Council shall be approved by the Intergovernmental Council.

5. Organisational, information and logistical support in preparation of and holding meetings of the Intergovernmental Council shall be provided by the Commission with the assistance of the host Member State. Financial

support of meetings of the Intergovernmental Council shall be provided from the budget of the Union.

Article 16 Powers of the Intergovernmental Council

The Intergovernmental Council shall have the following basic powers:

- 1) to ensure implementation and control the performance of this Treaty, international treaties within the Union and decisions of the Supreme Council;
- 2) to consider, on the proposal of the Council of the Commission, any issues for which no consensus was reached during decision-making in the Council of the Commission;
- 3) to issue instructions to the Commission;
- 4) to present candidates for members of the Council and the Board of the Commission to the Supreme Council;
- 5) to approve the drafts of the Budget of the Union, the Regulation on the Budget of the Eurasian Economic Union and the report on implementation of the Budget of the Union;
- 6) to approve the Regulation on the audit of financial and economic activity of the Eurasian Economic Union's Bodies, standards and methodology for conducting audits of financial and economic activities of the Bodies of the Union, to decide on the execution of audits of financial and economic activities of the Bodies of the Union and to determine their time periods;
- 7) to consider, when proposed by a Member State, any issues relating to the cancellation or amendment of a decision issued by the Commission, or, in case no agreement is reached, to refer them to the Supreme Council;

8) to decide on suspension of decisions of the Council or the Board of the Commission;

9) to approve the procedure for verifying authenticity and completeness of information on the income, property and property obligations of members of the Board of the Commission, officials and employees of the Commission and their family members;

10) to exercise other powers provided for by this Treaty and international treaties within the Union.

Article 17

Decisions and Dispositions of the Intergovernmental Council

1. The Intergovernmental Council shall issue decisions and dispositions.

2. Decisions and dispositions of the Intergovernmental Council shall be adopted by consensus.

Article 18

Commission

1. The Commission shall be a permanent governing Body of the Union. The Commission shall consist of a Council and a Board.

2. The Commission shall issue decisions, dispositions and recommendations.

Decisions, dispositions and recommendations of the Council of the Commission shall be taken by consensus.

Decisions, dispositions and recommendations of the Board of the Commission shall be taken by a qualified majority or consensus.

The Supreme Council shall compile a list of sensitive issues to be resolved by the Board of the Commission by consensus.

In this case, a two-thirds qualified majority of votes of all members of the Board of the Commission shall be required.

3. The status, tasks, composition, functions, powers and procedures of the Commission shall be determined in accordance with Annex 1 to this Treaty.

4. The place of stay of the Commission shall be the city of Moscow, Russian Federation.

Article 19 The Court of the Union

1. The Court of the Union shall be a permanent judicial Body of the Union.

2. The status, composition, jurisdiction, functioning and formation procedures of the Court of the Union shall be determined by the Statute of the Court of the Eurasian Economic Union in accordance with Annex 2 to this Treaty.

3. The place of stay of the Court of the Union shall be the city of Minsk, Belarus.

Section IV THE BUDGET OF THE UNION

Article 20 The Budget of the Union

1. Activities of the Bodies of the Union shall be funded from the Budget of the Union to be formed in the procedure determined by the Regulation on the Budget of the Eurasian Economic Union.

The Budget of the Union for the next fiscal year shall be compiled in Russian roubles using assessed contributions by the Member States. The amount (scale) of a contribution of each Member State to the budget of the Union shall be determined by the Supreme Council.

The Budget of the Union shall be balanced in terms of income and expenditures. The fiscal year shall begin on January, 1 and end on December, 31 .

2. The Budget of the Union and the Regulation on the Budget of the Eurasian Economic Union shall be approved by the Supreme Council.

Any amendments to the Budget of the Union and the Regulation on the Budget of the Eurasian Economic Union shall be introduced by the Supreme Council.

Article 21 Audit of Financial and Economic Activities of the Bodies of the Union

In order to oversee the implementation of the Budget of the Union, financial and economic activities of the Bodies of the Union shall be audited at least once every 2 years.

Inspections regarding any specific issues of financial and economic activities of the Bodies of the Union may be conducted on the initiative of any Member State.

Audit of financial and economic activities of the Bodies of the Union shall be performed by an audit group consisting of representatives of state financial authorities of the Member States.

Results of the audit of financial and economic activities of the Bodies of the Union shall be referred in the determined procedure for consideration to the Intergovernmental Council.

Article 22 External Audit (Control)

External audit (control) shall be carried out in order to determine the efficiency of the formation, management and disposal of the funds of the budget of the Union and the efficiency of the use of its property and other assets. External audit (control) shall be conducted by a group of inspectors consisting of representatives of supreme state financial authorities of the Member States. Standards and methodology of external audit (control) shall be jointly determined by supreme state financial authorities of the Member States.

Results of external audit (control) in the Bodies of the Union shall be referred in the determined procedure for consideration to the Supreme Council.

PART TWO CUSTOMS UNION

Section V INFORMATION EXCHANGE AND STATISTICS

Article 23 Information Exchange within the Union

1. In order to ensure information support for the integration processes in all spheres affecting the functioning of the Union, measures shall be developed and implemented aimed at ensuring the information exchange using information and communication technologies and the transboundary space of trust within the Union.

2. In the implementation of common processes within the Union, information exchange shall be carried out using an integrated information system of the Union supporting the integration of geographically distributed state information resources and information systems of the authorised authorities, as well as information resources and information systems of the Commission.

3. In order to ensure efficient cooperation and coordination of public information resources and information systems, the Member States shall conduct agreed policy in the field of electronic communication development and information technologies.

4. When using soft hardware and information technologies, the Member States shall ensure the protection of intellectual property used or received in the communication process.

5. The fundamental principles of information exchange and its coordination within the Union, as well as the procedures for the creation and

development of an integrated information system shall be determined in accordance with Annex 3 to this Treaty.

Article 24 Official Statistics of the Union

1. In order to ensure efficient functioning and development of the Union, official statistics of the Union shall be collected.

2. The official statistics of the Union shall be compiled in accordance with the following principles:

- 1) professional independence;
- 2) scientific validity and comparability;
- 3) completeness and accuracy;
- 4) relevance and timeliness;
- 5) transparency and accessibility;
- 6) cost-effectiveness;
- 7) statistical confidentiality.

3. The procedure for compilation and dissemination of official statistics of the Union shall be determined in accordance with Annex 4 to this Treaty.

Section VI
FUNCTIONING OF THE CUSTOMS UNION

Article 25
Principles of Functioning of the Customs Union

1. Within the Customs Union of the Member States:

1) an internal market for goods shall be in place;

2) the Common Customs Tariff of the Eurasian Economic Union and other common measures regulating foreign trade with third parties shall be applied;

3) a common trade regime shall be applied to relations with third parties;

4) Common customs regulations shall be applied;

5) free movement of goods between the territories of the Member States shall be ensured without the use of customs declarations and state control (transport, sanitary, veterinary-sanitary, phytosanitary quarantine), except as provided for by this Treaty.

2. For the purposes of this Treaty, the terms below shall have the following meanings:

“import customs duty” means a compulsory payment levied by the customs authorities of the Member States in connection with the importation of goods into the customs territory of the Union;

“Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union” (CN of FEA EAEU) means the Foreign Economic Activity Commodity Nomenclature based on the Harmonised System of Commodity Description and Coding of the World Customs

Organization and the Common Foreign Economic Activity Commodity Nomenclature of the Commonwealth of Independent States;

“Common Customs Tariff of the Eurasian Economic Union” (CCT EAEU) means a set of rates of customs duties applied to the goods imported from third countries into the customs territory of the Union, as classified in accordance with the Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union;

“tariff preference” means the exemption from import customs duties or reductions of rates of import customs duties on goods originating from the countries included in the free trade space with the Union, or reduction of rates of import customs duties on goods originating from developing countries using the common system of tariff preferences of the Union and/or the least developed countries using the common system of tariff preferences of the Union.

Article 26

Transfer and Distribution of Import Customs Duties (Other Duties, Taxes and Fees Having Equivalent Effect)

Paid (recovered) import customs duties shall be transferred to and distributed between the budgets of the Member States.

The transfer and distribution of import customs duties and their transfer to the budgets of the Member States shall be carried out in the procedure according to Annex 5 to this Treaty.

Article 27
Establishing and Functioning of Free (Special)
Economic Areas and Free Warehouses

In order to promote social and economic development of the Member States, promote investments, create and develop production facilities based on new technologies, develop transport infrastructure, tourism and health resort spheres, as well as for other purposes on the territories of the Member States, free (special) economic areas and free warehouses shall be established and shall function.

The conditions for the creation and functioning of free (special) economic areas and free warehouses shall be determined under international treaties within the Union.

Article 28
Internal Market

1. The Union shall adopt measures to ensure the functioning of the internal market in accordance with the provisions of this Treaty.

2. The internal market shall include the economic space with free movement of goods, persons, services and capital ensured under the provisions of this Treaty.

3. Within the functioning of the internal market, the Member States shall not apply import and export customs duties (other duties, taxes and fees having equivalent effect), non-tariff regulatory measures, safeguard, anti-dumping and countervailing measures in mutual trade, except as provided for by this Treaty.

Article 29
Exceptions to the Procedure of Functioning
of the Internal Goods Market

1. The Member States shall be entitled to apply restrictions in mutual trade (provided that such measures are not a means of unjustifiable discrimination or a disguised restriction on trade) if required for:

- 1) protection of human life and health;
- 2) protection of public morals and public order;
- 3) environmental protection;
- 4) protection of animals, plants, or cultural values;
- 5) fulfilment of international obligations;
- 6) national defence and security of a Member State.

2. On the grounds specified in paragraph 1 of this Article, sanitary, veterinary-sanitary and phytosanitary quarantine measures may be applied in the internal market in the procedure determined by Section XI of this Treaty.

3. On the grounds specified in paragraph 1 of this Article, the turnover of certain categories of goods may be restricted.

The procedure of movement or circulation of such goods on the customs territory of the Union shall be determined under this Treaty and international treaties within the Union.

Section VII
REGULATION ON CIRCULATION OF MEDICINES AND MEDICAL
PRODUCTS

Article 30
Establishing a Common Market of Medicines

1. The Member States shall establish a common market of medicines within the Union in compliance with the relevant standards of good pharmacy practice based on the following principles:

- 1) harmonisation and unification of the legislation of the Member States in the sphere of circulation of medicines;
- 2) ensuring the uniformity of mandatory requirements for the quality, effectiveness and safety of circulation of medicines on the territory of the Union;
- 3) adoption of common rules in the sphere of circulation of medicines;
- 4) development and application of identical or comparable research and monitoring methods to assess the quality, effectiveness and safety of medicines;
- 5) harmonisation of the legislation of the Member States in the field of control (supervision) over circulation of medicines;
- 6) exercising licensing and supervisory functions in the sphere of circulation of medicines by the relevant authorised authorities of the Member States.

2. The common market of medicines shall function within the Union in accordance with an international treaty within the Union subject to the provisions of Article 100 of this Treaty.

Article 31
Establishing a Common Market of Medical Products
(medical devices and equipment)

1. The Member States shall establish a common market of medical products (medical devices and equipment) within the Union based on the following principles:

1) harmonisation of the legislation of the Member States in the sphere of circulation of medical products (medical devices and equipment);

2) ensuring the uniformity of mandatory requirements for the efficiency and safety of circulation of medical products (medical devices and equipment) on the territory of the Union;

3) adoption of common rules in the sphere of circulation of medical products (medical devices and equipment);

4) establishment of common approaches for the creation of a quality assurance system for medical products (medical devices and equipment);

5) harmonisation of the legislation of the Member States in the field of control (supervision) in the sphere of circulation of medical products (medical devices and equipment).

2. The common market of medical products (medical devices and equipment) shall function within the Union in accordance with an international treaty within the Union subject to the provisions of Article 100 of this Treaty.

Section VIII CUSTOMS REGULATIONS

Article 32 Customs Regulations in the Union

The Union shall apply Common customs regulations in accordance with the Customs Code of the Eurasian Economic Union, international treaties and acts constituting the law of the Union and governing customs legal relations, and in accordance with the provisions of this Treaty.

Section IX FOREIGN TRADE POLICY

1. General Provisions on Foreign Policy

Article 33 Objectives and Principles of Foreign Trade Policy of the Union

1. Foreign trade policy of the Union shall promote sustainable economic development of the Member States, economic diversification, innovative development, increase in the volume and improvement in the structure of trade and investment, acceleration of the integration process, as well as further development of the Union as of an efficient and competitive organisation in the global economy.

2. The basic principles of foreign trade policy of the Union shall be as follows:

application of measures and mechanisms for the implementation of foreign trade policy of the Union that shall be burdensome for the participants of foreign trade activities of the Member States only to the extent required to ensure effective achievement of objectives of the Union;

publicity in the development, adoption and use of measures and mechanisms for the implementation of foreign trade policy of the Union;

validity and objectivity of measures and mechanisms for the implementation of foreign trade policy of the Union;

protection of the rights and legitimate interests of participants of foreign trade activities of the Member States, as well as the rights and legitimate interests of manufacturers and consumers of goods and services;

respect for the rights of foreign trade participants.

3. Foreign trade policy shall be implemented through the conclusion by the Union, independently or jointly with the Member States, of international treaties with a third party in spheres where Bodies of the Union are entitled to make binding decisions regarding the Member States, participation in international organisations or autonomous application of foreign trade policy measures and mechanisms.

The Union shall be liable for fulfilling its obligations under concluded international treaties and shall exercise its rights under these treaties.

Article 34

Most Favoured Nation Treatment

With regard to foreign trade, most favoured nation treatment shall be applied within the meaning of the General Agreement on Tariffs and Trade of 1994 (GATT 1994) in cases and under the conditions where the use of most favoured nation treatment is provided for by international treaties of the Union with a third party, as well as by international treaties of the Member States with a third party.

Article 35 Free Trade Regime

The free trade regime within the meaning of GATT 1994 shall be applied to trade with a third party on the basis of an international treaty of the Union with such third party subject to the provisions of Article 102 of this Treaty.

The international treaty of the Union with a third party establishing a free trade regime may include other provisions related to foreign trade.

Article 36 Tariff Preferences in Respect of Goods Originating from Developing Countries and/or Least Developed Countries

1. In order to promote economic development of developing and least developed countries, in accordance with this Treaty, the Union may grant tariff preferences in respect of goods originating from developing countries using the common system of tariff preferences of the Union and/or least developed countries using the common system of tariff preferences of the Union.

2. In respect of preferential goods imported into the customs territory of the Union and originating from developing countries using the common system of tariff preferences of the Union, the rates of import customs duties shall amount to 75% of rates of the import customs duties of the Common Customs Tariff of the Eurasian Economic Union.

3. In respect of preferential goods imported into the customs territory of the Union and originating from least developed countries using the common system of tariff preferences of the Union, zero rates of import customs duties

of the Common Customs Tariff of the Eurasian Economic Union shall be applied.

Article 37 Rules of Origin

1. On the customs territory of the Union, common rules shall be applied for determining the country of origin of goods imported into the customs territory of the Union.

2. For the purposes of application of customs tariff regulation (except for the purposes of tariff preferences), non-tariff regulation and protection of the internal market, determining requirements for the labelling of the origin of goods, state (municipal) procurement, and collection of foreign trade statistics, the rules for determining the country of origin of goods imported into the customs territory of the Union (non-preferential rules of origin) shall be applied as determined by the Commission.

3. For the purposes of providing tariff preferences in respect of goods imported into the customs territory of the Union from developing or least developed countries using the common system of tariff preferences of the Union, the rules for determining the country of origin for goods imported from developing and least developed countries shall be applied as determined by the Commission.

4. For the purposes of providing tariff preferences in respect of goods imported into the customs territory of the Union from the states in respect of trade and economic relations with which the Union applies the free trade regime, the rules for determining the country of origin shall be used as set out

in the relevant international treaty of the Union with a third party envisaging the application of the free trade regime.

5. If an international treaty of the Union with a third party envisaging the application of the free trade regime does not set the rules for determining the country of origin or the rules have not yet been adopted at the effective date of the treaty, the rules for determining the country of origin stipulated in paragraph 2 of this Article shall be applied with regard to goods imported into the customs territory of the Union and originating from that country until the appropriate rules are adopted.

6. In case of repeated violations by a third party of the rules for determining (confirming) the origin of goods, the Commission may decide to monitor by the customs services of the Member States the correct identification (confirmation) of the origin of goods imported from this particular country. In case system violations of the rules for determining (confirming) the origin of goods by a third party are detected, the Commission may decide to suspend acceptance of documents confirming the origin of goods by customs services of the Member States. The provisions of this paragraph shall not limit the powers of the Member States to control the origin of imported goods and to take measures based on its results.

Article 38 Foreign Trade in Services

The Member States shall coordinate trade in services with third parties.

This coordination, however, shall not imply any supranational jurisdiction of the Union in this sphere.

Article 39
Elimination of Restrictive Measures in Trade with Third Parties

The Commission shall render assistance in accessing the markets of third parties, monitor restrictive measures applied by third party in respect of the Member States and, in case of any action by a third party in relation to the Union or trade disputes between the Union and a third party, conduct consultations with the respective third party jointly with the Member States.

Article 40
Response Measures towards a Third Party

1. If an international treaty of the Union with a third party and/or of the Member States with third parties provides the possibility of any response measures, the decision to impose such measures on the customs territory of the Union shall be adopted by the Commission, including by raising of rates of import customs duties, introduction of quantitative restrictions, temporary suspension of preferences or adoption, within the jurisdiction of the Commission, of other measures affecting the results of foreign trade with the respective state.

2. In cases provided for by international treaties of the Member States with third parties concluded before January 1, 2015 the Member States may unilaterally apply such response measures as increased import customs duties in excess of the Common Customs Tariff of the Eurasian Economic Union, as well as unilaterally suspend tariff preferences provided that administration mechanisms of such response measures do not violate any provisions of this Treaty.

Article 41 Export Development Measures

In accordance with international treaties, regulations and rules of the World Trade Organisation, the Union may apply joint measures to promote exports of goods originating from the Member States to the markets of third parties.

These joint measures shall include, in particular, insurance and export credits, international leasing, promotion of the concept of “good of the Eurasian Economic Union”, introduction of a common system of labelling for the Union, exhibition, fair and exposition activities, advertising and branding activities abroad.

2. Customs Tariff Regulation and Non-Tariff Regulation

Article 42 Common Customs Tariff of the Eurasian Economic Union

1. The Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union and the Common Customs Tariff of the Eurasian Economic Union shall be applied on the customs territory of the Union, approved by the Commission and representing the trade policy instruments of the Union.

2. The main objectives of the application of the Common Customs Tariff of the Eurasian Economic Union shall be as follows:

- 1) enabling efficient integration of the Union into the global economy;
- 2) streamlining the commodity structure for goods imported into the customs territory of the Union;

3) maintaining a rational correlation between export and import of goods on the customs territory of the Union;

4) enabling progressive changes in the structure of production and consumption of goods within the Union;

5) support for various economy sectors of the Union.

3. The Common Customs Tariff of the Eurasian Economic Union shall use the following types of import customs duty rates:

1) ad valorem rates expressed as a percentage of the customs value of goods;

2) specific rates determined depending on the physical characteristics in kind of taxable goods (quantity, weight, volume or other characteristics);

3) combined rates having the features of both types specified in subparagraphs 1 and 2 of this paragraph.

4. The rates of import customs duties of the Common Customs Tariff of the Eurasian Economic Union shall be common and shall not be subject to change depending on persons transporting goods across the customs border of the Union, types of transactions and other circumstances, except as provided for in Articles 35, 36 and 43 of this Treaty.

5. In order to ensure the efficient control over the import of goods into the customs territory of the Union, if necessary, seasonal customs duties may be determined with their validity period not exceeding 6 months per each year and such duties shall be applied instead of import customs duties provided under the Common Customs Tariff of the Eurasian Economic Union.

6. Any state which has acceded to the Union shall have the right to apply rates of the import customs duties different from the Common Customs

Tariff rates of the Eurasian Economic Union in accordance with the list of goods and rates approved by the Commission pursuant to an international agreement of accession of such state to the Union.

Any state which has acceded to the Union shall ensure that the goods, to which the reduced import customs duty rates (as compared to the Common Customs Tariff of the Eurasian Economic Union) are applied, shall be used only within its territory and shall take measures to prevent exportation of such goods to other Member States without additional payment of import customs duties in the amount of the difference between the import customs duties calculated at the rates of the Common Customs Tariff of the Eurasian Economic Union and the amounts of import customs duties paid at the importation of goods.

Article 43 Tariff exemptions

1. In respect of goods imported into the customs territory of the Union, tariff exemptions may be applied in the form of exemption from import customs duties or reduced rates of import customs duties.

2. Tariff exemptions may not be of an individual nature and shall be applied regardless of the country of origin of goods.

3. Tariff exemptions shall be provided in accordance with Annex 6 to this Treaty.

Article 44 Tariff Quotas

1. Setting tariff quotas in respect of certain types of agricultural goods originating from third countries and imported into the customs territory of the Union shall be allowed, where like products are produced (mined, grown) on the customs territory of the Union.

2. Relevant import customs duties of the Common Customs Tariff of the Eurasian Economic Union shall be applied to the goods referred to in paragraph 1 of this Article and imported into the customs territory of the Union within a determined tariff quota volume.

3. Setting tariff quotas for certain types of agricultural goods originating from third countries and imported into the customs territory of the Union and distribution of tariff quota volumes shall be carried out in the procedure provided for by Annex 6 to this Treaty.

Article 45 Powers of the Commission on Customs Tariff Regulation

1. The Commission shall:

maintain the Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union and the Common Customs Tariff of the Eurasian Economic Union;

determine the rates of import customs duties, including seasonal rates;

determine the cases and conditions for granting tariff exemptions;

set out the application procedure for tariff exemptions;

specify the conditions and application procedure for the common system of tariff preferences of the Union and approve:

a list of developing countries using the common system of tariff preferences of the Union;

a list of least developed countries using the common system of tariff preferences of the Union;

a list of goods originating from developing or least developed countries in respect of which tariff preferences are provided during importation into the customs territory of the Union;

set tariff quotas, distribute tariff quota volume between the Member States, specify the method and procedure for the distribution of tariff quota volume among the participants of foreign trade activities and, if necessary, allocate tariff quotas to third countries or adopt an act enabling the Member States to determine the method and procedure for distributing tariff quota volume among the participants of foreign trade activities and, if necessary, to distribute tariff quota volume between third countries.

2. The list of sensitive goods in respect of which the import customs duties may only be changed by decision of the Council of the Commission shall be approved by the Supreme Council.

Article 46 Non-Tariff Regulatory Measures

1. In trade with third countries of the Union, the following common non-tariff regulatory measures shall be applied:

- 1) prohibition of import and/or export of goods;
- 2) quantitative restrictions on import and/or export of goods;
- 3) exclusive right to export and/or import of goods;
- 4) automatic licensing (surveillance) of export and/or import of goods;

5) authorisation-based procedure for import and/or export of goods.

2. Non-tariff regulatory measures shall be introduced and applied on the basis of the principles of transparency and non-discrimination in the procedure according to Annex 7 to this Treaty.

Article 47 Unilateral Introduction of Non-Tariff Regulatory Measures

The Member States, when in trade with third countries, may unilaterally determine and implement non-tariff regulatory measures in the procedure provided for by Annex 7 to this Treaty.

3. Trade remedies

Article 48 General Provisions on Imposition of Trade Remedies

1. In order to defend economic interests of producers in the Union, trade remedies may be imposed on products originating in third countries and imported into the customs territory of the Union in the form of safeguard, anti-dumping and countervailing measures, and in the form of other measures in cases provided for in Article 50 of this Treaty.

2. A decision on application, modification, revocation or non-application of a safeguard, anti-dumping or countervailing measure is to be adopted by the Commission.

3. Safeguards, anti-dumping or countervailing measures shall be applied in accordance with the conditions and procedures set out in Annex 8 to this Treaty.

4. A safeguard, an anti-dumping or countervailing measure shall be applied pursuant to an investigation conducted by the competent authority designated by the Commission as an authority responsible for the investigation (hereinafter - investigating authority) in accordance with the provisions of Annex 8 to this Treaty.

5. Safeguard, anti-dumping and countervailing duties shall be transferred and distributed in accordance with Annex 8 to this Treaty.

Article 49

Principles of Application of Safeguard, Anti-dumping and Countervailing Measures

6. A safeguard measure may be applied to a product if, pursuant to an investigation, the investigating authority determines that such product is being imported into the customs territory of the Union in such increased quantities (absolute or relative to domestic production of the like or directly competitive product in the Member States), and under such conditions as to cause or threaten to cause serious injury to the domestic industry of the Member States.

7. An anti-dumping measure may be applied to the product that is considered to be dumped if, pursuant to an investigation, the investigating authority determines that imports of such product into the customs territory of the Union cause or threaten to cause material injury to a domestic industry of the Member States or materially retard the establishment of a domestic industry of the Member States.

8. A countervailing measure may be applied to an imported product that was granted a specific subsidy from an exporting third country on the

manufacture, production, export or transportation of the product if, pursuant to an investigation, the investigating authority determines that imports of such product into the customs territory of the Union cause or threaten to cause material injury to a domestic industry of the Member States or materially retard the establishment of a domestic industry of the Member States.

9. For the purposes of application of trade remedies the domestic industry of the Member States is understood to mean domestic producers as a whole of the like products (for the purposes of anti-dumping and countervailing duty investigations) or the like or directly competitive products (for the purposes of safeguard investigations) or those of them whose collective output of the products constitutes a major proportion of the total domestic production in the Member States of the like products or like or directly competitive products, respectively, but not less than 25 percent.

Article 50 Other Trade Defence Instruments

10. To offset negative impact of imports from a Third Party on producers of the Member States an international treaty establishing a free trade regime between the Union and such Third Party may provide for the right to impose bilateral trade defence instruments other than safeguard, anti-dumping and countervailing measures, including measures with respect to agricultural products.

11. The decision on imposition of such measures is to be adopted by the Commission.

Section X

TECHNICAL REGULATION

Article 51

General Principles of Technical Regulation

1. Technical regulation within the Union shall be carried out in accordance with the following principles:

1) determination of mandatory requirements to products or to products and product-related requirements to design (including research), manufacture, construction, installation, commissioning, operation, storage, transportation, sale and disposal;

2) determination of common mandatory requirements in technical regulations of the Union or national mandatory requirements in the legislation of the Member States to the products included in the common list of products subject to mandatory requirements within the Union (hereinafter “the common list”);

3) application and enforcement of technical regulations of the Union in the Member States without exceptions;

4) compliance of technical regulations within the Union with the level of economic development of the Member States and the level of scientific and technological development;

5) independence of accreditation authorities, conformity authorisation authorities and supervision (control) authorities of the Member States from manufacturers, sellers and purchasers, including consumers;

6) uniformity of researches (test) rules and methods and all measurements during mandatory conformity assessment procedures;

7) uniformity in the application of the requirements of the Union's technical regulations, regardless of types and/or specific features of transactions;

8) inadmissibility of any restrictions of competition in conformity assessments;

9) state control (supervision) over the observance of technical regulations of the Union based on the harmonisation of the legislation of the Member States;

10) voluntary application of standards;

11) development and application of interstate standards;

12) harmonisation of interstate standards with international and regional standards;

13) uniformity of rules and procedures for mandatory conformity assessments;

14) ensuring harmonisation of the legislation of the Member States with regard to determining liability for violations of mandatory requirements to products, as well as rules and procedures of mandatory conformity assessments;

15) implementation of agreed policy for ensuring uniformity of measurements within the Union;

16) preventing the establishment of redundant barriers to business activities;

17) establishing transitional provisions for a phase transition to new requirements and documents.

2. The provisions of this Section shall not be extended to establish and apply sanitary, veterinary-sanitary and phytosanitary quarantine measures.

3. The rules and procedures of technical regulation within the Union shall be established in accordance with Annex 9 to this Treaty.

4. Agreed policy for ensuring uniformity of measurements within the Union shall be carried out in accordance with Annex 10 to this Treaty.

Article 52 Technical Regulations and Standards of the Union

1. Technical regulations of the Union shall be adopted in order to protect life and/or health of people, property, environment, life and/or health of animals and plants, prevent consumer misleading actions and ensure energy efficiency and resource conservation in the Union.

It shall not be allowed to adopt technical regulations of the Union for any other purposes.

The procedure for the development and adoption of technical regulations of the Union, as well as the procedure for introducing amendments thereto and cancellation thereof shall be determined by the Commission.

Technical regulations of the Union or national mandatory requirements shall only apply to products included in the common list approved by the Commission.

The procedure for establishing and maintaining the common list shall be approved by the Commission.

In their legislation the Member States shall not allow the determination of any mandatory requirements to products not included in the common list.

2. Technical regulations of the Union shall have direct effect on the territory of the Union.

Introduction procedures for the adopted technical regulations of the Union and transitional provisions shall be determined by technical regulations of the Union and/or acts of the Commission.

3. In order to meet the requirements of the technical regulations of the Union and assess the conformity with its technical regulations, international, regional (interstate) standards may be applied on a voluntary basis and, in their absence (prior to the adoption of regional (interstate) standards), national (state) standards of the Member States may apply.

Article 53

Circulation of Products and Validity of Technical Regulations of the Union

1. All products released into circulation on the territory of the Union shall be safe.

The rules and procedures for ensuring the safety and circulation of products the requirements for which are not determined by the technical regulations of the Union shall be determined under an international treaty within the Union.

2. Products subject to valid technical regulations of the Union shall be released for circulation on the territory of the Union provided that they have completed the required conformity assessment procedures as determined by the technical regulations of the Union.

The Member States shall ensure the circulation of products conforming to the requirements of the technical regulations of the Union on its territory without introduction of any additional requirements to such products in excess of those set out in the technical regulations of the Union and without any additional conformity assessment procedures.

The provisions of the second indent of this paragraph shall not apply to sanitary, veterinary-sanitary and phytosanitary quarantine measures.

3. Starting from the date of entry into force of the technical regulations of the Union on the territories of the Member States, respective mandatory requirements to products or products and product-related requirements to design (including research), manufacturing, construction, installation, commissioning, operation, storage, transportation, sale and disposal, as determined by the legislation of the Member States or acts of the Commission, shall be effective only to the extent specified in the transitional provisions and shall become invalid upon expiration of the transitional provisions of the technical regulations of the Union and/or acts of the Commission, shall not apply to the release of products for circulation, conformity assessment to technical regulations, state control (supervision) over the observance of the technical regulations of the Union.

The provisions in the first indent of this paragraph shall not apply to sanitary, veterinary-sanitary and phytosanitary quarantine measures.

Mandatory requirements to products or products and product-related requirements to design (including research), manufacture, construction, installation, commissioning, operation, storage, transportation, sale and disposal, as determined by acts of the Commission before the effective date of the technical regulations of the Union, shall be included in the technical regulations of the Union.

4. State control (supervision) over the observance of the technical regulations of the Union shall be carried out in accordance with the procedure determined by the legislation of the Member States.

Principles and approaches to the harmonisation of the legislation of the Member States in the sphere of state control (supervision) over the observance of the technical regulations of the Union shall be determined under an international treaty within the Union.

5. Liability for failure to comply with the technical regulations of the Union, as well as for any violation of conformity assessment procedures with regard to the technical regulations of the Union, shall be determined in accordance with the legislation of the Member States.

Article 54 Accreditation

1. Accreditation within the Union shall be carried out in accordance with the following principles:

1) harmonisation of rules and approaches in the field of accreditation with international standards;

2) ensuring voluntary accreditation, transparency and accessibility of information on accreditation procedures, rules and results;

3) ensuring objectivity, impartiality and jurisdiction of accreditation authorities of the Member States;

4) ensuring equal accreditation conditions for all applicants and confidentiality of information obtained during the accreditation;

5) inadmissibility for a single authority of a Member State to combine the accreditation powers with the powers of state control (supervision), with the exception of monitoring the activities of accredited conformity assessment authorities of the Member States (including certification authorities, testing laboratories (centres));

6) inadmissibility for a single authority of a Member State to combine the accreditation and conformity assessment powers.

2. Accreditation of conformity assessment authorities shall be carried out by accreditation authorities of the Member States duly authorised under the legislation of the Member States to conduct these activities.

3. An accreditation authority of a Member State shall not compete with accreditation authorities of other Member States.

In order to prevent competition between accreditation authorities of the Member States, a conformity assessment authority of a Member State shall apply for accreditation to the accreditation authority of the Member State on the territory of which it is registered as a juridical person.

When a conformity assessment authority registered as a juridical person on the territory of another Member State applies to the accreditation authority of a Member State for the purpose of accreditation, this accreditation authority shall inform the accreditation authority of the Member State on the territory of which the conformity assessment authority is registered. In this case it shall be allowed for the accreditation to be conducted by accreditation authorities of other Member States, if the accreditation authority of the Member State on the territory of which this conformity assessment authority is registered does not carry out accreditation in the required field. In this connection, the accreditation authority of the Member State on the territory of which this conformity assessment authority is registered shall be entitled to participate as an observer.

4. Accreditation authorities of the Member States shall perform mutual comparative assessments in order to achieve equivalence of all procedures applied.

Results of accreditation of the conformity assessment authorities of the Member States shall be recognised in accordance with Annex 11 to this Treaty.

Article 55

Elimination of Technical Barriers in Mutual Trade with Third Countries

Procedure and conditions for the elimination of technical barriers in mutual trade with third countries shall be determined under an international treaty within the Union.

Section XI

SANITARY, VETERINARY-SANITARY AND PHYTOSANITARY QUARANTINE MEASURES

Article 56

General Application Principles for Sanitary, Veterinary-Sanitary and Phytosanitary Quarantine Measures

1. Sanitary, veterinary-sanitary and phytosanitary quarantine measures shall be applied based on scientifically justified principles and only to the extent required to protect life and health of humans, animals and plants.

Sanitary, veterinary-sanitary and phytosanitary quarantine measures applied within the Union shall be based on international and regional standards, guidelines, and/or the recommendations, except when, based on appropriate scientific studies, any sanitary, veterinary-sanitary and phytosanitary quarantine measures, which ensure a higher level of sanitary, veterinary-sanitary or phytosanitary quarantine protection than measures based on relevant international and regional standards, guidelines and/or recommendations, are introduced.

2. In order to ensure the sanitary and epidemiological welfare of the population, as well as veterinary-sanitary and phytosanitary quarantine safety within the Union, agreed policy shall be conducted in the sphere of application of sanitary, veterinary-sanitary and phytosanitary quarantine measures.

3. Agreed policy shall be implemented through the Member States' joint development, adoption and implementation of international treaties and acts of the Commission in the application of sanitary, veterinary-sanitary and phytosanitary quarantine measures.

4. Each Member State shall have the right to develop and apply temporary sanitary, veterinary-sanitary and phytosanitary quarantine measures.

The communication procedure for authorised authorities of the Member States in the introduction of temporary sanitary, veterinary-sanitary and phytosanitary quarantine measures shall be approved by the Commission.

5. Agreed approaches to the identification, registration and traceability of animals and products of animal origin shall be applied in accordance with acts of the Commission.

6. The application of sanitary, veterinary-sanitary and phytosanitary quarantine measures, and interaction of authorised authorities of the Member States in the field of sanitary, veterinary-sanitary and phytosanitary quarantine measures shall be carried out according to Annex 12 to this Treaty.

Article 57

Application of Sanitary Measures

1. Sanitary measures shall be applied to persons, vehicles, and products subject to sanitary and epidemiological supervision (control) included in the common list of products (goods) subject to state sanitary and epidemiological supervision (control) in accordance with acts of the Commission.

2. Common sanitary, epidemiological and hygienic requirements and procedures shall be determined for products (goods) subject to state sanitary and epidemiological supervision (control).

Common sanitary, epidemiological and hygienic requirements to products (goods) in respect of which technical regulations of the Union are developed shall be included in the technical regulations of the Union in accordance with acts of the Commission.

3. The procedure for developing, approving, modifying and applying common sanitary, epidemiological and hygienic requirements and procedures shall be approved by the Commission.

4. In order to ensure the sanitary and epidemiological welfare of the population, state sanitary and epidemiological supervision (control) shall be conducted by authorised authorities in the field of sanitary and epidemiological welfare of the population in accordance with the legislation of the Member States and acts of the Commission.

The authorised authorities in the field of sanitary and epidemiological welfare of the population may exercise state supervision (control) over the observance of the technical regulations of the Union within the state sanitary

and epidemiological supervision (control) in accordance with the legislation of the Member States.

Article 58 Application of Veterinary-Sanitary Measures

1. Veterinary-sanitary measures shall be applied to goods (as well as goods for personal use) included in the common list of goods subject to veterinary control (supervision) approved by the Commission, and to items subject to veterinary control (supervision), imported into and moved through the customs territory of the Union.

2. Common veterinary (veterinary-sanitary) requirements approved by the Commission shall be applied to goods and items subject to veterinary control (supervision).

3. In order to prevent the entry and spread of contagious animal diseases, including those common to humans and animals, and goods not complying with the common veterinary (veterinary-sanitary) requirements, veterinary control (supervision) shall be exercised in respect of goods (as well as goods for personal use) subject to veterinary control (supervision) and to items subject to veterinary control (supervision), in accordance with acts of the Commission.

The interaction between the Member States in prevention, diagnosis, localisation and elimination of foci of extremely dangerous, quarantine and zoonotic diseases of animals shall be carried out in the procedure determined by the Commission.

4. Authorised veterinary authorities shall conduct veterinary control (supervision) of goods subject to veterinary control (supervision) moving

through the customs borders of the Union at checkpoints across the state borders of the Member States or in other places as may be determined by the legislation of the Member States and these checkpoints and other places shall be equipped with veterinary inspection (supervision) facilities in accordance with the legislation of the Member States.

5. Each batch of goods subject to veterinary control (supervision) shall be imported into the customs territory of the Union in accordance with the common veterinary (veterinary-sanitary) requirements approved by the Commission and subject to the presence of a permit issued by the authorised veterinary authority of the Member State into the territory of which the goods are imported and/or a veterinary certificate issued by the competent authority of the country of origin of the goods.

6. Goods subject to veterinary control (supervision) shall be transported from the territory of one Member State to the territory of another Member State in accordance with the common veterinary (veterinary-sanitary) requirements. These goods shall be accompanied by a veterinary certificate, unless otherwise determined by the Commission.

The Member States shall mutually recognise veterinary certificates issued by authorised veterinary authorities and having a common form as approved by the Commission.

7. The basic principle for ensuring safety of goods subject to veterinary control (supervision) during their manufacture, processing, transportation and/or storage in third countries shall imply audit of the foreign official supervision system.

Authorised veterinary authorities shall conduct audits of foreign official supervision and inspection facilities subject to veterinary control (supervision) in accordance with acts of the Commission.

8. The Member States shall be entitled to develop and implement temporary veterinary (veterinary-sanitary) requirements and measures in case any official information is received from the relevant international organisations, the Member States and third countries as to the deterioration of the epizootic situation on the territories of third countries or the Member States.

In case of receipt of such information, but in the absence of sufficient scientific evidence or upon impossibility of its timely presentation, the Member States may apply urgent veterinary-sanitary measures.

Article 59 Phytosanitary Quarantine Measures

1. Phytosanitary quarantine measures shall be applied to products included in the list of quarantineable products (quarantineable freights, quarantineable materials, quarantineable goods) subject to phytosanitary quarantine control (supervision) at the customs border of the Union and on the customs territory of the Union (hereinafter “the list of quarantineable products”), quarantine items included in the common list of quarantine items of the Union, as well as quarantineable items.

2. Phytosanitary quarantine control (supervision) on the customs territory of the Union and at the customs border of the Union shall be carried out in respect of the products included in the list of quarantineable products,

quarantine items included in the common list of quarantine items of the Union, as well as quarantineable items.

3. The list of quarantineable products, the common list of quarantine items of the Union and common phytosanitary quarantine requirements shall be approved by the Commission.

Section XII

CONSUMER PROTECTION

Article 60

Consumer Protection Safeguards

1. Consumer rights and protection thereof shall be guaranteed by the consumer protection legislation of the Member States, as well as by this Treaty.

2. Nationals of a Member State, as well as other persons residing in its territory, shall enjoy on the territories of the other Member States the same legal protection in the field of consumer protection as the nationals of the other Member States and shall have the right to apply to state and consumer public protection and other organisations, as well as to courts and/or conduct any other proceedings on the same conditions as nationals of the other Member States.

Article 61

Consumer Protection Policy

1. The Member States shall conduct agreed policy in the sphere of consumer protection aimed at creating equal conditions for the nationals of

the Member States in order to protect their interests against dishonest activities of economic entities.

2. Agreed policy in the sphere of consumer protection shall be ensured in accordance with this Treaty and the legislation of the Member States concerning consumer protection based on the principles according to Annex 13 to this Treaty.

PART THREE COMMON ECONOMIC SPACE

Section XIII MACROECONOMIC POLICY

Article 62 Main Directions of Agreed Macroeconomic Policy

1. Agreed macroeconomic policy shall be implemented within the Union providing for the development and implementation of joint actions by the Member States aimed at achieving their balanced economic development.

2. Coordination of the implementation by the Member States of the agreed macroeconomic policy shall be carried out by the Commission in accordance with Annex 14 to this Treaty.

3. The main directions of the agreed macroeconomic policy of the Member States shall include:

1) ensuring sustainable development of the economies of the Member States using the integration potential of the Union and competitive advantages of each Member State;

2) establishing common operation principles for the economies of the Member States and ensuring their effective interaction;

3) creating conditions to increase internal sustainability of the economies of the Member States, including their macroeconomic stability and resistance to external influences;

4) development of common principles and guidelines to predict social and economic development of the Member States.

4. Implementation of the main directions of the agreed macroeconomic policy shall be carried out in accordance with Annex 14 to this Treaty.

Article 63

Main Macroeconomic Indicators Determining Sustainability of Economic Development

The Member States shall form their economic policy using the following quantitative values of macroeconomic indicators determining sustainability of their economic development:

annual deficit of the consolidated budget of a state-controlled sector shall not exceed 3 percent of the gross domestic product;

debt of a state-controlled sector shall not exceed 50 percent of the gross domestic product;

inflation rate (consumer price index) per annum (December to December of the previous year, in percent) shall exceed the inflation rate in the Member State with the lowest value by not more than 5 %.

Section XIV MONETARY POLICY

Article 64 Objectives and Principles of Agreed Monetary Policy

1. In order to deepen their economic integration, develop cooperation in the monetary sphere, ensure free movement of goods, services and capital on the territories of the Member States, enhance the role of national currencies of the Member States in foreign trade and investment operations, as well as to ensure mutual convertibility of their currencies, the Member States shall develop and implement agreed monetary policy based on the following principles:

1) phased harmonisation and convergence of approaches to the formation and implementation of their monetary policy to the extent corresponding to the current macroeconomic integration and cooperation requirements;

2) establishment of the required organisational and legal conditions at the national and interstate levels for the development of integration processes in the monetary sphere, as well as for the coordination and harmonisation of monetary policy;

3) inapplicability of any actions in the monetary sphere that may adversely affect the development of integration processes and, when such actions are inevitable, ensuring minimisation of their consequences;

4) implementation of economic policy aimed at increasing confidence in the national currencies of the Member States, both in the internal currency market of each Member State and in international currency markets.

2. In order to conduct agreed monetary policy, the Member States shall implement measures in accordance with Annex 15 to this Treaty.

3. Exchange rate policy shall be coordinated by an independent authority consisting of the heads of national (central) banks of the Member States, with its activities determined under an international treaty within the Union.

4. Agreed approaches of the Member States to the regulation of currency relations and liberalisation measures shall be determined under an international treaty within the Union.

Section XV

TRADE IN SERVICES, INCORPORATION, ACTIVITIES AND INVESTMENTS

Article 65

Subject and Purpose of Regulation, Sphere of Application

1. The purpose of this Section is to ensure freedom of trade in services, incorporation, activities and investments within the Union in accordance with the terms of this Section and Annex 16 to this Treaty.

The legal basis for the regulation of trade in services, incorporation, activities and investments in the Member States shall be specified in Annex 16 to this Treaty.

2. The provisions of this Section shall be applied to all measures taken by the Member States with regard to the delivery and receipt of services, as well as incorporation, activities and investments.

The provisions of this Section shall not apply:

to state (municipal) procurement transactions governed by Section XXII of this Treaty;

to services delivered and activities carried out as part of the functions of the state government.

3. Services covered by Sections XVI, XIX, XX and XXI of this Treaty shall be governed by the provisions of these Sections respectively. The provisions of this Section shall be applied insofar as they do not conflict with the above Sections.

4. Specific features of legal relations arising in connection with trade in telecommunication services shall be determined under the Procedure for Trade in Telecommunication Services (Annex 1 to Annex 16 to this Treaty).

5. Specific features of entry, exit, stay and employment of natural persons shall be governed by Section XXVI of this Treaty insofar as they do not conflict with this Section.

6. Nothing in this Section shall be construed as:

1) requiring any Member State to provide any information the disclosure of which is considered by such state as contrary to its essential security interests;

2) preventing any Member State from taking any action it deems necessary to protect its essential security interests through the adoption of legislation, including:

with regard to the supply of services, directly or indirectly, for the purpose of supplying a military institution;

with regard to fissionable and fusionable materials or materials they are derived from;

any action taken in time of war or other emergency in international relations;

3) preventing any Member State from taking any action required to fulfil its obligations under the Charter of the United Nations in order to maintain international peace and security.

7. No provision of this Section shall prevent the Member States from taking or adopting any measures:

1) required to protect public morals or maintain public order. Exceptions with regard to the public order may only be applied in cases where there is a genuine and sufficiently serious threat to one of the fundamental interests of the society;

2) required to protect life or health of people, animals or plants;

3) required to comply with the legislation of the Member States that is not contrary to the provisions of this Section, including those related to:

the prevention of misleading and fraudulent practices or consequences of non-compliance with civil law contracts;

the protection of privacy of individuals in processing and dissemination of personal data and the protection of confidentiality of individual records and accounts;

security;

4) inconsistent with paragraphs 21 and 24 of Annex 16 to this Treaty, provided that the difference in the actually provided treatment is aimed at ensuring equitable or effective imposition of direct taxes and their collection from nationals of another Member State or third states in respect of trade in services, creation and management, and that such measures shall not conflict with the provisions of international treaties of the Member States;

5) inconsistent with paragraphs 27 and 29 of Annex 16 to this Treaty, provided that the difference in treatment is the result of an agreement on taxation, including that on the avoidance of double taxation, to which the respective Member State is a participant.

8. No measures stipulated in paragraph 7 of this Article shall lead to arbitrary or unjustifiable discrimination between the Member States or any disguised restrictions on trade in services, as well as on incorporation, activities and investments.

9. If a Member State maintains restrictions on trade in services, as well as on the incorporation, activities and investments, in respect of a third state, nothing in this Section shall be construed as obliging this Member State to extend the provisions of this Section to persons from another Member State if such persons belong to or are controlled by the said third state, and the extension of the provisions of this Section would lead to circumvention or violation of these prohibitions and restrictions.

10. A Member State may not extend its obligations assumed in accordance with this Section on a person from another Member State in respect of trade in services, incorporation, activities and investments, if it is proven that this person of another Member State does not conduct any significant business operations on the territory of that (another) Member State and belongs to or is controlled by a person from the first Member State or a third state.

Article 66

Liberalisation of Trade in Services, Incorporation, Activities and Investments

1. The Member States shall not introduce new discriminatory measures with regard to the trade in services, incorporation and activities of persons of other Member States as compared with the regime in force at the date of entry into force of this Treaty.

2. In order to ensure freedom of trade in services, incorporation, activities and investments, the Member States shall conduct gradual liberalisation of mutual conditions of trade in services, incorporation, activities and investments.

3. The Member States shall seek to establish and ensure the functioning of a common market for services as set out in paragraphs 38-43 of Annex 16 to this Treaty for the maximum number of service sectors.

Article 67

Liberalisation Principles for Trade in Services, Incorporation,
Activities and Investments

1. The liberalisation of trade in services, incorporation, activities and investments shall be conducted with due account of international principles and standards through the harmonisation of the legislation of the Member States and organizing mutual administrative cooperation between the competent authorities of the Member States.

2. In the process of liberalisation of trade in services, incorporation, activities and investments, the Member States shall be guided by the following principles:

1) optimisation of internal control: gradual simplification and/or elimination of excessive internal regulations, including licensing requirements and procedures for suppliers, service recipients, persons engaged in incorporation or activities, and investors with account of the best international regulation practices for specific service sectors and, when such practices are unavailable, by selecting and applying the most advanced models of the Member States;

2) proportionality: requirement for and sufficient levels of harmonisation of the legislation of the Member States and mutual administrative cooperation for the efficient functioning of the services market, incorporation, activities, or investments;

3) mutual benefit: liberalisation of trade in services, incorporation, activities and investments on the basis of equitable sharing of benefits and obligations with account of the sensitivity of service sectors and types of activities for each Member State;

4) coherence: adoption of any measures relating to the trade in services, incorporation, activities and investments, including harmonisation of the legislation of the Member States and administrative cooperation based on the following:

no deterioration of mutual access conditions shall be allowed for any service sector and type of activities as compared to the conditions prevailing as of the date of signing this Treaty and the terms and conditions set forth in this Treaty;

gradual reduction of restrictions, exemptions, additional requirements and conditions stipulated by individual national lists of restrictions, exemptions, additional requirements and conditions to be approved by the

Supreme Council, referred to in indent 4 of paragraph 2 and paragraphs 15-17, 23, 26, 28, 31, 33 and 35 of Annex 16 to this Treaty;

5) economic feasibility: as part of the creation of a common market of services as stipulated in paragraphs 38-43 of Annex 16 to this Treaty, liberalisation of trade in services on a priority basis with regard to service sectors most intensely affecting the cost, competitiveness and/or amounts of goods manufactured and sold in the internal market of the Union.

Article 68 Administrative Cooperation

1. The Member States shall assist each other in ensuring efficient cooperation between competent authorities on matters governed by this Section.

In order to ensure efficient cooperation, including the exchange of information, the competent authorities of the Member States shall conclude agreements.

2. Administrative cooperation shall include:

1) prompt information exchange between competent authorities of the Member States with regard to both entire service sectors and specific market participants;

2) establishment of a mechanism to prevent violations of the rights of service providers and legitimate interests of consumers, *bona fide* market participants, as well as public (state) interests.

3. Competent authorities of a Member State may request competent authorities of other Member States, as under the agreements concluded, to provide any information related to the jurisdiction of the latter and required

for the effective implementation of the requirements in this Section, including information regarding:

1) persons of such other Member States that have incorporated or are supplying services on the territory of the first Member State and, in particular, information confirming that such persons are actually incorporated in their territories and that, according to the competent authorities, these persons are engaged in entrepreneurial activities;

2) permits issued by the competent authorities and types activities for which the permits have been issued;

3) administrative measures, criminal and legal sanctions and insolvency (bankruptcy) recognition decisions adopted by the competent authorities in relation to respective persons and directly affecting the jurisdiction or professional reputation of such persons. Competent authorities of a Member State shall submit any requested information to requesting competent authorities of another Member State, including that on liability incidents for persons having completed incorporation or supplying services on the territory of the first Member State.

4. Administrative cooperation of competent authorities of the Member States (including those exercising control and supervision functions in respect of activities) shall be carried out in order to:

1) create an efficient system to protect the rights of beneficiaries of one Member State at delivery of these services by a supplier from another Member State;

2) execute tax-related and other obligations by suppliers and recipients of services;

3) eliminate unfair business practices;

4) ensure reliability of statistical data on the amounts of services for the Member States.

5. If a Member State becomes aware of any actions of service providers, persons engaged in incorporation or activities or investors that may harm the health or safety of people, animals, plants or the environment on the territory of that Member State or on the territories of other Member States, the first Member State shall inform all Member States and the Commission thereof as soon as possible.

6. The Commission shall assist in the creation and participate in the functioning of information systems of the Union on the matters governed by this Section.

7. The Member States may inform the Commission of any failure of other Member States to fulfil their obligations under this Article.

Article 69 Transparency

1. Each Member State shall ensure transparency and availability of its legislation on matters governed by this Section.

For this purposes, all regulatory legal acts of a Member State that affect or may affect the matters governed by this Section shall be published in an official source and, if possible, also on the corresponding website on the information and telecommunications network “Internet” (hereinafter “the Internet”) so that any person whose rights and/or obligations may be affected by such regulatory legal acts could become familiar with them.

2. Regulatory legal acts of the Member States referred to in paragraph 1 of this Article shall be published within time limits ensuring legal certainty

and responding to reasonable expectations of persons whose rights and/or obligations may be affected by these regulatory legal acts, but in any case before their effective dates (entry into force).

3. The Member States shall ensure preliminary publication of draft regulatory legal acts specified in paragraph 1 of this Article.

The Member States shall post on the Internet, on official websites of governmental agencies responsible for development of draft regulatory legal act or on specially created websites for draft regulations, all information regarding the procedures for filing individual comments and suggestions to such acts, as well as information on the duration of public discussion of draft regulatory legal acts in order to enable all interested persons to send their comments and suggestions.

Draft regulatory legal acts shall be generally published within 30 calendar days before the date of their adoption. Such preliminary publication shall not be required in exceptional cases requiring rapid response, as well as in cases where preliminary publication of draft regulatory legal acts may prevent their execution or otherwise be contrary to the public interest.

All comments and/or suggestions received by the competent authorities of the Member States during public discussions shall be taken into account to the extent possible when finalizing draft regulatory legal acts.

4. Publications of (draft) regulatory legal acts referred to in paragraph 1 of this Article shall include explanation of the purpose of their adoption and implementation.

5. The Member States shall establish mechanisms for responding to written or electronic requests from any persons regarding any acting and/or planned regulatory legal acts referred to in paragraph 1 of this Article.

6. The Member States shall ensure consideration of appeals from persons from other Member States on matters governed by this Section, in accordance with their legislation in the procedure determined for their own nationals.

Section XVI REGULATION OF FINANCIAL MARKETS

Article 70 Objectives and Principles of Regulation of Financial Markets

1. The Member States shall conduct agreed regulation of financial markets within the Union in accordance with the following objectives and principles:

1) deepening economic integration of the Member States in order to create a common financial market within the Union and to ensure non-discriminatory access to the financial markets of the Member States;

2) ensuring guaranteed and effective protection of the rights and legitimate interests of consumers of financial services;

3) enabling mutual recognition of licenses in the banking and insurance sectors, as well as in the service sector in the securities market for securities issued by authorised authorities of one Member State on the territory of other Member States;

4) identification of approaches to risk management in the financial markets of the Member States in accordance with international standards;

5) determination of requirements for banking and insurance activities and activities in the securities market (prudential requirements);

6) determination of the procedure for exercising supervision over the activities of financial market participants;

7) ensuring transparency of activities of financial market participants.

2. In order to enable free movement of capital in the financial market, the Member States shall apply the following basic forms of cooperation, including:

1) exchange of information, including confidential information, between authorised authorities of the Member States on the management and development of banking and insurance operations and activities in the securities market, control and supervision in accordance with an international treaty within the Union;

2) carrying out agreed activities to discuss current and potential problems in the financial markets and to develop proposals to address them;

3) carrying out by competent authorities of the Member States mutual consultations regarding the regulation of banking and insurance operations and activities in the securities market.

3. In order to achieve the objectives set out in paragraph 1 of this Article, the Member States shall, in accordance with an international treaty within the Union and with account of Annex 17 to this Treaty and Article 103 of this Treaty, harmonise their legislation on financial markets.

Section XVII TAXES AND TAXATION

Article 71 Principles of Cooperation between the Member States in Taxation

1. All goods imported from the territory of one Member State to the territory of another Member State shall be subject to indirect taxation.

2. In mutual trade, the Member States shall levy taxes and other fees and charges in such a way to ensure that taxation in the Member State where goods of other Member States are sold is no less favourable than the taxation applied by this Member State under the same circumstances in respect of like products originating from its territory.

3. The Member States shall determine the directions, forms and procedures for the harmonisation of legislation in respect of taxes affecting their mutual trade so as to prevent violation of any terms of competition and interference with the free movement of goods, works and services at the national level or at the level of the Union, including:

1) harmonisation (convergence) of excise tax rates for the most sensitive excisable goods;

2) further improvement of the system of collection of value added taxes in mutual trade (including the use of information technology).

Article 72
Principles of Indirect Taxation
in the Member States

1. Indirect taxes in mutual trade in goods shall be collected by the country of destination with the application of zero value added tax rate and/or exemption from excise duty on the export of goods and indirect taxation on import.

Collection of indirect taxes and the mechanism for controlling their payment on export and import of goods shall be carried out in the procedure according to Annex 18 to this Treaty.

2. Indirect taxes on the performance of works and provision of services shall be collected in the Member State the territory of which is recognised as the place of sale of these works and services.

Indirect taxes on the performance of works and provision of services shall be collected in the procedure provided for by Annex 18 to this Treaty.

3. Tax authorities of the Member States shall exchange all information required to ensure complete payment of indirect taxes in accordance with an international interagency treaty and this treaty shall determine as well the procedure for information exchange, the application form for import of goods and payment of indirect taxes, application filling regulations and requirements to the exchange format.

4. When importing goods into the territory of one Member State from the territory of another Member State, indirect taxes shall be levied by tax authorities of the Member State to the territory of which goods are imported, unless otherwise determined by the legislation of that Member State with

regard to goods subject to marking with excise stamps (accounting and control marks and labels).

5. The rates of indirect taxes in mutual trade in goods imported into the territory of a Member State shall not exceed the rates of indirect taxes imposed on like products sold on the territory of that Member State.

6. Indirect taxes shall not be levied on import into the territory of a Member State of:

1) goods that are, in accordance with the legislation of that Member State, not subject to taxation (exempt from tax) on import into its territory;

2) goods imported into the territory of a Member State by natural persons, not for the purpose of business activities;

3) goods imported into the territory of one Member State from the territory of another Member State in connection with their transfer within a single juridical person (the legislation of a Member State may require mandatory notification of tax authorities of the import (export) of such goods).

Article 73 Personal Income Taxes

If, in accordance with its legislation and provisions of international treaties, a Member State is entitled to levy the income tax from a tax resident (permanent resident) of another Member State in connection with his/her employment in the first Member State, such income tax shall be levied in the first Member State starting from the first day of employment at the tax rates stipulated for such income of natural persons - tax residents (permanent residents) of the first Member State.

The provisions of this Article shall be applied to all taxable income derived from employment by nationals of the Member States.

Section XVIII

GENERAL PRINCIPLES AND RULES OF COMPETITION

Article 74

General provisions

1. This Section determines the general principles and rules of competition ensuring detection and elimination of anti-competitive behaviour on the territories of the Member States and actions producing a negative impact on competition in transboundary markets on the territory of two or more Member States.

2. The provisions of this Section shall be applied to relations connected to the implementation of competition (antitrust) policy within the Member States and to relations with economic entities (market participants) of the Member States which produce or may produce an adverse effect on competition in transboundary markets on the territories of two or more Member States. The criteria of transboundary markets required for determining the jurisdiction of the Commission shall be determined by decision of the Supreme Council.

3. The Member States may determine in their legislation any further prohibitions, as well as additional requirements and restrictions with regard to the prohibitions set out in Articles 75 and 76 of this Treaty.

4. The Member States shall conduct agreed competition (antitrust) policy in relation to actions of economic entities (market participants) of third

countries, if such actions may negatively affect the competition in commodity markets of the Member States.

5. Nothing in this Section shall be construed so as to prevent any Member State from taking any action it deems necessary to protect the fundamental interests of national defence or national security.

6. The provisions of this Section shall be applied to the natural monopoly entities with account of the specific features provided for by this Treaty.

7. The provisions of this Section shall be implemented in accordance with Annex 19 to this Treaty.

Article 75 General Principles of Competition

1. The Member States shall apply their rules of competition (antitrust) legislation to economic entities (market participants) of the Member States in an equitable manner and to the equal extent irrespective of the legal form and place of registration of such economic entities (market participants) on equal terms.

2. The Member States shall, in particular, determine in their legislation prohibitions of:

1) agreements between state government authorities, local authorities and other agencies or organisations exercising their functions or agreements between them and economic entities (market participants), if such agreements result or can lead to any prevention, restriction or elimination of competition, except in cases provided for by this Treaty and/or other international treaties of the Member States;

2) provision of state or municipal preferences, except as provided by the legislation of the Member States, and with account of the specifications set out in this Treaty and/or other international treaties of the Member States.

3. The Member States shall take effective measures to prevent, detect and combat actions (omission) specified in sub-paragraph 1 of paragraph 2 of this Article.

4. The Member States shall, in accordance with their legislation, ensure efficient control over the economic concentration to the extent required for the protection and development of competition on the territory of each Member State.

5. Each Member State shall ensure availability of a state government authority in charge of the implementation and/or enforcement of competition (antitrust) policy, which implies, among other things, vesting such authority with the powers to monitor the compliance with the prohibition of anti-competitive practices and unfair competition and economic concentration, as well as to prevent and to detect violations of competition (antitrust) legislation, to take measures to stop these violations and prosecute such violations (hereinafter “the authorised authority of the Member State”).

6. The Member States shall determine in their legislation penalties for economic entities (market participants) and public officials with regard to all anti-competitive behaviour, based on the principles of efficiency, proportionality, security, inevitability and certainty, and shall ensure control over their enforcement. The Member States recognise that in case of penalties, the highest penalty rates shall be set for violations representing the greatest threat to competition (anti-competitive agreements, abuse of dominance by economic entities (market participants) of the Member States).

Penalties calculated on the basis of the income generated by the violator in selling goods or on the cost of purchase of goods by the violator in the market where the violation occurred shall be preferred

7. The Member States shall, in accordance with their legislation, ensure permanent informational transparency of their current competition (antitrust) policy, including by posting information on activities of their authorised authorities in the media and on the Internet.

8. Authorised authorities of the Member States shall, in accordance with their state legislation and this Treaty, interact with each other by sending notices and requests for information, holding consultations, sending notifications on investigations (examination of cases) affecting the interests of another Member State, conducting investigations (examination of cases) by request of an authorised authority of any Member State and providing information on their results.

Article 76 General Rules of Competition

1. Any actions (omission) of dominant economic entities (market participants) that result or may result in prevention, restriction or elimination of competition and/or infringement of interests of other persons shall be prohibited, including the following actions (omission):

- 1) setting and maintaining monopolistically high or low prices of goods;
- 2) withdrawal of goods from circulation resulting in an increase in the price of such goods;

3) forced imposition of any economically or technologically unjustified contract conditions to contractors that are unfavourable for the latter or not related to the subject matter of the agreement;

4) economically or technologically unjustified reduction or cessation of production of goods, if the goods are in demand or orders for their delivery have been placed and their production is feasible, as well as if such reduction or cessation of production of the goods is not explicitly provided for by this Treaty and/or other international treaties of the Member States;

5) economically or technologically unjustified refusal to enter or evasion from concluding agreements with individual buyers (customers) capable of manufacturing or supplying the relevant goods with account of the specifications set out in this Treaty and/or other international treaties of the Member States;

6) economically, technologically or otherwise unjustified setting different prices (tariffs) for the same products, thus creating discriminatory conditions, with account of the specifications set out in this Treaty and/or other international treaties of the Member States;

7) creating barriers to entry into the commodity market or exit from the commodity market for other economic entities (market participants).

2. Any unfair competition shall be prohibited, including:

1) dissemination of false, inaccurate or distorted information, which may inflict damage to an economic entity (market participant) or damage its business reputation;

2) misleading as to the nature, method and place of manufacture, consumer properties, quality and quantity of goods or their manufacturers;

3) incorrect comparison by an economic entity (market participant) of goods manufactured or sold by the entity with goods manufactured or sold by other economic entities (market participants).

3. Any agreements between economic entities (market participants) of the Member States shall be prohibited if these entities are competitors operating in the same product market and such agreements lead or may lead to:

- 1) setting or maintaining prices (tariffs), discounts, allowances (surcharges), extra charges;
- 2) increasing, decreasing or maintaining prices in tenders;
- 3) dividing the commodity market in the territorial principle, by the volume of sales or purchases of goods, by the range of products sold or composition of sellers or buyers (customers);
- 4) reduction in or cessation of the production of goods;
- 5) refusal to conclude agreements with certain sellers or buyers (customers).

4. “Vertical” agreements between economic entities (market participants) shall be prohibited, with the exception of “vertical” agreements recognised as admissible in accordance with the admissibility criteria determined by Annex 19 to this Treaty, if:

- 1) such agreements lead or may lead to setting a resale price of goods, except in the case where the seller sets to the buyer the maximum resale price of goods;
- 2) such agreements obligate the buyer not to sell goods of any economic entity (market participant) that is a competitor of the seller. This prohibition shall not apply to agreements implying organisation by the buyer

of the sale of goods under the trademark or other identifications of the seller or manufacturer.

5. Other agreements between economic entities (market participants) shall be prohibited, except for “vertical” agreements recognised as admissible in accordance with the admissibility criteria determined in Annex 19 to this Treaty, if it is determined that such agreements lead or may lead to any restriction of competition.

6. It shall not be allowed for natural persons, business and non-profit organisations to coordinate economic activities of economic entities (market participants) of the Member States, if such coordination leads or may lead to any of the consequences set out in paragraphs 3 and 4 of this Article that may not be recognised as admissible in accordance with the admissibility criteria determined in Annex 19 to this Treaty. The Member States may determine in their legislation a ban on coordination of economic activities if such coordination leads or may lead to the consequences specified in paragraph 5 of this Article that may not be recognised as admissible in accordance with the admissibility criteria determined by Annex 19 to this Treaty.

7. All violations of the general rules of competition determined in this Section by economic entities (market participants) of the Member States, as well as by natural persons and non-profit organisations of the Member States not carrying out any business activity, if such violations have or may have an adverse effect on competition in transboundary markets on the territories of two or more Member States, with the exception of financial markets, shall be stopped by the Commission in the procedure provided for by Annex 19 to this Treaty.

Article 77
State Price Regulation

Procedures for the introduction of state price regulation and contesting respective introduction decisions made by the Member States shall be specified by Annex 19 to this Treaty.

Section XIX
NATURAL MONOPOLIES

Article 78
Spheres and Natural Monopoly Entities

1. When regulating natural monopolies, the Member States shall be guided by the rules and regulations provided for by Annex 20 to this Treaty.

2. The provisions of this Section shall be applied to relations with natural monopoly entities, consumers, executive and local authorities of the Member States in the spheres of natural monopolies affecting the trade between the Member States and listed in Annex 1 to Annex 20 to this Treaty.

3. Legal relations in specific spheres of natural monopolies shall be in accordance with this Section, with account of the specifications provided for by Sections XX and XXI of this Treaty.

4. In the Member States, the spheres of natural monopolies shall also include the spheres of natural monopolies specified in Annex 2 to Annex 20 to this Treaty.

Requirements of the legislation of the Member States shall be applied to the spheres of natural monopolies specified in Annex 2 to Annex 20 to this Treaty.

5. A list of services provided by natural monopoly entities included in the spheres of natural monopolies shall be determined by the legislation of the Member States.

6. The Member States shall seek to harmonise all spheres of natural monopolies specified in Annexes 1 and 2 to Annex 20 to this Treaty through their reduction and possible identification of a transitional period in Sections XX and XXI of this Treaty.

7. Natural monopolies in the Member States may be expanded:

in accordance with the legislation of the Member States, if a Member State intends to include in the sphere of natural monopolies a sphere rated as a natural monopoly in another Member State and specified in Annex 1 or 2 to Annex 20 to this Treaty;

by decision of the Commission, if a Member State intends to include in the sphere of natural monopolies a sphere of natural monopolies not specified in Annex 1 or 2 to Annex 20 to this Treaty, following a respective request from the Member State to the Commission.

8. This Section shall not apply to any relations governed by effective bilateral international treaties between the Member States. Newly concluded bilateral international treaties between the Member States may not conflict with this Section.

9. The provisions of Section XVIII of this Treaty shall be applied to natural monopoly entities with account of the specific features stipulated in this Section.

Section XX ENERGY INDUSTRY

Article 79
Cooperation of the Member States
in the Energy Sphere

1. In order to effectively utilise the potential of the fuel and energy complex of the Member States, as well as to provide national economies with the main types of energy resources (electricity, gas, oil and petroleum products), the Member States shall develop long-term mutually beneficial cooperation in the energy sphere, conduct coordinated energy policy and gradually create common energy markets in accordance with the international treaties provided for by Articles 81, 83 and 84 of this Treaty, with due account for ensuring energy security, based on the following fundamental principles:

- 1) ensuring market pricing for energy resources;
- 2) ensuring the development of competition in the common markets of energy resources;
- 3) no technical, administrative and other barriers to trade in energy resources, equipment, technology and related services;
- 4) ensuring the development of a transport infrastructure for the common markets of energy resources;
- 5) ensuring non-discriminatory conditions for economic entities of the Member States in the common markets of energy resources;
- 6) creation of favourable conditions for attracting investments in the energy sector of the Member States;
- 7) harmonisation of national rules and regulations for the functioning of the process and business infrastructure of the common markets of energy resources.

2. All relations of economic entities of the Member States operating in the spheres of electric power, gas, oil and petroleum products and not governed by this Section shall be subject to the legislation of the Member States.

3. The provisions of Section XVIII of this Treaty in respect of economic entities of the Member States operating in the spheres of electric power, gas, oil and petroleum products shall be applied with account of the specific terms set out in this Section and in Section XIX of this Treaty.

Article 80
Indicative (Projected) Balances of Gas,
Oil and Petroleum Products

1. In order to effectively use the aggregate energy potential and optimise interstate energy supplies, authorised authorities of the Member States shall develop and agree on the following:

indicative (projected) gas balance of the Union;

indicative (projected) oil balance of the Union;

indicative (projected) balances of petroleum products of the Union.

2. The balances referred to in paragraph 1 of this Article shall be developed with the participation of the Commission and in accordance with the methodology for calculating indicative (projected) balances of gas, oil and petroleum products to be developed within the period specified in paragraph 1 of Article 104 of the Treaty and coordinated by the authorised authorities of the Member States.

Article 81

Establishment of a Common Electric Power Market of the Union

1. The Member States shall gradually establish a common electric power market of the Union based on parallel electric power systems, taking into account the transitional provisions of paragraphs 2 and 3 of Article 104 of this Treaty.

2. The Member States shall develop the concept and programme for the establishment of the common electric power market of the Union to be approved by the Supreme Council.

3. The Member States shall conclude an international treaty within the Union on the establishment of the common electric power market based on the provisions of the approved concept and programme for the establishment of the common electric power market of the Union.

Article 82

Ensuring Access to Services of Natural Monopoly Entities in the Electric Power Sphere

1. Within the existing technical capacities, the Member States shall ensure free access to the services of natural monopoly entities in the electric power sphere, provided the priority use of these services to cover the domestic needs of the Member States for electricity (power) in accordance with the common principles and rules specified in Annex 21 to this Treaty.

2. The principles and rules of access to services of natural monopoly entities in the electric power sphere, including fundamental pricing and tariff policy in accordance with Annex 21 to this Treaty, shall be applied to the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation.

In case of accession of any new members to the Union, the annex shall be amended accordingly.

Article 83
Establishment of a Common Gas Market
and Ensuring Access to Services of Natural Monopoly Entities in Gas
Transportation

1. The Member States shall gradually establish a common gas market of the Union in accordance with Annex 22 to this Treaty with account of the transitional provisions of paragraphs 4 and 5 of Article 104 of this Treaty.

2. The Member States shall develop the concept and programme for the establishment of the common gas market of the Union to be approved by the Supreme Council.

3. The Member States shall conclude an international treaty within the Union on the establishment of the common gas market based on the provisions of the approved concept and programme.

4. Within the existing technical capabilities and available capacities of gas transportation systems, taking into account the agreed indicative (projected) gas balance of the Union and on the basis of civil law contracts of economic entities, the Member States shall ensure unhindered access for economic entities of other Member States to gas transportation systems located on the territories of the Member States to enable gas transportation on the basis of common principles, conditions and rules provided for by Annex 22 to this Treaty.

Article 84

Establishment of Common Markets of Oil and Petroleum Products of the Union and Ensuring Access to Services of Natural Monopoly Entities in Transportation of Oil and Petroleum Products

1. The Member States shall gradually establish common markets of oil and petroleum products of the Union in accordance with Annex 23 to this Treaty, taking into account the transitional provisions stipulated in paragraphs 6 and 7 of Article 104 of this Treaty.

2. The Member States shall develop the concept and programme for the establishment of the common markets of oil and petroleum products of the Union to be approved by the Supreme Council.

3. The Member States shall conclude an international treaty within the Union on the establishment of the common markets of oil and petroleum products, based on the provisions of the approved concept and programme.

4. Within the existing technical capabilities, with due account of the agreed indicative (projected) balances of oil and petroleum products of the Union and on the basis of civil law contracts of economic entities, the Member States shall ensure unhindered access for economic entities of other Member States to the oil and petroleum products transportation systems located on the territories of the Member States on the basis of common principles, conditions and rules specified in Annex 23 to this Treaty.

Article 85

Powers of the Commission in the Energy Sphere

In the energy sphere, the Commission shall monitor the implementation of this Section.

Section XXI TRANSPORT

Article 86 Coordinated (Agreed) Transport Policy

1. The Union shall conduct coordinated (agreed) transport policy aimed at ensuring economic integration, consistent and gradual formation of a common transport space based on the principles of competition, transparency, security, reliability, availability and sustainability.

2. The coordinated (agreed) transportation policy shall have the following objectives:

- 1) establishment of a common market of transportation services;
- 2) adoption of agreed measures to ensure general benefits in the sphere of transport and apply the best practices;
- 3) integration of transport systems of the Member States into the global transport system;
- 4) efficient use of the transit potential of the Member States;
- 5) improving the quality of transport services;
- 6) ensuring transport safety;
- 7) reduction of harmful effects generated by transport on the environment and human health;
- 8) creation of a favourable investment climate.

3. The main priorities of the coordinated (agreed) transport policy shall be as follows:

- 1) formation of a common transport space;
- 2) establishment and development of Eurasian transport corridors;

3) implementation and development of the transit potential within the Union;

4) coordination of development of the transport infrastructure;

5) establishment of logistics centres and transport organisations to ensure process optimisation in transportation process;

6) involvement and use of the workforce capacity of the Member States;

7) development of science and innovation in the sphere of transportation.

4. The coordinated (agreed) transport policy shall be formed by the Member States.

5. The main directions and implementation stages of the coordinated (agreed) transport policy shall be determined by the Supreme Council.

6. Implementation of the coordinated (agreed) transport policy by the Member States shall be monitored by the Commission.

Article 87

Sphere of Application

1. The provisions of this Section shall be applied to road, air, water and rail transport with account of the provisions of Sections XVIII and XIX of this Treaty and the specific features provided for by Annex 24 to this Treaty.

2. The Member States shall seek a gradual liberalisation of transport services provided between the Member States.

Liberalisation procedure, conditions and stages shall be determined under international treaties within the Union with account of the specifications provided for by Annex 24 to this Treaty.

3. Transportation safety requirements (transport safety and safe operation of transport) shall be in accordance with the legislation of the Member States and international treaties.

Section XXII STATE (MUNICIPAL) PROCUREMENT

Article 88 Objectives and Principles of Regulation in the Sphere of State (Municipal) Procurement

1. The Member States hereby set out the following objectives and principles of regulation in the sphere of state (municipal) procurement (hereinafter “procurement”):

regulation of relations in the sphere of procurement through the legislation of a Member State on procurement and international treaties of the Member States;

ensuring optimal and most efficient expenditure of funds used for procurement in the Member States;

providing the Member States with national treatment in the sphere of procurement;

inadmissibility of provision of more favourable treatment in the sphere of procurement to third countries as compared to the Member States;

ensuring disclosure and transparency of procurement;

ensuring unhindered access of potential suppliers and suppliers of the Member States to the participation in procurement procedures conducted in an electronic format by mutual recognition by a Member State of digital signatures made in accordance with the legislation of another Member State;

ensuring availability of competent regulatory and supervisory authorities of the Member States in the sphere of procurement (both functions may be exercised by a single authority);

determining liability for violation of the procurement legislation of the Member States;

development of competition, as well as the fight against corruption and other abuses in the sphere of procurement.

2. This Treaty shall not apply to procurement procedures the details of which, in accordance with the legislation of a Member State, constitute a State secret.

3. All procurement in the Member States shall be carried out in accordance with Annex 25 to this Treaty.

4. This Section shall not apply to procurement procedures carried out by national (central) banks of the Member States subject to the provisions of indents 2-4 of this paragraph.

National (central) banks of the Member States shall carry out procurement procedures for administrative and economic purposes, as well as for construction and repairs, in accordance with their internal procurement rules (hereinafter “the procurement clause”). The procurement clause shall not be contrary to the purposes and principles set out in this Article; in particular, the regulations shall ensure equal access for potential suppliers of the Member States. In exceptional cases, exceptions to the above principles may be determined by decision of the supreme authority of a national (central) bank.

The procurement clause shall contain procurement requirements, including the procedure for the preparation of and holding all procurement

procedures (including the procurement methods) and their application conditions, as well as the procedure for concluding agreements (contracts).

The procurement clause and information on procurement procedures planned and implemented by national (central) banks of the Member States shall be posted on the official websites of national (central) banks of the Member States on the Internet in the procedure determined by the procurement clause.

Section XXIII INTELLECTUAL PROPERTY

Article 89 General provisions

1. The Member States shall cooperate in the sphere of protection and enforcement of intellectual property rights and ensure in their territories the protection and safeguarding of these rights in accordance with international law, international treaties and acts constituting the law of the Union and the legislation of the Member States.

The Member States shall cooperate to solve the following key objectives:

harmonisation of legislation of the Member States in the sphere of protection and enforcement of intellectual property rights;

protection of the interests of right holders of intellectual property rights in the Member States.

2. The Member States shall cooperate in the following areas:

1) support for scientific and innovative development;

2) improvement of the mechanisms of commercialisation and use of intellectual property;

3) creation of a favourable environment for copyright holders and holders of related rights in the Member States;

4) introduction of a registration system for trademarks and service marks of the Eurasian Economic Union and appellations of origin of goods of the Eurasian Economic Union;

5) protection of intellectual property rights, including on the Internet;

6) ensuring effective customs protection of intellectual property rights, including through the maintenance of a common customs registry of intellectual property of the Member States;

7) implementation of coordinated measures to prevent and combat trafficking in counterfeit goods.

3. In order to ensure effective protection and enforcement of intellectual property rights, consultations of the Member States shall be conducted to be organised by the Commission.

Following the results of such consultations, proposals shall be developed to address all problematic issues identified in the cooperation between the Member States.

Article 90

Legal Treatment of Intellectual Property

1. Nationals of one Member State shall be granted national treatment on the territory of another Member State with regard to the legal treatment of intellectual property. Legislation of a Member State may provide exceptions to the national treatment in respect of judicial and administrative

proceedings, including with regard to indication of an address for correspondence and appointment of a representative.

2. The Member States may provide in their legislation any rules ensuring a higher level of protection and enforcement of intellectual property rights than those set out in international legal acts applicable to the Member States, as well as in international treaties and acts constituting the law of the Union.

3. The Member States shall carry out activities in the sphere of protection and enforcement of intellectual property rights in accordance with the following fundamental international treaties:

Berne Convention for the Protection of Literary and Artistic Works of September 9, 1886 (as amended in 1971);

Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure of April 28, 1977;

World Intellectual Property Organization Copyright Treaty of December 20, 1996;

World Intellectual Property Organization Performances and Phonograms Treaty of December 20, 1996;

Patent Law Treaty of June 1, 2000;

Patent Cooperation Treaty of June 19, 1970;

Convention for the Protection of Producers of Phonograms Against Unauthorised Duplication of Their Phonograms of October 29, 1971;

Madrid Agreement Concerning the International Registration of Marks of April 14, 1891, and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 28, 1989;

International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations of October 26, 1961;

Paris Convention for the Protection of Industrial Property of March 20, 1883;

Singapore Treaty on the Law of Trademarks of March 27, 2006.

Those Member States that are not parties to these agreements shall be obliged to accede thereto.

4. All relations in the sphere of protection and enforcement of intellectual property rights, including identification of specific features of legal treatment applied to certain types of intellectual property, shall be governed in accordance with Annex 26 to this Treaty.

Article 91 Enforcement

1. The Member States shall take enforcement measures to ensure effective protection of intellectual property rights.

2. The Member States shall carry out activities to protect intellectual property rights in accordance with the Customs Code of the Eurasian Economic Union, as well as with international treaties and acts constituting the law of the Union and governing customs legal relations.

3. Authorised authorities of the Member States authorised to protect intellectual property rights shall cooperate and collaborate in order to coordinate their actions for the prevention, detection and restraint of violations of intellectual property rights on the territory of the Member States.

Section XXIV
MANUFACTURING INDUSTRY

Article 92
Industrial Policy and Cooperation

1. The Member States shall independently develop, shape and implement national industrial policy, in particular, adopt national industrial development programmes and other measures of industrial policy, and shall determine the ways, forms and areas of providing industrial subsidies not contradicting Article 93 of this Treaty.

Industrial policy within the Union shall be shaped by the Member States in the main directions of industrial cooperation, as approved by the Intergovernmental Council, and shall be carried out in consultation and coordination with the Commission.

2. The industrial policy within the Union shall be carried out by the Member States based on the following principles:

- 1) equality and respect for the national interests of the Member States;
- 2) mutual benefit;
- 3) fair competition;
- 4) non-discrimination;
- 5) transparency.

3. Industrial policy within the Union shall be aimed at accelerating and improving the sustainability of industrial development, improving the competitiveness of industrial complexes of the Member States, implementation of effective cooperation aimed at increasing innovation activity, and elimination of barriers in the industrial sphere, including with respect to the movement of industrial products from the Member States.

4. In order to achieve the objectives of the industrial policy within the Union, the Member States may:

- 1) to inform each other about their industrial development plans;
- 2) hold regular meetings (consultations) of representatives of authorised authorities of the Member States responsible for the shaping and implementation of the national industrial policy, including at the venues of the Commission;
- 3) develop and implement joint programmes for the development of priority economic activities for industrial cooperation;
- 4) develop and agree on a list of sensitive goods;
- 5) implement joint projects, including for the development of the infrastructure required to improve the efficiency of industrial cooperation and deepen the industrial cooperation between the Member States;
- 6) develop process-related and information resources for the purposes of industrial cooperation;
- 7) conduct joint research and development activities in order to promote high-tech industries;
- 8) implement other measures aimed at removing barriers and developing mutually beneficial cooperation.

5. If necessary, appropriate implementation procedures for the measures referred to in paragraph 4 of this Article may be developed by decision of the Intergovernmental Council.

6. The Member States shall develop the Main Directions of Industrial Cooperation within the Union (hereinafter “the Main Directions”), to be approved by the Intergovernmental Council and to include, among other

things, priority economic activities for industrial cooperation and sensitive goods.

The Commission shall conduct annual monitoring and analysis of implementation results for the Main Directions and, if required, prepare, in agreement with the Member States, proposals for clarification of the Main Directions.

7. When developing and implementing policy in trade, customs tariffs, competition, state procurement, technical regulations, business development, transportation, infrastructure and other spheres, the interests of industrial development of the Member States shall be taken into account.

8. With respect to sensitive goods, the Member States shall hold consultations for mutual consideration of their positions prior to the adoption of any industrial policy measures.

The Member States shall preliminarily inform each other of all planned national industrial policy implementation areas for the approved list of sensitive goods.

Jointly with the Commission, the Member States shall develop the procedure for such consultations and/or mutual notifications, to be approved by the Council of the Commission.

9. For the purposes of industrial cooperation within the Union, the Member States may, upon consultation and coordination with the Commission, develop and apply the following instruments:

- 1) promotion of mutually beneficial industrial cooperation in order to create high-tech, innovative and competitive products;
- 2) joint programmes and projects with the participation of the Member States for their mutual benefit;

- 3) joint technology platforms and industrial clusters;
- 4) other instruments to promote the development of industrial cooperation.

10. For the purposes of this Article, the Member States may develop any additional documents and mechanisms with the participation of the Commission.

11. The Commission shall provide consultations and coordination to the Member States on the main directions of industrial cooperation within its powers determined under this Treaty, in accordance with Annex 27 to this Treaty.

For the purposes of this Article, the terms shall be used in accordance with Annex 27 to this Treaty.

Article 93 Industrial Subsidies

1. In order to enable stable and efficient development of the economies of the Member States and to create a proper environment for the promotion of mutual trade and fair competition between the Member States, common rules for granting subsidies for industrial goods shall be applied on the territories of the Member States, including for the provision or receipt of services that are directly related to the manufacture, sale and consumption of industrial goods, according to Annex 28 to this Treaty.

2. Obligations of the Member States arising from the provisions of this Article and Annex 28 to this Treaty shall not apply to legal relations between the Member States and third countries.

3. For the purposes of this Article, a subsidy shall refer to:

a) financial contribution provided by a subsidising authority of a Member State (or an authorised institution of a Member State), used for generating (ensuring) benefits and carried out through:

direct transfer of funds (for example, in the form of impaired and other loans), acquisition of a share in the authorised capital or an increase thereof, or an obligation to transfer such funds (e.g., loan guarantees);

full or partial waiver of the collection of payments that would have been otherwise included in the income of the Member State (e.g., tax exemptions, debt relief). In this case, the exemption of exported industrial goods from duties and taxes levied on like products when intended for domestic consumption or any reduction of duties and taxes and refund of such duties and taxes in an amount not exceeding the amount actually accrued, shall not be considered as a subsidy;

provision of goods or services (except for industrial goods or services intended for the maintenance and development of the common infrastructure);

purchase of industrial goods;

b) any other form of income or price support (directly or indirectly) reducing the importation of industrial goods from the territory of any Member State or increasing the exportation of industrial goods into the territory of any Member State with resulting advantages.

The types of subsidies are specified in Annex 28 to this Treaty.

4. The subsidising authority may designate or instruct any other organisation to perform one or more of its functions related to the provision of subsidies. Actions of such an organisation shall be regarded as actions of the subsidising authority.

Acts of the head of a Member State aimed at providing subsidies shall be regarded as actions of the subsidising authority.

5. Any investigation aimed at analysing the conformity of subsidies granted on the territory of a Member State to the provisions of this Article and Annex 28 to this Treaty shall be conducted in accordance with the procedure described in Annex 28 to this Treaty.

6. The Commission shall ensure the control of implementation of the provisions of this Article and Annex 28 to this Treaty and shall have the following powers:

1) to monitor and conduct comparative legal analysis of the legislation of the Member States for compliance with the provisions of this Treaty in respect of subsidies, as well as to prepare annual reports on compliance of the Member States with the provisions of this Article and Annex 28 to this Treaty;

2) to facilitate the organisation of consultations between the Member States on the harmonisation and unification of their legislation on the provision of subsidies;

3) to adopt binding decisions for the Member States provided for by Annex 28 to this Treaty on the basis of voluntary coordination of planned and provided specific subsidies, including:

adoption of decisions on the admissibility or inadmissibility of specific subsidies in accordance with paragraph 6 of Annex 28 to this Treaty on the basis of the criteria outlined in the international agreement within the Union stipulated in paragraph 7 of Annex 28 to this Treaty;

holding a hearing on provision of specific subsidies and adoption of related binding decisions in cases determined by the international agreement within the Union stipulated in paragraph 7 of Annex 28 to this Treaty;

resolution of disputes on matters relating to implementation of the provisions of this Article and Annex 28 to this Treaty and provision of explanations on their application;

4) to request and obtain information on subsidies granted in the procedure and on the terms determined under an international treaty within the Union stipulated in paragraph 7 of Annex 28 to this Treaty.

Sub-paragraphs 3 and 4 of this paragraph shall be applied with account of the transitional provisions of paragraph 1 of Article 105 of this Treaty.

7. All disputes concerning the provisions of this Article and Annex 28 to this Treaty shall be primarily settled through negotiations and consultations. If a dispute may not be settled through negotiations and consultations within 60 calendar days from the date of a formal written request for holding thereof sent by the Member State that initiated the dispute to the respondent state, the claimant state shall be entitled to apply to the Court of the Union.

If the decisions of the Court of the Union are not enforced within a determined period or if the Court of the Union decides that the measures notified by the respondent state are inconsistent with the provisions of this Article and Annex 28 to this Treaty, the claimant state shall be entitled to take proportionate response measures.

8. The period within which the Member States shall be entitled to challenge a specific subsidy provided in violation of Annex 28 to this Treaty shall amount to 5 years from the date of such specific subsidy.

Section XXV
AGRICULTURAL SECTOR

Article 94
Objectives and Goals of Agreed
(Coordinated) Agricultural Policy

1. In order to ensure the development of the agricultural sector and rural areas in the interests of the population of each the Member State and the Union as a whole, as well as to promote economic integration within the Union, agreed (coordinated) agricultural policy shall be conducted implying the use of control mechanisms provided for in this Treaty and other international treaties within the Union in the sphere of agricultural sector and mutual submission by the Member States to each other and to the Commission of manufacture development plans (programmes) for each sensitive agricultural goods, the list of which shall be compiled on the basis of proposals from the Member States and approved by the Commission.

2. The main objective of the agreed (coordinated) agricultural policy shall consist in the effective implementation of the resource potential of the Member States for optimisation of volumes of competitive agricultural and food products, meeting the needs of the common agricultural market, as well as increasing exports of agricultural and food products.

3. The agreed (coordinated) agricultural policy shall ensure the following:

1) balanced development of the production and markets for agricultural and food products;

2) fair competition between constituents of the Member States, including equal access to the common agricultural market;

3) unification of requirements related to the circulation of agricultural and food products;

4) protection of the interests of manufacturers of the Member States in internal and foreign markets.

Article 95
Main Directions of Agreed (Coordinated)
Agricultural Policy and Agricultural State Support Measures

1. Solving the tasks of an agreed (coordinated) agricultural policy refers to the use of mechanisms for interstate cooperation in the following main directions:

- 1) forecasting in the agricultural sector;
- 2) state support for agriculture;
- 3) common agricultural market regulation;
- 4) common requirements for the production and circulation of products;
- 5) development of export of agricultural and food products;
- 6) scientific and innovative development of the agricultural sector;
- 7) integrated information support of agriculture.

2. In order to implement the measures of the agreed (coordinated) agricultural policy, regular consultations of representatives of the Member States shall be organised by the Commission, including with regard to sensitive agricultural goods, at least once a year. These consultations shall result in recommendations on the implementation of agreed (coordinated) agricultural policy within the main directions determined in paragraph 1 of this Article.

3. When carrying out the agreed (coordinated) agricultural policy, the Member States shall take into account the specific nature of agricultural

activities that is not only due to the industrial, economic significance, but also to the social significance of the industry and structural and climatic differences among regions and territories of the Member States.

4. In other spheres of integration interaction, including in the sphere of sanitary, phytosanitary and veterinary (veterinary-sanitary) measures for agricultural and food products, the respective policy shall be conducted with account of the objectives, tasks and directions of the agreed (coordinated) agricultural policy.

5. Within the Union, state support for agriculture shall be provided in accordance with the approaches under Annex 29 to this Treaty.

6. All disputes concerning this Article and Annex 29 to this Treaty shall be primarily settled through negotiations and consultations conducted with the participation of the Commission. If a dispute cannot be settled through negotiations and consultations within 60 calendar days from the date of a formal written request for holding thereof sent by the Member State that initiated the dispute and acting as the claimant state to the respondent state, the claimant state shall be entitled to apply to the Court of the Union. When sending a formal written request for negotiations and consultations, the claimant Member State shall, within 10 calendar days from the date of such request, inform the Commission thereof.

7. For the purposes of implementation of the agreed (coordinated) agricultural policy, the Commission shall:

1) jointly with the Member States develop, coordinate and implement the main directions of the agreed (coordinated) agricultural policy within its powers;

2) coordinate activities of the Member States in preparation of joint development forecasts for the agricultural sector, supply and demand for agricultural and food products;

3) coordinate mutual presentation by the Member States of development programmes for the agricultural sector and its branches;

4) monitor the development of agricultural sectors of the Member States and application of state regulation measures for the agricultural sectors by the Member States, including state support measures for agriculture;

5) monitor prices and analyse competitiveness of products manufactured based on the nomenclature agreed upon by the Member States;

6) assist in the organisation of consultations and negotiations on the harmonisation of legislation of the Member States in the sphere of agricultural sector, including the legislation on state support for agriculture, as well as in dispute resolution related to the fulfilment of obligations in the field of state support for agriculture;

7) monitor and conduct comparative legal analysis of the legislation of the Member States in the field of state support for agriculture in terms of its compliance with the obligations assumed within the Union;

8) prepare and submit to the Member States reviews of the state policy in the sphere of agricultural sector and state support for agriculture in the Member States, including recommendations on improvement of the efficiency of state support;

9) assist the Member States on issues related to the calculation of the amount of state support for agriculture;

10) jointly with the Member States, prepare recommendations on coordinated actions aimed at developing the export potential in the sphere of agricultural sector;

11) coordinate the implementation by the Member States of joint scientific and innovative activities in the sphere of agricultural sector, including within interstate programmes of the Member States;

12) coordinate the development and implementation by the Member States of the standardised requirements regarding the conditions of import, export and movement of pedigree products within the customs territory of the Union, methods for determining the breeding value of breeding stock, as well as the forms of breeding certificates (certificates, books of certificate);

13) coordinate the development and implementation of the standardised requirements in the sphere of testing crop types and seeds, as well as coordinate mutual recognition by the Member States of documents certifying the varietal and sowing seed quality;

14) assist in ensuring equal competitive environments within the main directions of the agreed (coordinated) agricultural policy.

Section XXVI LABOUR MIGRATION

Article 96 Cooperation between the Member States in the Sphere of Labour Migration

1. The Member States shall cooperate on agreement of their policy in the sphere of labour migration within the Union, as well as to assist the organised recruitment and involvement of workers of the Member States for employment in the Member States.

2. Cooperation between the Member States in the sphere of labour migration shall be carried out through the interaction between state authorities of the Member States having the respective jurisdiction.

3. Cooperation between the Member States in the sphere of labour migration within the Union shall be carried out in the following forms:

- 1) agreement of common principles and approaches in the sphere of labour migration;
- 2) exchange of regulatory legal acts;
- 3) exchange of information;
- 4) implementation of measures aimed at preventing the spread of false information;
- 5) exchange of experiences, internships, seminars and training courses;
- 6) cooperation in the framework of advisory authorities.

4. Upon agreement between the Member States, other forms of cooperation in the sphere of migration may be established.

5. The terms used in this Section shall have the meanings set forth below:

“state of entry” means a Member State entered by a national of another Member State;

“state of permanent residence” means a Member State which national is a worker of a Member State;

“state of employment” means a Member State of employment;

“certificates of education” means state education documents, as well as certificates of education recognised as state education documents;

“customer of works (services)” means a juridical or natural person providing a worker of a Member State with work based on a concluded civil

law contract in the procedure and on the terms provided for by the legislation of the state of employment;

“migration card” means a document containing information about a national of a Member State entering the territory of another Member State used for registration and control of his/her temporary stay on the territory of the state of entry;

“employer” means a juridical or natural person providing a worker of a Member State with work based on a concluded employment contract in the procedure and on the terms provided for by the legislation of the state of employment;

“social security (social insurance)” means compulsory insurance against temporary disability and maternity insurance, compulsory insurance against occupational accidents and diseases and compulsory health insurance;

“employment” means activities performed under an employment contract or in execution of works (services) under a civil law contract carried out on the territory of the state of employment in accordance with the legislation of that state;

“worker of a Member State” means a person who is a national of a Member State lawfully residing and lawfully engaged in labour activities in the state of employment, of which he or she is not a national and where he or she does not permanently reside;

“family member” means a spouse of the worker of a Member State, as well as their dependent children and other persons recognised as members of their families in accordance with the legislation of the state of employment.

Article 97
Employment of Workers of the Member States

1. Employers and/or customers of works (services) of a Member State may employ workers of the Member States without consideration of any restrictions for the protection of their national labour market. However, workers of the Member States shall not be required to obtain employment permits for the state of employment.

2. The Member States shall not determine or apply any restrictions provided by their legislation for the protection of their national labour market, except for the restrictions determined by this Treaty and the legislation of the Member States aimed at ensuring their national security (including in economic sectors of strategic importance) and public order, with regard to relations with workers of the Member States, their employment, occupation and territory of stay.

3. In order to enable workers of the Member States to conduct labour activities in the state of employment, education certificates issued by educational organisations (educational institutions, organisations in the sphere of education) of the Member States shall be recognised without carrying out by the state of employment the procedures of recognition of education certificates determined by their legislation.

Workers of a Member State applying for employment in educational, legal, medical or pharmaceutical spheres in another Member State shall undergo the procedure of recognition of education certificates determined by the legislation of the state of employment and shall be admitted to such educational, legal, medical or pharmaceutical activities in accordance with the legislation of the state of employment.

Documents on scientific and academic degrees issued by the authorised authorities of the Member States shall be recognised in accordance with the legislation of the state of employment.

Employers (customers of works (services)) shall be entitled to request certified translations of education certificates into the language of the state of employment and as well as for the purpose of verification of education certificates of workers of the Member States if it is required, employers (customers) shall be entitled to submit requests, including by reference to information databases, to educational organisations (educational institutions, organisations in the sphere of education) that have issued the education certificates and obtain appropriate responses.

4. Employment of workers of a Member State shall be governed by the legislation of the state of employment subject to the provisions of this Treaty.

5. The period of temporary stay (residence) of a worker of a Member State and his/her family members on the territory of the state of employment shall depend on the duration of an employment contract or a civil law contract concluded by the worker with the employer or customer of works (services).

6. Nationals of the Member States entering the territory of another Member State for employment and their family members shall be exempt from the obligation to register within 30 days from the date of entry.

If a national of a Member State stays on the territory of another Member State for more than 30 days from the date of entry, this national shall be required to register in accordance with the legislation of the state of entry, if such a requirement is determined by the legislation of the state of entry.

7. Nationals of the Member States, when entering the territory of another Member State in cases provided for by the legislation of the state of entry, shall use migration cards, unless otherwise provided for by international treaties of the Member States.

8. When entering the territory of another Member State using one of the valid documents suitable for affixing marks of border control authorities on crossing of the state border, nationals of the Member States shall not be required to use migration cards, provided that the duration of their stay does not exceed 30 days from the date of entry, if such a requirement is determined by the legislation of the state of entry.

9. In the event of early termination of an employment contract or a civil law contract after the expiry of 90 days from the date of entry into the territory of the state of employment, the worker of a Member State shall be entitled, without departure from the territory of the state of employment, to enter into a new employment contract or a civil law contract within 15 days.

Article 98

Rights and Obligations of Workers of the Member States

1. A worker of a Member State shall be entitled to engage in professional activities in accordance with their specialisation and qualifications specified in their certificates of education and documents on awarding a scientific and/or academic degree, to be recognised in accordance with this Treaty and the legislation of the state of employment.

2. In accordance with the procedure determined by the legislation of the state of employment, workers of a Member State and their family members shall exercise the rights to:

- 1) possess, use and dispose of their property;
- 2) protection of property;
- 3) free transfer of funds.

3. Social security (social insurance) (except pensions) of workers of the Member States and their family members shall be ensured on the same conditions and in the same manner as those of the nationals of the state of employment.

Employed (pensionable) service of workers of the Member States shall be included in the total employed (pensionable) service for the purposes of social security (social insurance), except for pensions, in accordance with the legislation of the state of employment.

Pension benefits of workers of the Member States and their family members shall be governed by the legislation of the state of permanent residence, as well as by an international treaty between the Member States.

4. The right of workers of the Member States and their family members to receive emergency medical care (emergency and urgent care) and other types of medical treatment shall be governed in the procedure under Annex 30 to this Treaty, as well as by the legislation of the state of employment and international treaties a party to which it constitutes.

5. A worker of a Member State shall be entitled to join trade unions on a par with the nationals of the state of employment.

6. A worker of a Member State shall be entitled to receive from the state authorities of the state of employment (having the respective jurisdiction) and the employer (customer of works (services)) any information relating to the conditions of his/her stay and employment, as well

as the rights and obligations provided for by the legislation the state of employment.

7. At the request of a worker of a Member State (including former workers), the employer (customer of works (services)) shall, at no charge, provide a certificate and/or a certified copy of a certificate indicating the profession (specialisation, qualifications and positions), the period of employment and wages within the terms determined by the legislation of the state of employment.

8. Children of a worker of a Member State residing together with the worker on the territory of the state of employment shall be entitled to attend pre-school institutions and receive education in accordance with the legislation of the state of employment.

9. Workers of a Member State and their family members shall be required to comply with the legislation of the state of employment, respect the culture and traditions of the people of the state of employment, and be liable for offences under the legislation of the state of employment.

10. Income of workers of a Member State generated as a result of employment in the state of employment shall be taxable in accordance with international treaties and legislation of the state of employment subject to the provisions of this Treaty.

PART FOUR
TRANSITIONAL AND FINAL PROVISIONS

Section XXVII
TRANSITIONAL PROVISIONS

Article 99
General Transitional Provisions

1. International treaties of the Member States concluded in the establishment of the legal framework of the Customs Union and the Common Economic Space and effective on the date of entry into force of this Treaty shall form part of the Union law as international treaties within the Union and shall be applied to the extent not inconsistent with this Treaty.

2. Decisions of the Supreme Eurasian Economic Council at the level of heads of states, the Supreme Eurasian Economic Council at the level of heads of governments and the Eurasian Economic Commission effective on the date of entry into force of this Treaty shall remain in force and shall be applied to the extent not inconsistent with this Treaty.

3. Starting from the effective date of this Treaty:

all functions and powers of the Supreme Eurasian Economic Council at the level of heads of states and the Supreme Eurasian Economic Council at the level of heads of governments effective in accordance with the Treaty on the Eurasian Economic Commission of November 18, 2011 shall be carried out by the Supreme Council and the Intergovernmental Council, respectively, in accordance with this Treaty;

The Eurasian Economic Commission established in accordance with the Treaty on the Eurasian Economic Commission of November 18, 2011, shall operate in accordance with this Treaty;

members of the Board of the Commission appointed prior to the entry into force of this Treaty shall continue in office until the expiration of their official term of office;

the Directors and Deputy Directors of departments employment contracts with which have been concluded before the entry into force of this Treaty shall continue in office until the expiration of the period specified in their employment contracts;

vacancies in the structural subdivisions of the Commission shall be filled as provided for by this Treaty.

4. Respective international treaties listed in Annex 31 to this Treaty shall also apply within the Union.

Article 100

Transitional Provisions for Section VII

1. The common market of medicines within the Union shall function starting from January 1, 2016, in accordance with an international treaty within the Union outlining the common principles and rules for the circulation of medicines to be signed by the Member States not later than January 1, 2015.

2. The common market of medical devices (medical products and equipment) within the Union shall function starting from January 1, 2016, in accordance with an international treaty within the Union determining the common principles and rules for the circulation of medical devices (medical products and equipment) to be signed by the Member States not later than January 1, 2015.

Article 101
Transitional Provisions for Section VIII

1. Prior to the entry into force of the Customs Code of the Eurasian Economic Union, customs regulations within the Union shall be in accordance with the Treaty on the Customs Code of the Customs Union of November 27, 2009, and other international treaties of the Member States concluded in the establishment of the legal framework of the Customs Union and the Common Economic Space governing the customs relations and forming part of the Union law in accordance with Article 99 of this Treaty, subject to the provisions of this Article.

2. For the purposes of the application of international treaties referred to in paragraph 1 of this Article, the terms used shall have the following meanings:

“Member States of the Customs Union” means the Member States within the meaning of this Treaty;

“common customs territory of the Customs Union (customs territory of the Customs Union)” means the customs territory of the Union;

“Single Commodity Nomenclature of Foreign Economic Activity of the Customs Union (Foreign Economic Activity Commodity Nomenclature)” means a Single Foreign Economic Activity Commodity Nomenclature of the Eurasian Economic Union;

“Common Customs Tariff of the Customs Union” means the Common Customs Tariff of the Eurasian Economic Union;

“Commission of the Customs Union” means the Eurasian Economic Commission;

“international treaties of the Member States of the Customs Union” means international treaties within the Union, including international agreements of the Member States that form part of the Union law in accordance with Article 99 of this Treaty;

“customs border of the Customs Union” (customs border)” means the customs border of the Eurasian Economic Union;

“good of the Customs Union” means the good of the Eurasian Economic Union.

3. For the purposes of the application of international treaties referred to in paragraph 1 of this Article, the prohibitions and restrictions shall include non-tariff regulatory measures (also those imposed on the basis of general exceptions, for the protection of the external financial position and for unilaterally ensuring a balance of payments), technical regulation measures, export control measures and measures for military products, as well as sanitary, veterinary-sanitary and phytosanitary quarantine measures and radiation requirements applied in respect of goods transported through the customs border of the Union.

The measures determined by Articles 46 and 47 of this Treaty shall relate to non-tariff regulatory measures, introduced inter alia on the basis of general exceptions, the protection of the external financial position and unilaterally ensuring a balance of payments.

Provisions of the international treaties referred to in paragraph 1 of this Article, except for paragraphs 3 and 4 of Article 3 of the Customs Code of the Customs Union on the definition and application (non-application) of prohibitions and restrictions, shall not apply.

In the movement of goods across the customs border of the Union, including goods for personal use, and/or in customs clearance of goods, compliance with the prohibitions and restrictions shall be confirmed in the cases and procedure determined by the Commission or regulatory legal acts of the Member States in accordance with this Treaty or determined in accordance with the legislation of the Member States, by submission of documents and/or information demonstrating compliance with the prohibitions and restrictions.

Veterinary-sanitary, phytosanitary quarantine, sanitary and epidemiological, radiation and other forms of state control (supervision) when moving goods across the customs border of the Union shall be performed and documented in accordance with this Treaty, or acts of the Commission or regulations of the Member States adopted pursuant thereto, or in accordance with the legislation of the Member States.

4. Article 51 of the Customs Code of the Customs Union regarding the maintenance of the Common Foreign Economic Activity Commodity Nomenclature of the Customs Union shall be applied subject to the provisions of Article 45 of this Treaty.

5. Chapter 7 of the Customs Code of the Customs Union shall be applied subject to the provisions of Article 37 of this Treaty.

6. Paragraph 2 of Article 70 of the Customs Code of the Customs Union shall not be applicable.

Safeguard, anti-dumping, and countervailing duties shall be set in accordance with the provisions of this Treaty and shall be collected in the procedure provided for by the Customs Code of the Customs Union for the

collection of customs duties, subject to the provisions of Articles 48 and 49 of this Treaty, as well as with account of the following.

Safeguard, anti-dumping, and countervailing duties shall be payable in case of customs clearance of goods when its terms, pursuant to the international treaties referred to in paragraph 1 of this Article, require compliance with the restrictions with the use of safeguard, anti-dumping and countervailing measures.

The calculation of safeguard, anti-dumping and countervailing duties, the emergence and termination of the obligations to pay these duties, the timing and procedure of their payment shall be as set out in the Customs Code of the Customs Union for import customs duties, with into account of specific features determined by this Treaty.

In case of application of anti-dumping or countervailing duties in accordance with paragraphs 104 and 169 of the Protocol on the application of safeguard, anti-dumping and countervailing measures in relation to third countries (Annex 8 to this Treaty), anti-dumping and countervailing duties shall be payable not later than within 30 business days from the effective date of the decision of the Commission on the application of the anti-dumping or countervailing duties and shall be transferred and distributed in the procedure determined in the annex to the said Protocol.

The timing of payment of safeguard, anti-dumping and countervailing duties may not be changed to deferred payments or payment in instalments.

In case of non-payment or partial payment of safeguard, anti-dumping or countervailing duties within the determined period, they shall be recovered in the procedure provided for the import customs duties in the legislation of a Member State, the customs authorities of which perform the collection of

customs duties and taxes with the imposition of penalties. The procedure of calculation, payment, collection and recovery of penalties is similar to the procedure determined for penalties paid or recovered due to non-payment or partial payment of import customs duties.

The provisions of this paragraph shall be applied to the calculation, payment and collection of provisional safeguard, provisional anti-dumping and provisional countervailing duties.

7. Article 74 of the Customs Code of the Customs Union regarding tariff exemptions shall be applied subject to the provisions of Article 43 of this Treaty.

8. The second part of paragraph 2 of Article 77 of the Customs Code of the Customs Union shall not be applicable.

For the purposes of calculation of export customs duties, the rates shall be applied as provided by the legislation of the Member State on the territory of which the goods are cleared in the customs or on the territory of which illegal movement of goods across the customs border of the Union is detected, unless otherwise determined under international treaties within the Union and/or bilateral international treaties between the Member States.

Article 102 Transitional Provisions for Section IX

1. Notwithstanding the provisions of Article 35 of this Treaty, the Member States may unilaterally grant preferences in trade with a third party on the basis of an international treaty concluded by the respective Member State with such a third party before January 1, 2015 or an international treaty to which all the Member States are participants.

The Member States shall unify all treaties that imply granting preferences.

2. Following revision of safeguard, anti-dumping and countervailing measures in force in accordance with the legislation of the Member States, such measures adopted in respect of goods imported into the customs territory of the Union shall be applied until the expiration of the period determined for them by the appropriate decision of the Commission and may be subject to review in accordance with the provisions of Section IX of this Treaty and Annex 8 to this Treaty.

3. For the purposes of implementing the provisions of Article 36 of this Treaty before the entry into force of a decision of the Commission determining the conditions for the application and procedure for the common system of tariff preferences of the Union in respect of goods originating from developing countries and/or least developed countries, the Protocol on the Common System of Tariff Preferences of the Customs Union of December 12, 2008 shall be applied.

4. Prior to the entry into force of a Commission's decision determining the rules for identification of the origin of goods stipulated in paragraph 2 of Article 37 of this Treaty, the Agreement on the common rules for determining the country of origin of goods of January 25, 2008, shall be applied.

5. Prior to the entry into force of a Commission's decision determining the rules for identification of the origin of goods stipulated in paragraph 3 of Article 37 of this Treaty, the Agreement on the rules for determining the origin of goods from developing and least developed countries of December 12, 2008 shall be applied.

Article 103
Transitional Provisions for Section XVI

1. In order to achieve the objectives set out in paragraph 1 of Article 70 of this Treaty, the Member States shall have completed the harmonisation of their legislation in the sphere of financial markets by 2025 in accordance with an international treaty within the Union and the Protocol on Financial Services (Annex 17 to this Treaty).

2. After the harmonisation of legislation in the sphere of financial markets, the Member States shall decide on the powers and functions of a supranational authority to regulate financial markets and shall establish the authority to be located in the city of Almaty in 2025.

Article 104
Transitional Provisions for Section XX

1. In order to ensure the development of indicative (projected) balances of gas, oil and petroleum products of the Union, contributing to the efficient use of the aggregate energy potential and optimisation of interstate supplies of energy resources, authorised authorities of the Member States shall draft and approve the methodology for preparing indicative (projected) balances of gas, oil and petroleum products before July 1, 2015.

2. In order to create the common electric power market of the Union, the Supreme Council shall approve its concept prior to July 1, 2015, and the programme for its creation before July 1, 2016, providing a time frame for the implementation of the programme until July 1, 2018.

3. Upon completion of the programme for the creation of the common electric power market of the Union, the Member States shall conclude an

international agreement within the Union on the establishment of the common electric power market of the Union, including the common rules of access to the services of natural monopoly entity in the electrical power sector, and shall ensure its entry into force no later than on July 1, 2019.

4. In order to create the common gas market of the Union, the Supreme Council shall approve its concept prior to January 1, 2016, and the programme for its creation before January 1, 2018, providing a time frame for the implementation of the programme until January 1, 2024.

5. Upon completion of the programme for the creation of the common gas market of the Union, the Member States shall conclude an international treaty within the Union on the establishment of the common gas market of the Union, including the common rules of access to gas transportation systems located on the territories of the Member States, and shall ensure its entry into force no later than on January 1, 2025.

6. In order to create the common markets of oil and petroleum products of the Union, the Supreme Council shall approve their concept prior to January 1, 2016, and the programme for their creation before January 1, 2018, providing a time frame for the implementation of the programme until January 1, 2024.

7. Upon completion of the programme for the creation of common markets of oil and petroleum products of the Union, the Member States shall conclude an international treaty within the Union on the establishment of the common markets of oil and petroleum products of the Union, including the common rules of access to oil and petroleum products transportation systems located on the territories of the Member States, and shall ensure its entry into force no later than on January 1, 2025.

8. The Protocol on the access to services of natural monopoly entities in the electrical power sector, including fundamental pricing and tariff policy (Annex 21 to this Treaty) shall be valid until the entry into force of the international treaty referred to in paragraph 3 of this Article.

9. The Protocol on the rules of access to services of natural monopoly entities in the sphere of gas transportation using gas transportation systems, including fundamental pricing and tariff policy (Annex 22 to this Treaty) shall be valid until the entry into force of the international treaty referred to in paragraph 5 of this Article.

10. The Protocol on the organisation, management, functioning and development of the common markets of oil and petroleum products (Annex 23 to this Treaty) shall be valid until the entry into force of the international treaty referred in paragraph 7 of this Article.

Article 105

Transitional Provisions for Section XXIV

1. The Member States shall ensure the entry into force of the international treaty within the Union referred to in paragraph 7 of the Protocol on the common rules for the provision of industrial subsidies (Annex 28 to this Treaty) on January 1, 2017.

Starting from the date of entry into force of the international treaty, the provisions of sub-paragraphs 3 and 4 of paragraph 6 of Article 93 of this Treaty and paragraphs 6, 15, 20, 87 and 97 of the Protocol on the common rules for the provision of industrial subsidies (Annex 28 to this Treaty) shall come into force.

2. The provisions of Article 93 of this Treaty and the Protocol on the common rules for the provision of industrial subsidies (Annex 28 to this Treaty) shall not apply to subsidies granted on the territories of the Member States before January 1, 2012.

Article 106 Transitional Provisions for Section XXV

1. With respect to the provisions of the first indent of paragraph 8 of the Protocol on measures of state support for agriculture (Annex 29 to this Treaty), a transitional period until 2016 shall be determined for the Republic of Belarus, during which the Republic of Belarus shall be committed to reduce the allowed amount of state support for agriculture as follows:

in 2015 – by 12 percent;

in 2016 – by 10 percent.

2. The methodology for calculating the permitted level of support measures affecting the trade, stipulated in the second indent of paragraph 8 of the Protocol on measures of state support for agriculture (Annex 29 to this Treaty), shall be developed and approved before January 1, 2016.

3. Obligations stipulated in the third indent of paragraph 8 of the Protocol on measures of state support for agriculture (Annex 29 to this Treaty) shall enter into force for the Republic of Belarus not later than on January 1, 2025.

Section XXVIII FINAL PROVISIONS

Article 107 Social Guarantees, Privileges and Immunities

On the territory of each Member State of the Union, all members of the Council of the Commission and Board, judges of the Court of the Union, officials and employees of the Commission and the Court of the Union shall enjoy all social guarantees, privileges and immunities required for the implementation of their powers and service duties. The scope of these social guarantees, privileges and immunities shall be determined in accordance with Annex 32 to this Treaty.

Article 108 Accession to the Union

1. The Union shall be open for accession to any state sharing its objectives and principles on the terms agreed upon by the Member States.

2. In order to obtain the status of a candidate state for accession to the Union, the state concerned shall send a corresponding appeal to the Chairman of the Supreme Council.

3. The decision on granting a state the status of a candidate for accession to the Union shall be made by the Supreme Council by consensus.

4. Based on the decision of the Supreme Council, a working group shall be formed consisting of representatives of the candidate state, the Member States and Bodies of the Union (hereinafter “the working group”) for examining the degree of preparation of the candidate to assume the obligations resulting from the law of the Union, drafting an action

programme for accession of the candidate state to the Eurasian Economic Union, as well as for drafting an international agreement on the accession of the state to the Union, which shall determine the extent of the rights and obligations of the candidate state, as well as the format of its participation in the work of the Bodies of the Union.

5. The action programme for the accession of a candidate state to the Eurasian Economic Union shall be approved by the Supreme Council.

6. The working group shall regularly submit to the Supreme Council a report on the implementation of the action programme by the candidate for its accession to the Eurasian Economic Union. When the working group concludes that the candidate has fulfilled the obligations arising from the law of the Union in full, the Supreme Council shall adopt a decision on the signing an international agreement of accession to the Union with the candidate state. This agreement shall be subject to ratification.

Article 109 Observer States

1. Any state may request the Chairman of the Supreme Council for the provision of the status of an observer state within the Union.

2. The decision to grant or refuse the observer status within the Union shall be made by the Supreme Council in the interests of integration development and achievement of the objectives of this Treaty.

3. Authorised representatives of an observer state of the Union may be present at meetings of the Bodies of the Union by invitation and obtain those documents adopted by the Union that do not contain any confidential information.

4. The observer status within the Union shall not entitle any state to participate in decision-making process conducted by Bodies of the Union.

5. Any state obtaining the observer status within the Union shall be obliged to refrain from any action that may infringe the interests of the Union and its Member States, as well as the object and purpose of this Treaty.

Article 110

Working Language of the Bodies of the Union.

Language of International Treaties within the Union and Decisions of the Commission

1. Russian language shall be the working language of the Bodies of the Union.

2. International treaties within the Union and decisions of the Commission that are binding on the Member States shall be adopted in Russian with subsequent translation into the official languages of the Member States, if it is provided for by their legislation, in the procedure determined by the Commission.

Translations of documents into national languages of the Member States shall be performed at the expense of the funds allocated in the budget of the Union for this purpose.

3. In case of conflicts between versions of international treaties and decisions referred to in paragraph 2 of this Article with regard to their interpretation, the Russian version shall prevail.

Article 111
Access and Publication

1. International treaties within the Union, international treaties with a third party and decisions of the Bodies of the Union shall be officially posted on the official website of the Union in the procedure determined by the Intergovernmental Council.

The date of posting a decision of a Body of the Union on the official website of the Union on the Internet shall be deemed the date of its official publication.

2. No decision referred to in paragraph 1 of this Article shall enter into force before its official publication.

3. Each decision of the Bodies of the Union shall be forwarded to the Member States no later than within 3 calendar days from the date of the decision.

4. Bodies of the Union shall ensure preliminary publication of draft decisions on the official website of the Union on the Internet at least 30 calendar days prior to the planned adoption date. Draft decisions of the Bodies of the Union taken in exceptional cases requiring a rapid response may be published under other terms.

All interested persons may submit to the Bodies their comments and suggestions.

The procedures for the collection, analysis and consideration of such comments and suggestions shall be set out in the operating rules of the relevant Bodies of the Union.

5. It shall not be required to officially publish draft and final decisions of the Bodies of the Union containing classified information.

6. The provisions of this Article shall not apply to decisions of the Court of the Union, the entry into force and publication of which shall be governed by the Statute of the Court of the Eurasian Economic Union (Annex 2 to this Treaty).

7. The provisions of paragraph 4 of this Article shall not apply to decisions of the Bodies of the Union in cases where preliminary publication of drafts decisions may prevent their execution or is otherwise contrary to the public interest.

Article 112 Settlement of Disputes

Any disputes relating to the interpretation and/or application of provisions of this Treaty shall be settled through consultations and negotiations.

If no agreement is reached within 3 months from the date the formal written request for consultations and negotiations sent by one party to another party to the dispute, unless otherwise provided for by the Statute of the Court of the Eurasian Economic Union (Annex 2 to this Treaty), the dispute may be referred by either party to the Court of the Union, if the parties do not agree on the use of other resolution procedures.

Article 113 Entry of the Treaty into Force

This Treaty shall enter into force on the date of receipt by the depositary of the last written notification of the fulfilment by the Member States of the internal legal procedures required for its entry into force.

Upon the entry into force of this Treaty, all international treaties concluded within the establishment of the Customs Union and the Common Economic Space shall be terminated, according to Annex 33 to this Treaty.

Article 114
Correlation between this Treaty
and other International Treaties

1. This Treaty shall not preclude the conclusion by the Member States of international treaties that are not inconsistent with the objectives and principles of this Treaty.

2. Bilateral international treaties between the Member States envisaging deeper integration as compared to the provisions of this Treaty or international treaties within the Union or stipulating any additional benefits for their natural and/or juridical persons shall be applied in the relations between the contracting states and may be concluded only provided that they do not affect the their rights and obligations and rights and obligations of other Member States under this Treaty and international treaties within the Union.

Article 115
Amendments to the Treaty

This Treaty may be amended and supplemented in the form of protocols which shall form an integral part of this Treaty.

Article 116
Treaty Registration with the Secretariat
of the United Nations

This Treaty shall be registered with the Secretariat of the United Nations in accordance with Article 102 of the Charter of the United Nations.

Article 117
Reservations

No reservations to this Treaty shall be allowed.

Article 118
Withdrawal from Treaty

1. Any Member State may withdraw from this Treaty by sending to the Depositary of this Treaty via diplomatic channels a written notice of its intention to withdraw from this Treaty. The effect of this Treaty in respect of such state shall cease after 12 months from the date of receipt of the notice by the Depositary of this Treaty.

2. A Member State which has notified in accordance with paragraph 1 of this Article its intention to withdraw from this Treaty shall be obliged to settle all financial obligations incurred in connection with its participation in this Treaty. This obligation shall remain in force even after the withdrawal of the state from this Treaty, until its full implementation.

3. On the basis of the notice referred to in paragraph 1 of this Article, the Supreme Council shall decide to begin the process of settlement of obligations arising in connection with the participation of a Member State in this Treaty.

4. Withdrawal from this Treaty automatically entails termination of membership in the Union and withdrawal from all international treaties within the Union.

This Treaty is executed in the city of Astana on May 29, 2014, in a single copy in Belarusian, Kazakh and Russian languages, all texts being equally authentic.

In case of divergence of interpretations of the Treaty, the text in the Russian language shall prevail.

The original of this Treaty shall be stored by the Eurasian Economic Commission, which, being the Depositary of this Treaty, shall send each Party a certified copy thereof.

**For the Republic of
Belarus**

**For the Republic of
Kazakhstan**

**For the Russian
Federation**