

“Customs union” - a form of trade and economic integration of the member States that provides for a unified customs territory free from customs duties (other duties, taxes and charges having equivalent effect), non-tariff measures, special protective antidumping and countervailing measures, but with common customs tariff and common assessment methods regulating foreign trade with third countries;

“third party” - a state that is non-member of the Union, an international organization or international integration association;

“unification of legislation” - approximation of legislation of the member States aimed at establishing of the identical mechanisms of legal regulation in particular areas defined under the present Treaty.

Other terms used in the present Treaty shall have the definition specified in the relevant Sections and Annexes to the present Treaty.

SECTION II

BASIC PRINCIPLES, OBJECTIVES, COMPETENCE AND LAW OF THE EAEU

Article 3

Basic Principles of the EAEU

The EAEU shall operate within the competence granted to it by the member States in accordance with the present Treaty, based on the following principles:

respect the commonly recognized principles of the international law, including the principles of sovereign equality of the member States and their territorial integrity;

respect the differences of political structures of the member States;

provide the mutually beneficial cooperation, equality and the national interests of the Parties;

ensure the principles of market economy and fair competition;

functioning of the Customs union without exceptions and limitations after the transitional periods.

Member States shall create favorable conditions for fulfillment of the functions of the EAEU and shall refrain from measures that could prevent the achievement of the objectives of the EAEU.

Article 4

Main Objectives of the EAEU

The main objectives of the EAEU shall include:

to create conditions for stable economic development of the member States in order to improve the living standards of their people;

the desire to create a common market for goods, services, capital and labor within the EAEU;

comprehensive modernization, cooperation and competitiveness of national economies within the global economy.

Article 5

Competence

1. The EAEU shall perform the scope of functions within the limits established under the present Treaty and international agreements within the EAEU.

2. Member States shall carry out coordinated and agreed policy within the limits established under the present Treaty and international agreements within the EAEU.

3. In other spheres of the economy the member States shall make an effort to implement a coordinated or agreed policy in accordance with the basic principles and objectives of the EAEU.

With this purpose by decision of the Supreme Eurasian Economic Council the subsidiary bodies (boards of the heads of state bodies of the Parties, working groups, special commissions) could be established in the corresponding areas and (or) the instructions for coordination of the interaction between Parties in the corresponding areas could be given by the Eurasian Economic Commission.

Article 6

The Law of the EAEU

1. The law of the EAEU shall include:

the present Treaty;

international agreements within the EAEU;

international agreements between the EAEU and the third party;

decisions and resolutions of the Supreme Eurasian Economic Council, Eurasian Intergovernmental Council as well as Eurasian Economic Commission that were accepted according to their authorities provided under the present Treaty as well as international agreements within the EAEU.

Resolutions of the Supreme Eurasian Economic Council and the Eurasian Intergovernmental Council shall be performed by member States in accordance with their national legislation.

2. International agreements of the EAEU with a third party shall not contradict to the basic objectives, principles and rules of functioning of the EAEU.

3. In case of conflict between international agreements within the EAEU and the present Treaty, the present Treaty shall have a priority.

Resolutions and orders of the EAEU shall not be inconsistent with the present Treaty and international agreements within the EAEU.

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

decisions of the Supreme Eurasian Economic Council take precedence over the decisions of the Eurasian Intergovernmental Council and the Eurasian Economic Commission;

decisions of the Eurasian Intergovernmental Council take precedence over the decisions of the Eurasian Economic Commission.

Article 7

International Activity of the EAEU

1. The EAEU shall have the right to exercise within its competence international activity aimed at achievement of objectives of the EAEU. Within such activity, the EAEU shall have the right to engage in international cooperation with states, international organizations and international integration associations and independently or together with the member States conclude agreements on matters corresponding to its competence.

The procedure of international cooperation of the EAEU shall be established by the decision of the Supreme Eurasian Economic Council. The issues concerning conclusion of agreements of the EAEU with a third party shall be determined by the international treaty within the EAEU.

2. Negotiations on the drafts of international agreements of the EAEU with a third party, as well as their signing shall be performed according to the decision of the Supreme Eurasian Economic Council after implementation of the relevant internal procedures of the member States.

The decision on the expression of consent of the EAEU to be bound by an international Treaty between the EAEU and a third party, termination, suspension or withdrawal of an international Treaty shall be adopted by the Supreme Eurasian Economic Council after implementation of the relevant internal procedures of the member States.

SECTION III

BODIES OF THE EAEU

Article 8

Bodies of the EAEU

1. Bodies of the EAEU shall include:

Supreme Eurasian Economic Council (hereinafter - the Supreme Council);

Eurasian Intergovernmental Council (hereinafter - the Intergovernmental Council);

Eurasian Economic Commission (hereinafter - the Commission, the EEC);