

8. This Section does not include the relationships regulated by effective international bilateral agreements between the member States. The newly concluded international bilateral agreements between member States shall not be in contradiction with the present Section.

9. Provisions of Section XVIII of this Treaty shall be applied to the entities of natural monopolies subject to the specifics provided in this Section.

SECTION XX

ENERGY

Article 79

Interaction of the Member States in the Energy Sector

1. For the purposes of the effective use of the potential of fuel and energy complexes of the member States as well as providing national economies with the main types of energy (electricity, gas, oil and petroleum products), member States shall develop a long-term mutually beneficial cooperation in the energy sector, conduct a coordinated energy policy, implement the gradual formation of common markets of energy resources in accordance with international treaties provided for in Articles 81, 83 and 84 of this Treaty, with a view to ensure energy security, based on the following basic principles:

- 1) ensuring the market pricing of energy resources;
- 2) ensuring the development of competition in the common market of energy resources;
- 3) lack of technical, administrative and other barriers to trade in energy resources, appropriate equipment, technology and related services;
- 4) provision of transport infrastructure development of common markets of energy resources;
- 5) ensuring non-discriminatory conditions for economic entities of member States in the common markets of energy resources;

6) creation of favorable conditions for attracting investments in the energy sector of the member States;

7) harmonization of national regulations and functioning rules of the technological and commercial infrastructure of common markets of the energy resources.

2. The relations of economic entities of member States operating in the sphere of electric power, gas, oil and petroleum products not covered by this section shall be implemented in accordance with the legislations of the member States.

3. Provisions of section XVIII of this Treaty with respect to economic entities of member States in the fields of electric power, gas, oil and petroleum products are applied subject to particularities provided by this section and Section XIX of this Treaty.

Article 80

Indicative (Estimated) Balances of Gas, Oil and Petroleum Products

1. For the purpose of effective use of the total interstate energy potential and optimization of energy supply, the competent authorities of the member States shall develop and coordinate:

indicative (estimated) gas balance of the EAEU;

indicative (estimated) oil balance of the EAEU;

indicative (estimated) petroleum products balances of the EAEU.

2. Development of the balances referred to in paragraph 1 of this Article shall be carried out with the participation of the Commission and in accordance with the methodology of developing indicative (estimated) balances of gas, oil and petroleum products, developed within the period provided in paragraph 1 of Article 104 of this Treaty and agreed by the competent authorities of the member States.

Article 81

Formation of a Common Energy Market of the EAEU

1. Member States shall carry out phased formation of a common energy market of the EAEU on the basis of parallel operation of electric power systems subject to the transitional provisions specified in paragraphs 2 and 3 of Article 104 of this Treaty.

2. Member States shall develop the concept and program of formation of a common energy market of the EAEU approved by the Supreme Council.

3. Member States conclude an international agreement within the EAEU on the formation of a common energy market based on the provisions of the approved concept and program of formation of a common energy market of the EAEU.

Article 82

Providing the Access to Services of Natural Monopolies in the Energy Sector

1. Within existing technical capabilities the member States shall ensure free access to services of entities of natural monopolies in the energy sector, provided the priority use of these services for the domestic demand in electric energy (power) of the member States in accordance with common principles and rules according to the Annex №21 to this Treaty.

2. Principles and rules of access to the services of natural monopolies in the electricity sector, including the basics of pricing and tariff policy set out in the Annex №21 to this Treaty shall be applied to the Republic of Belarus, Republic of Kazakhstan and the Russian Federation. In the case of accession of new members the indicated Annex shall be amended accordingly.

Article 83

Formation of a Common Gas Market of the EAEU and Access to Services of Natural Monopolies in the Field of Gas Transportation

1. Member States shall carry out the phased formation of a common market of gas of the EAEU in accordance with Annex №22 subject to the transitional provisions provided for in paragraphs 4 and 5 of Article 104 of this Treaty.

2. Member States shall develop the concept and program formation of a common gas market of the EAEU approved by the Supreme Council.

3. Member States conclude an international agreement within the EAEU on the formation of the common gas market, based on the provisions of the approved concept and program for the formation of a common market of gas in the EAEU.

4. Member States within the existing technical capabilities, free capacities of gas transmission systems taking into account the agreed indicative (estimated) gas balance of the EAEU and on the basis of civil contracts of the economic entities shall provide free access for the economic entities of other member States to gas transmission systems located in the territories of the member States, to transport natural gas on the basis of common principles, conditions and rules provided under the Annex №22 to this Treaty.

Article 84

Formation of Common Oil and Petroleum Products Market of the EAEU and Access to Services of Natural Monopolies in the Field of Oil and Petroleum Products Transportation

1. Member States shall carry out the phased formation of a common market of oil and petroleum products of the EAEU in accordance with Annex №23 subject to the transitional provisions provided for in paragraphs 4 and 5 of Article 104 of this Treaty.

2. Member States shall develop the concept and program formation of a common oil and petroleum products market of the EAEU approved by the Supreme Council.

3. Member States conclude an international agreement within the EAEU on the formation of the common oil and petroleum products market, based on the provisions of the approved concept and program for the formation of a common market of oil and petroleum products in the EAEU.

4. Member States within the existing technical possibilities in regard to the agreed indicative (estimated) oil balance of the EAEU as well as agreed indicative (estimated) petroleum products balance of the EAEU and on the basis of civil contracts of the economic entities shall provide free access for the economic entities of other member

States to transmission systems located in the territories member States on the basis of common principles, conditions and rules provided under the Annex №23 hereto.

Article 85

The Authority of the Commission in the Energy Sector

In the energy sector the Commission monitors the enforcement of this section.

SECTION XXI

TRANSPORT

Article 86

Coordinated (Correlated) Transport Policy

1. The EAEU carries out coordinated (correlated) transport policy aimed at ensuring economic integration, consistent and gradual creation of a single transport space on the principles of competition, openness, security, reliability, availability and environmental compatibility.

2. Objectives of coordinated (correlated) transport policy are:

- 1) creation of a common market for transport services;
- 2) adoption of correlated measures ensuring common benefits in the transport field and the implementation of best practices ;
- 3) integration of the transport systems of the member States into the global transport system;
- 4) efficient use of transit potential of the member States;
- 5) improvement of quality of transport services;
- 6) provision of transport security;
- 7) reduction of the harmful effects of transport on the environment and human health;
- 8) creation of a favorable investment climate.