Treaty Series

Treaties and international agreements
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VOLUME 3050 **2015** **I. No. 52764**

Recueil des Traités

Traités et accords internationaux
enregistrés
ou classés et inscrits au répertoire
au Secrétariat de l'Organisation des Nations Unies

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NOTE BY THE SECRETARIAT

Under Article 102 of the Charter of the United Nations, every treaty and every international agreement entered into by any Member of the United Nations after the coming into force of the Charter shall, as soon as possible, be registered with the Secretariat and published by it. Furthermore, no party to a treaty or international agreement subject to registration which has not been registered may invoke that treaty or agreement before any organ of the United Nations. The General Assembly, by resolution 97 (I), established regulations to give effect to Article 102 of the Charter (see text of the regulations, vol. 859, p. VIII; https://treaties.un.org/Pages/Resource.aspx?path=Publication/Regulation/Page1_en.xml).

The terms "treaty" and "international agreement" have not been defined either in the Charter or in the regulations, and the Secretariat follows the principle that it acts in accordance with the position of the Member State submitting an instrument for registration that, so far as that party is concerned, the instrument is a treaty or an international agreement within the meaning of Article 102. Registration of an instrument submitted by a Member State, therefore, does not imply a judgement by the Secretariat on the nature of the instrument, the status of a party or any similar question. It is the understanding of the Secretariat that its acceptance for registration of an instrument does not confer on the instrument the status of a treaty or an international agreement if it does not already have that status, and does not confer upon a party a status which it would not otherwise have.

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NOTE DU SECRÉTARIAT

Aux termes de l'Article 102 de la Charte des Nations Unies, tout traité ou accord international conclu par un Membre des Nations Unies après l'entrée en vigueur de la Charte sera, le plus tôt possible, enregistré au Secrétariat et publié par lui. De plus, aucune partie à un traité ou accord international qui aurait dû être enregistré mais ne l'a pas été ne pourra invoquer ledit traité ou accord devant un organe de l'Organisation des Nations Unies. Par sa résolution 97 (I), l'Assemblée générale a adopté un règlement destiné à mettre en application l'Article 102 de la Charte (voir texte du règlement, vol. 859, p. IX; https://treaties.un.org/Pages/Resource.aspx?path=Publication/Regulation/Page1_fr.xml).

Les termes « traité » et « accord international » n'ont été définis ni dans la Charte ni dans le règlement, et le Secrétariat a pris comme principe de s'en tenir à la position adoptée à cet égard par l'État Membre qui a présenté l'instrument à l'enregistrement, à savoir que, en ce qui concerne cette partie, l'instrument constitue un traité ou un accord international au sens de l'Article 102. Il s'ensuit que l'enregistrement d'un instrument présenté par un État Membre n'implique, de la part du Secrétariat, aucun jugement sur la nature de l'instrument, le statut d'une partie ou toute autre question similaire. Le Secrétariat considère donc que son acceptation pour enregistrement d'un instrument ne confère pas audit instrument la qualité de traité ou d'accord international si ce dernier ne l'a pas déjà, et qu'il ne confère pas à une partie un statut que, par ailleurs, elle ne posséderait pas.

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Treaties and international agreements

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No. 52764

Multilateral

Treaty on the Eurasian Economic Union (with annexes). Astana, 29 May 2014

Entry into force: *1 January 2015, in accordance with article 113*

Authentic texts: *Belarusian, Kazakh and Russian*

Registration with the Secretariat of the United Nations: *Eurasian Economic Commission, 24 July 2015*

Only the English courtesy translation of the Treaty and its Annexes is published in volumes 3049 and 3050. The French translation is published in volumes 3051 and 3052. The authentic texts of the Treaty and its Annexes are published in volumes 3042 to 3048 as follows: Belarusian: volumes 3042 and 3043; Kazakh: volumes 3044 to 3046; Russian: volumes 3046 to 3048.

Multilatéral

Traité relatif à l'Union économique eurasienne (avec annexes). Astana, 29 mai 2014

Entrée en vigueur : *1er janvier 2015, conformément à l'article 113*

Textes authentiques : *biélorusse, kazakh et russe*

Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies : *Commission économique eurasienne, 24 juillet 2015*

Seule la traduction de courtoisie anglaise du Traité et de ses annexes est publiée dans les volumes 3049 et 3050. La traduction française est publiée dans les volumes 3051 et 3052. Les textes authentiques du Traité et de ses annexes sont publiés dans les volumes 3042 à 3048 comme suit : biélorusse : volumes 3042 et 3043 ; kazakh : volumes 3044 à 3046; russe : volumes 3046 à 3048.

[TRANSLATION – TRADUCTION][1]

[For the Treaty and ANNEXES 1 through 16, see Volume 3049 -- Pour le traité et les annexes 1 à 16, voir au volume 3049.]

ANNEX 17
to the Treaty on the Eurasian Economic Union

PROTOCOL
on Financial Services

1. This Protocol has been developed in accordance with Article 70 of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and applies to measures of the Member States affecting trade in financial services, as well as incorporation and/or activities of financial service suppliers.

2. The provisions of this Protocol shall not apply to services supplied and activities undertaken in pursuance of the functions of state power on a non-commercial basis and not on competition terms, as well as to the provision of subsidies.

3. The terms used in this Protocol shall have the following meanings:

"state institution" means a state government authority or a national (central) bank of a Member State or an organisation of a Member State owned or controlled by that Member State exclusively exercising powers delegated by the state government authority or the national (central) bank of the Member State;

"activities" means activities of juridical persons, branches and representative offices incorporated as specified in this Protocol;

"legislation of a Member State" means legislation and other regulatory legal acts of a Member State, regulatory legal acts of a national (central) bank of a Member State;

[1] Translation provided by the Eurasian Economic Commission – Traduction fournie par la Commission économique eurasienne.

"credit institution" means a juridical person of a Member State having the generation of profit as the main purpose of its operation, operating on the basis of a license issued by the authorised authority of the Member State regulating banking activities with the right to conduct banking operations in accordance with the legislation of the Member State on the territory of which it is registered;

"license" means a special permit (document) issued by the authorised authority of a Member State enabling its holder to conduct specific activities on the territory of the Member State;

"measure of a Member State" means the legislation of a Member State, as well as any decision, action or omission of an authorised authority of a Member State or an official thereof.

In the case of adoption (publication) by the authorised authority of a Member State of an official non-binding document, this recommendation may be regarded as a measure for the purposes of this Protocol if it is proven that, in practice, the recommendation is observed by a predominant number of the persons to whom the recommendation is addressed;

"national treatment" means provision to persons and financial services of another Member State, in trade in financial services, of treatment that is no less favourable than the treatment accorded under similar circumstances to own persons and financial services on the territory of the Member State;

"common financial market" means the financial market of the Member States meeting the following criteria:

harmonised requirements for the regulation and supervision in the sphere of financial markets of the Member States;

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

conducting activities to provide financial services on the entire territory of the Union without additional incorporation of juridical persons;

administrative cooperation between authorised authorities of the Member States, including by exchange of information;

"supply of/trade in financial services" means rendering of financial services, including manufacture, distribution, marketing, sale and delivery of services, conducted in the following ways:

from the territory of one Member State to the territory of another Member State;

on the territory of one Member State by a person of this Member State to a person of another Member State (service consumer);

by a financial service supplier of one Member State through its incorporation and activities on the territory of another Member State;

"financial service supplier" means any natural person or juridical person of a Member State supplying financial services, except for public institutions;

"professional securities market participant" means a juridical person of a Member State entitled to carry out professional activities in the securities market in accordance with the legislation of the Member State on the territory of which it is registered;

"most favoured nation treatment" means provision to persons and financial services of another Member State, in trade in financial services, of

treatment that is no less favourable than the treatment accorded under similar circumstances to persons and financial services of third countries;

"financial services sector" means the entire financial services sector, including all sub-sectors and, for the purpose of exceptions from obligations, restrictions and conditions of a Member State, one or more or all separate financial services sub-sectors;

"insurance company" means a juridical person of a Member State entitled to carry out insurance (reinsurance) activities in accordance with the legislation of the Member State on the territory of which it is registered;

"economic feasibility test" means issuing of authorisations for the incorporation and/or activities or supply of services, depending on the requirements and market demand, by means of an economic feasibility assessment of the service supplier with regard to its compliance with the goals of economic planning for a particular industry;

"authorised authority" means an authority of a Member State authorised under the legislation of that Member State to exercise regulation and/or supervision, and control of the financial market and financial organisations (individual spheres of the financial market);

"incorporation":

creation and/or acquisition of a juridical person (participation in the capital of a created or incorporated juridical person) with any organisational legal form and form of ownership provided for by the legislation of the Member State on the territory of which the juridical person is created or incorporated;

acquisition of control over a juridical person of a Member State through obtaining of an opportunity to, either directly or via third persons,

determine decisions to be adopted by such juridical person, including through the management of votes granted by voting shares (stakes) and participation in the board of directors (supervisory board) and other management authorities of the juridical person;

opening of a branch;

opening of a representative office;

"financial services" means services of a financial nature, including the following:

1) insurance and insurance-related services:

a) insurance (coinsurance): life insurance, other insurance types;

b) reinsurance;

c) insurance intermediation, such as brokerage and agency mediation;

d) auxiliary insurance services, such as consultancy, actuarial services, risk assessment and claim settlement services;

2) banking services:

a) receiving deposits and other repayable funds from the public;

b) issuing loans and credits of all types, including consumer credits, mortgage loans, factoring and financing of commercial transactions;

c) financial leasing;

d) all kinds of services for payments and transfers;

e) trading, at own expense and at the expense of customers, at the stock exchange and over-the-counter market or otherwise: in foreign exchange; derivatives, including futures and options; instruments relating to foreign exchange rates and interest rates, including swap transactions and forward transactions;

f) consultancy, intermediation and other auxiliary financial services in all the activities referred to in this sub-paragraph, including reference and analytical materials related to the analysis of credit terms;

3) services in the securities market:

a) trading in financial instruments, at own expense and at the expense of customers, at the stock exchange and over-the-counter market, or otherwise;

b) participation in emission (issue) of all kinds of securities, including guarantees and placement, while acting as an agent (public or private), and the provision of services related to such emissions (issue);

c) brokerage in the financial market;

d) management of such assets as cash or securities, all kinds of collective investment and asset management, management of investment portfolios of pension funds, custody, storage services and trust services;

e) clearing services for financial assets, including securities, derivatives and other financial instruments;

f) provision and transfer of financial information, financial data processing and provision and transfer of related software by suppliers of other financial services;

g) consultancy, intermediation and other auxiliary financial services in all the activities referred to in this sub-paragraph, including research and recommendations on direct and portfolio investments, advice on acquisitions, restructuring and corporate strategies.

Other terms in this Protocol shall have the meanings specified in the Protocol on Trade in Services, Incorporation, Activities and Investments (Annex 16 to the Treaty).

4. Each Member State shall accord to financial service suppliers (juridical persons of other Member States) the national treatment and the most favoured nation treatment in respect of the provision, independently, via an intermediary or as an intermediary, in accordance with the terms specified in individual national lists of the Member States in Annex 1 to this Protocol, from the territory of one Member State to the territory of another Member State, of the following types of financial services:

1) insurance of risks relating to:

international marine transportations and commercial air transportations, commercial space launches and freight (including satellites), with respect to which such insurance affects, in whole or in part: transported goods, transportation vehicles and civil liability arising in connection with the transportation;

goods transported within international transit;

2) reinsurance and auxiliary insurance services such as consultancy, actuarial services, risk assessment and settlement of claims;

3) provision and transfer of financial information, processing of financial data and related software of suppliers of other financial services;

4) consultancy and other auxiliary services, including the provision of reference materials (except for mediation and services related to the analysis of credit histories, research and recommendations on direct and portfolio investments, advice on acquisitions, restructuring and corporate strategies) in respect of services in the securities market and banking services.

5. Each Member State shall allow persons of the Member State consume financial services referred to in sub-paragraphs 1-4 of paragraph 4 of this Protocol on the territory of another Member State.

6. Each Member State shall accord the national treatment to persons of another Member State with regard to the incorporation and/or activity on its territory of financial service suppliers, as specified in paragraph 3 of this Protocol, subject to the restrictions specified in the individual national list for each Member State in Annex 2 to this Protocol.

7. Each Member State shall accord the most favoured nation treatment to persons of another Member State with regard to the incorporation and/or activities on its territory of financial service suppliers, as specified in paragraph 3 of this Protocol.

8. All issues regarding trade in financial services with third states, activities of juridical persons with state participation in their capital, the rights of consumers of financial services, participation in privatisation, protection of investors' rights, payments and transfers, restrictions on payments and transfers, indemnity, guarantees of investors, including in expropriation, transfer of rights of investors and settlement of investment disputes shall be governed by the Protocol on Trade in Services, Incorporation, Activities and Investments (Annex 16 to the Treaty).

9. Provisions of this Protocol shall apply to juridical persons, branches and representative offices incorporated at the date of entry into force of the Treaty and still existing, as well as those incorporated after the effective date of the Treaty.

10. In the sectors listed in paragraph 4 of this Protocol, except as provided for in Annex 1 to this Protocol, no Member States shall be allowed to apply or impose the following restrictions in respect of financial services and financial service suppliers of another Member State in relation to trade in services:

restrictions on the number of financial service suppliers in the form of quota, monopoly, economic feasibility test or any other quantitative form;

restrictions on transactions of any financial service supplier in the form of quota, economic feasibility test or any other quantitative form;

In the sectors listed in paragraph 4 of this Protocol, except as provided for in Annex 1 to this Protocol, no Member States shall be allowed to apply or impose in respect of financial service suppliers of another Member State the requirements for mandatory incorporation as a condition for trade in financial services.

11. Except for the restrictions provided for by the individual national list for each Member State in Annex 2 to this Protocol, no Member State shall be allowed to apply or impose on its territory the following restrictions in respect of financial service suppliers of another Member State in connection with their incorporation and/or activities:

1) restrictions on the forms of incorporation, including the organisational legal form of a juridical person;

2) restrictions on the number of incorporated juridical persons, branches or representative offices in the form of quotas, economic feasibility tests or any other quantitative form;

3) restrictions on the volume of purchased shares in the capital of the juridical person or the degree of control over the juridical person;

4) restrictions on transactions of incorporated juridical persons, branches or representative offices conducted in the course of their activities in the form of quotas, economic feasibility tests or any other quantitative form;

12. All issues regarding the entry, departure, residence and employment of natural persons shall be governed by Section XXVI of the Treaty subject to the limitations specified in the individual national list for each Member State in Annex 2 to this Protocol.

13. In respect of financial services specified in the individual national list in Annex 1 to this Protocol and restrictions on incorporation and/or the activities specified in the individual national list in Annex 2 to this Protocol, each Member State shall ensure that all measures of that Member State affecting trade in financial services are applied in a reasonable, objective and impartial manner.

14. When authorisation is required for the supply of financial services, the authorised authorities of a Member State shall, within a reasonable period of time after the submission of an application deemed duly executed pursuant to the requirements of the legislation of the Member State and its regulations, inform the applicant of the decision concerning the application. At the request of the applicant, the authorised authorities of a Member State shall provide information about the progress of application processing without undue delay.

15. In order to ensure that the measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in financial services, the Member States shall be entitled to develop any necessary rules via appropriate authorities that may be created for this purpose. The requirements in these rules, among other things, shall:

1) be based on objective and transparent criteria such as competence and the ability to supply the service;

2) not be more burdensome than required to ensure the service quality;

3) in the case of licensing procedures, not constitute restrictions on the supply of services.

16. Prior to the entry into force of the rules to be developed pursuant to paragraph 15 of this Protocol for the sectors of financial services specified in individual national lists in Annex 1 to this Protocol, the Member States shall not apply licensing or qualification requirements and technical standards that invalidate or reduce benefits the benefits provided under the conditions specified in the individual national lists in Annex 1 to this Protocol.

In this case, licensing or qualification requirements and technical standards applied by a Member State shall meet the criteria specified in sub-paragraphs 1-3 of paragraph 15 of this Protocol and shall correspond to those that may reasonably be expected from that Member State on the date of signing the Treaty.

17. If a Member State applies licensing with regard to incorporation and/or activities of financial service suppliers, such Member State shall ensure that:

1) the names of authorised authorities of a Member State responsible for issuing licenses for the activities have been published or otherwise brought to general attention;

2) the licensing procedures did not restrict incorporation or activities and the licensing requirements directly related to the right to conduct the activities did not constitute unreasonable barriers to the activities;

3) all licensing procedures and requirements have been determined in the legislation of a Member State and the legislation of the Member State

determining or applying the licensing procedures and requirements has been published prior to its effective date (entry into force);

4) any fees charged in connection with the submission and consideration of the application for a license did not constitute a restriction on incorporation and activities and were based on the expenses of the licensing authority of a Member State incurred with regard to the consideration of the application and issuance of the license;

5) after a period of time determined by the legislation of a Member State for deciding on the issuance of (or refusal to issue) a license and at the request of the applicant have expired, the respective authorised authority of the Member State responsible for issuing licenses has informed the applicant of the status of its application having indicated whether the application was deemed duly executed. In any case, the applicant shall be given the opportunity to make technical corrections to the application. The above application shall not be deemed duly executed until all documents and information have been received as specified in the applicable legislation of a Member State;

6) upon written request of an applicant whose application was rejected, the authorised authority of a Member State in charge of licensing that rejected the application has informed the applicant in writing of the reasons for the rejection. This provision shall not be construed as requiring the authorised authority to disclose information if it prevents due enforcement of the legislation of a Member State or is otherwise contrary to the public interest or critical security interests of the Member State;

7) when an application has been rejected, the applicant shall be entitled to submit a new application attempting to eliminate any problems that caused the rejection;

8) the license issued was valid on the entire territory of the Member State.

18. The procedure and terms for issuing licenses to conduct activities in financial services markets on the territory of a Member State shall be determined by the legislation of the Member State on the territory of which the activities are to be conducted.

19. Nothing in this Protocol shall prevent the Member States from taking prudential measures, including for the protection of interest of investors, depositors, policyholders, beneficiaries and persons to which the service supplier bears a fiduciary responsibility, or measures required to ensure the integrity and stability of the financial system. If such measures are not consistent with the provisions of this Protocol, they shall not be used by the Member State as an instrument to evade any obligations undertaken by that Member State under the Treaty.

20. Nothing in this Protocol shall be construed to require a Member State to disclose information relating to accounts of individual customers or any other confidential information, or information held by public institutions.

21. On the basis of international principles and standards or international best practices, not lower than the standards and best practices already applied in the Member States, the latter shall develop harmonised requirements in the sphere of financial market regulation in the following service sectors:

the banking sector;

the insurance sector;

the service sector in the securities market.

22. In the banking sector, the Member States shall harmonise requirements for the regulation of and supervision over credit institutions guided by the international best practices and the Core Principles for Effective Banking Supervision of the Basel Committee on Banking Supervision, including in relation to:

1) the term of "a credit institution" and the legal status of the credit institution;

2) the procedures and conditions for the disclosure of information by credit institutions, banking groups and their affiliates, and bank holding companies;

3) the requirements for accounting (financial) statements based on International Financial Reporting Standards;

4) the procedure and conditions for the establishment of a credit institution, in particular in relation to:

the requirements for founding documents;

the procedure for state registration of a credit institution in the form of a juridical person (branch);

determination of the minimum authorised capital of a credit institution, the procedure for its formation and payment methods;

the requirements for professional qualifications and business reputation of executives of a credit institution;

the procedures and conditions for issuing licenses to conduct banking operations, including requirements for documents required to obtain a license to conduct banking operations;

5) grounds for refusal of registration of a credit institution and issuance of a license to conduct banking operations;

6) the method, procedure and conditions of liquidation (including compulsory liquidation) or reorganisation of a credit institution;

7) grounds for revocation of a license to conduct banking operations issued to a credit institution;

8) the procedure and specific features of reorganisation of credit institutions in the form of merger, affiliation and transformation;

9) ensuring financial reliability of a credit institution, including the determining of other activities permitted for credit institutions, apart from banking operations, as well as of prudential standards, required reserves and special provisions;

10) the procedure for supervision by authorised authorities of the Member States over credit institutions, bank holding companies and banking groups;

11) the amount, procedure and terms of application of sanctions against credit institutions and bank holding companies;

12) the requirements for activities and financial reliability of banking groups and bank holding companies;

13) the establishment and functioning of a system to insure deposits of the population (including the amount of reimbursement on deposits);

14) the procedures for financial rehabilitation and bankruptcy of credit institutions (including regulation of the rights of creditors, priority of claims);

15) a list of transactions recognised as banking operations;

16) a list and the status of organisations entitled to conduct certain process parts of banking operations.

23. In the insurance sector, the Member States shall harmonise requirements for the regulation of and supervision over professional participants of the insurance market guided by the international best practices and the Core Principles of Insurance Supervision of the International Association of Insurance Supervisors, including in relation to:

1) the term of "a professional participant of the insurance market" and the legal status of the professional participant of the insurance market;

2) ensuring financial sustainability of the professional participant of the insurance market, including in relation to:

insurance reserves sufficient to fulfil its insurance, coinsurance, reinsurance and mutual insurance obligations;

composition and structure of assets accepted to cover insurance reserves;

the minimum level and the procedure for the formation of the authorised and equity capital;

the terms and procedures for the transfer of insurance portfolio;

3) the requirements for accounting (financial) statements based on International Financial Reporting Standards;

4) the procedure and conditions for the establishment and licensing of insurance activities;

5) the procedure for supervision by the authorised authorities of the Member States over the activities of professional participants in the insurance market;

6) the amount, procedure and terms of the application of sanctions to participants and/or professional participants of the insurance market for violations in the financial market;

7) the requirements for professional qualifications and business reputation of professional participants of the insurance market;

8) the grounds for refusal to issue a license to conduct insurance activities;

9) the method, procedure and conditions of liquidation of a professional participant of the insurance market, including compulsory liquidation (bankruptcy);

10) the grounds for revocation of a license for insurance activities issued to a professional participant of the insurance market, as well as for its invalidation, restriction or suspension;

11) the procedure and specific features of reorganisation of professional participants of the insurance market in the form of a merger, affiliation or transformation;

12) the requirements for the composition of insurance groups and insurance holding companies and their financial reliability.

24. In the service sector of the securities market, the Member States shall harmonise requirements for the following activities:

brokerage activities in the securities market;

dealer activities in the securities market;

management of securities, financial instruments, assets, investment portfolios of pension funds and collective investments;

activities to identify mutual obligations (clearing);

depository activities;

maintaining a registry of holders of securities;

activities to organise trading in the securities market.

25. The Member States shall harmonise the requirements for the regulation of and supervision over the securities market guided by international best practices and principles of the International Organisation of Securities Commissions, the Organisation for Economic Cooperation and Development, including in relation to:

1) determining the procedure for the formation and payment of the authorised capital, as well as the requirements for capital adequacy;

2) the procedure and conditions for issuing licenses for activities in the securities market, including the requirements for documents required to obtain such licenses;

3) the requirements for professional qualifications and business reputation of professional participants of the securities market;

4) the grounds for refusal to grant a license for activities in the securities market, as well as for its invalidation, restriction or suspension;

5) the requirements for accounting (financial) statements based on International Financial Reporting Standards, as well as requirements for the organisation of internal accounting and internal control;

6) the procedure, method and terms of liquidation (including compulsory liquidation) or reorganisation of a professional securities market participant;

7) the grounds for revocation of a professional securities market participant's license to operate in the securities market;

8) the amount, procedure and conditions of the application of sanctions to participants and/or professional participants of the securities market for violations in the financial market;

9) the procedure for supervision by the authorised authorities of the Member States over the activities of subjects (participants) in the securities market;

10) the requirements for activities of professional participants of the securities market;

11) the requirements for emission (issue) of securities of the issuer;

12) the requirements for placement and circulation of foreign securities in the securities markets of the Member States;

13) the requirements for the volume, quality and frequency of publication of information;

14) enabling the placement and circulation of securities of issuers of the Member States on the entire territory of the Union subject to registration of the emission (issue) of securities by the regulatory authority of the state of registration of the issuer;

15) the requirements in the field of information disclosure, combating illegal use of insider information and manipulations in the securities market.

26. The Member States shall harmonise audit requirements based on International Auditing Standards.

27. The Member States shall develop mechanisms for interaction between authorised authorities of the Member States in the sphere of regulation, control and supervision of activities in their financial markets, including in the banking sector, insurance sector and the services sector of the securities market.

The Member States shall exchange information, including confidential information, in accordance with an international treaty within the Union.

28. Each Member State shall ensure that the legislation of that Member State that affects or may affect the matters covered by this Protocol is published in the official source and, if possible, on a dedicated website on the Internet so that any person whose rights and/or obligations may be affected by such legislation could become familiar with it.

Such legislation shall be published with clarification of its purposes, in due time ensuring legal certainty and reasonable expectations of persons the rights and/or obligations of which may be affected by the legislation of the Member State, but in any case before the effective date thereof.

29. Each Member State shall determine a mechanism for responding to written inquiries of any person with regard to the current and/or planned legislative acts on matters covered by this Protocol. Responses to all inquiries shall be provided to such interested person not later than within 30 calendar days from the date of receipt.

30. In order to prevent systemic risks in the financial markets, the Member States shall harmonise their legislation with regard to the requirements for activities of rating agencies in compliance with the principles of transparency, accountability and responsibility.

31. A Member State may recognise prudential measures of any other Member State when determining the application of measures relating to the supply of financial services. This recognition may be achieved through harmonisation of the legislation of the Member States or otherwise and may be based on an agreement or arrangement with a Member State concerned or accorded unilaterally.

32. A Member State being party to an agreement or arrangement for recognition of prudential measures of another Member State, both potential

and current, shall enable other Member States to negotiate their accession to such agreements or arrangements, which may contain rules, control, enforcement mechanisms for such rules and, if possible, procedures related to the exchange of information between the parties to such agreements and arrangements.

33. Specific requirements for activities in the financial markets of the Member States shall be harmonised so as to ensure that the remaining differences do not hinder the effective functioning of the financial market within the Union.

34. Nothing in this Protocol shall preclude a Member State from taking or applying the following measures, provided that such measures are not applied in a manner that creates a means of arbitrary or unjustifiable discrimination between persons of the Member States relating to trade in services, incorporation and/or activities:

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 or regulations under the provisions of this Protocol, including those relating 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;

4) inconsistent with paragraphs 4 and 6 of this Protocol with regard to the provision of national treatment, provided that the differences in the actually accorded treatment are aimed at ensuring equitable or effective taxation of or collection of taxes on persons of another Member State in respect of trade in services;

5) inconsistent with paragraphs 4 and 7 of this Protocol, provided that the difference in treatment is the result of an agreement on taxation, including on the avoidance of double taxation, concluded by the Member State concerned.

35. Nothing in this Protocol shall be construed so as to prevent any Member State from taking any measures it deems necessary to protect its fundamental interests in the field of the national defence or state security.

36. The Member States shall ensure gradual reduction of exceptions and restrictions specified in their individual national lists in Annexes 1 and 2 to this Protocol.

37. The Member States shall terminate all measures specified in their individual national lists in Annexes 1 and 2 to this Protocol in respect of those financial service sectors, where the Member States have fulfilled the terms of legislative harmonisation and mutual recognition of licenses.

Annex 1
to the Protocol on Financial Services

LIST

of sub-sectors of financial services, in which the Member States shall accord national treatment under paragraph 4 of the Protocol on Financial Services (Annex 17 to the Treaty on the Eurasian Economic Union) and assume obligations under paragraph 10 of the same Protocol

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
I. THE REPUBLIC OF BELARUS				
1. Insurance against risks associated with:	No restrictions	–	–	–
international marine transportations				
international commercial air transportations				
international commercial space launches				
international insurance covering, in whole or in				

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
part:				
international passenger transportations				
international transportations of exported (imported) cargos and carrying vehicles, including liabilities arising in connection therewith				
transportation of goods using international transport				
liability for transboundary transportation of individual vehicles only after accession to the international system of contracts and insurance certificates of Green Card				
2. Reinsurance and retrocession	No restrictions	–	–	–
3. Services of insurance agents	Restrictions	Insurance mediation associated with the	Presidential Decree No.530	–

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
and insurance brokers		conclusion and distribution of insurance contracts on behalf of foreign insurers on the territory of the Republic of Belarus shall be prohibited (with the exception of the sectors listed in paragraph 1 of this list, as well as of reinsurance activities of insurance brokers)	of the Republic of Belarus of August 25, 2006, On Insurance Activities	
4. Auxiliary insurance services, including consulting and actuarial services, risk assessment and claim settlement services	No restrictions	–	–	–
		II. THE REPUBLIC OF KAZAKHSTAN		
1. Insurance against risks associated with: international marine transportations international commercial air transportations international commercial space launches international insurance covering, in whole or in part: international passenger	Restrictions	No restrictions, except for the following cases: Property interests located on the territory of the Republic of Kazakhstan of a juridical person or its separate subdivisions and property interests of an natural person who is a resident of the Republic of Kazakhstan may only be insured by an insurance company that is a resident of the Republic of Kazakhstan. It shall be prohibited for natural and juridical persons that are residents of the Republic of Kazakhstan to make payments and transfers related to the payment of	Law No.126-II of the Republic of Kazakhstanof December 18, 2000, On Insurance Activities	N/D

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
transportations international transportations of exported (imported) cargos and carrying vehicles, including liabilities arising in connection therewith transportation of goods using international transport liability for transboundary transportation of individual vehicles only after accession to the international system of contracts and insurance certificates of Green Card		insurance premiums (fees) in favour of non-residents of the Republic of Kazakhstan. Compulsory insurance contracts shall be on the net retention of insurers that are residents of the Republic of Kazakhstan		
2. Reinsurance and retrocession	Restrictions	The aggregate amount of insurance premiums transferred to reinsurance organisations that are residents of the Republic of Kazakhstan under effective reinsurance contracts, net of commissions payable to the reinsurer (assignor), shall not	Resolution No. 131 of the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organisations of August 22,	N/D

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
		exceed 60 percent (and after accession to the WTO, 85 percent) of the total amount of insurance premiums receivable under effective insurance (reinsurance) contracts. Compulsory insurance contracts shall be on the net retention of insurers or shall be transferred for reinsurance to reinsurers that are residents of the Republic of Kazakhstan	2008, On approval of the guidelines on standard values and methods of calculation of prudential standards for insurance (reinsurance) organisations, forms and terms of reporting on the implementation of prudential standards	
3. Services of insurance agents and insurance brokers	Restrictions	No restrictions, except for the following cases: mediation for the conclusion of an insurance contract on behalf of an insurance company that is not a resident of the Republic of Kazakhstan, except for civil liability insurance contracts of owners of vehicles travelling outside the Republic of Kazakhstan, shall be prohibited on the territory of the Republic of Kazakhstan, unless otherwise provided for in international treaties ratified by the Republic of Kazakhstan	Law No.126-II of the Republic of Kazakhstanof December 18, 2000, On Insurance Activities	N/D
4. Auxiliary insurance services, including consulting and actuarial services, risk	No restrictions	–	–	–

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
assessment and claim settlement services				
		III. THE RUSSIAN FEDERATION		
1. Insurance against risks associated with:	No restrictions	–	–	–
international marine transportations				
international commercial air transportations				
international commercial space launches				
international insurance covering, in whole or in part:				
international passenger transportations				
international transportations of exported (imported) cargos and carrying vehicles, including liabilities arising in connection therewith				
transportation of goods				

Sector (Sub-sector)	Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
using international transport liability for transboundary transportation of individual vehicles only after accession to the international system of contracts and insurance certificates of Green Card				
2. Reinsurance and retrocession	No restrictions	–	–	–
3. Services of insurance agents and insurance brokers	Restrictions	Insurance mediation associated with the conclusion and distribution of insurance contracts on behalf of foreign insurers on the territory of the Russian Federation shall be prohibited (with the exception of the sectors listed in paragraph 1 of this list)	Law No.4015-I of the Russian Federationof November 27, 1992,On the Organisation of Insurance Business in the Russian Federation	–
4. Auxiliary insurance services, including consulting and actuarial services, risk assessment and claim settlement services	No restrictions	–	–	–

Annex 2
to the Protocol on Financial Services

List of
Restrictions Retained by the Member States for Incorporation and/or Activities

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	I. THE REPUBLIC OF BELARUS		
1. Restrictions under paragraphs 6 and 11 of the Protocol on Financial Services (Annex 17 to the Treaty on the Eurasian Economic Union) (hereinafter "Annex 17")	if the quota for foreign investors in the authorised capital of insurance companies of the Republic of Belarus exceeds 30 percent, the Ministry of Finance of the Republic of Belarus shall cease registration of insurance companies with foreign investments and/or terminate the issuance of licenses for insurance activities to such companies	Presidential Decree No.530 of the Republic of Belarus of August 25, 2006, On Insurance Activities, Resolution No.1174 of the Council of Ministers of the Republic of Belarus of September 11, 2006, On determining quotas for foreign investors in the authorised capital of insurance companies of the Republic of Belarus	N/D
	each insurance company shall obtain prior authorisations from the Ministry of Finance of the Republic of Belarus to increase the	Presidential Decree No.530 of	

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	amount of its authorised capital at the expense of foreign investors and/or insurance companies that are subsidiary (dependent) business entities of these foreign investors, to alienate shares in its authorised capital (stakes) amounting to 5 percent or more of the authorised capital of the insurance company, to alienate shares in its authorised capital (stakes) in favour of foreign investors and/or insurance companies that are subsidiary (dependent) business entities of these foreign investors. Belorussian participants of insurance companies in the Republic of Belarus shall obtain prior authorisations from the Ministry of Finance to alienate shares in their authorised capital (stakes) into the ownership (economic or operational management) of foreign investors and/or insurance companies that are subsidiary (dependent) business entities of these foreign investors. The above prior authorisation shall be refused in the following cases: if it results in an excess of the quota for the participation of foreign capital in the authorised capital of insurance companies of the Republic of Belarus if the juridical person to which the insurer or its shareholder intends to alienate the shares in the authorised capital has been operating less than 3 years and has no profit as a result of its activities in the last 3 years if it is required to ensure the national security of the Republic of Belarus (including in the economic sphere) or to protect the interests of national insurance companies	the Republic of Belarus of August 25, 2006, On Insurance Activities	

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	if insurance companies that are subsidiary (dependent) business entities of foreign investors and/or with a share owned by foreign investors in their authorised capital exceeding 49 percent, may create separate subdivisions on the territory of the Republic of Belarus and act as founders (participants) of other insurance companies after obtaining prior authorisation from the Ministry of Finance of the Republic of Belarus. The above prior authorisation shall be refused if it results in an excess of the quota for the participation of foreign capital in the authorised capital of insurance companies of the Republic of Belarus		
	insurance companies that are subsidiaries or related companies of foreign investors may not engage in life insurance in the Republic of Belarus (except for life insurance contracts with natural persons), compulsory insurance (including compulsory state insurance), property insurance related to deliveries, provision of services or performance of work for the state, as well as insurance of the property interests of the Republic of Belarus and its administrative-territorial entities.	Presidential Decree No.530 of the Republic of Belarus of August 25, 2006, On Insurance Activities	
	Payment by foreign investors of shares in the authorised capital (shares) of insurance companies and insurance brokers shall be made exclusively in cash	Presidential Decree No.530 of the Republic of Belarus of August 25, 2006, On Insurance Activities	
2. Restrictions under	insurance agents and insurance brokers may only be represented by	Presidential Decree No.530 of	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
paragraphs 6 and 11 of Annex 17	persons of the Republic of Belarus	the Republic of Belarus of August 25, 2006, On Insurance Activities	
3. Restrictions under paragraphs 6 and 11 of Annex 17	the participation of foreign capital in the banking system of the Republic of Belarus is limited to 50 percent. Credit institutions with foreign investment may only be created upon prior authorisation by the National Bank of the Republic of Belarus. The National Bank of the Republic of Belarus shall cease state registration of banks with foreign investments upon achievement of a fixed amount (quota) of participation of foreign capital in the banking system of the Republic of Belarus. The National Bank of the Republic of Belarus shall be entitled to take any measures to enforce this restriction. Issuance of the above authorisation shall be considered with account of exhaustion of the quota for the participation of foreign capital in the banking system of the Republic of Belarus, as well as the financial status and business reputation of respective non-resident founders	The Banking Code of the Republic of Belarus of October 25, 2000, No. 441-Z, Resolution No.129 of the Board of the National Bank of the Republic of Belarus of September 1, 2008, On the Amount (Quota) of Participation of Foreign Capital in the Banking System of the Republic of Belarus	N/D
4. Restrictions under paragraphs 6 and 11 of Annex 17	Licenses to operate in the financial services sphere in the Republic of Belarus shall be issued to juridical persons of the Republic of Belarus established in the organisational legal form prescribed by the legislation of the Republic of Belarus	Banking Code of the Republic of Belarus of October 25, 2000, No. 441-Z	N/D
5. Restrictions under paragraphs 6 and 11 of Annex 17	functions of the manager, deputies and chief accountant of an insurance company may be performed only by nationals of the Republic of Belarus, as well as by foreign nationals and stateless persons permanently residing in the Republic of Belarus, and only	Presidential Decree No.530 of the Republic of Belarus of August 25, 2006, On Insurance Activities	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	under employment contracts		
6. Restrictions under paragraphs 6 and 11 of Annex 17	Activities requiring a license may only be conducted by juridical persons of the Republic of Belarus and individual entrepreneurs duly registered in the Republic of Belarus. Activities subject to licensing shall be determined in accordance with the legislation of the Republic of Belarus	Presidential Decree No.450 of the Republic of Belarus of September 1, 2010, Regulation on Licensing of Certain Activities	N/D
	II. THE REPUBLIC OF KAZAKHSTAN		
1. Restrictions under paragraphs 6 and 11 of Annex 17	The share of a authorised authority in the capital of a bidding process organiser may exceed 50 percent of the total voting shares	Law No. 461-II of the Republic of Kazakhstan of July 2, 2003, On the Securities Market	N/D
2. Restrictions under paragraphs 6 and 11 of Annex 17	Activities requiring a license may only be conducted by juridical persons or individual entrepreneurs of the Republic of Kazakhstan. Activities subject to licensing shall be determined in accordance with the legislation of the Republic of Kazakhstan	Law No. 214-III of the Republic of Kazakhstan of January 11, 2007, On Licensing	N/D
3. Restrictions under paragraphs 6 and 11 of Annex 17	Banks shall be established in the form of joint-stock companies	Law No.2444 of the Republic of Kazakhstan of August 31, 1995, On Banks and Banking Activities in the Republic of Kazakhstan	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
4. Restrictions under paragraphs 6 and 11 of Annex 17	Opening of branches of non-resident banks in the Republic of Kazakhstan shall be prohibited	Law No.2444 of the Republic of Kazakhstan of August 31, 1995, On Banks and Banking Activities in the Republic of Kazakhstan	N/D
5. Restrictions under paragraphs 6 and 11 of Annex 17	insurance (reinsurance) companies shall be established in the form of joint stock companies	Law No.126-II of the Republic of Kazakhstan of December 18, 2000, On Insurance Activities	N/D
6. Restrictions under paragraphs 6 and 11 of Annex 17	Opening of branches of non-resident insurance companies in the Republic of Kazakhstan shall be prohibited	Law No.126-II of the Republic of Kazakhstan of December 18, 2000, On Insurance Activities	N/D
7. Restrictions under paragraphs 6 and 11 of Annex 17	Insurance brokers shall be established in the organisational legal form of limited liability partnerships or joint-stock companies	Law No.126-II of the Republic of Kazakhstan of December 18, 2000, On Insurance Activities	N/D
8. Restrictions under paragraphs 6 and 11 of Annex 17	The voluntary pension savings fund shall be established in the form of a joint stock company	Law No.105-V of the Republic of Kazakhstan of June 21,2013, On Pension Provision in the Republic of Kazakhstan	N/D
9. Restrictions under paragraphs 6 and 11 of Annex 17	It shall be prohibited in the Republic of Kazakhstan to open branches and representative offices of pension savings funds, which are non-residents of the Republic of Kazakhstan	Law No.105-V of the Republic of Kazakhstan of June 21, 2013, On Pension Provision in the Republic of Kazakhstan	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
10. Restrictions under paragraphs 6 and 11 of Annex 17	The central depository shall be the only organisation on the territory of the Republic of Kazakhstan engaged in depository activities. The central depository shall be established in the form of a joint stock company	Law No. 461-II of the Republic of Kazakhstan of July 2, 2003, On the Securities Market	N/D
11. Restrictions under paragraphs 6 and 11 of Annex 17	A professional securities market participant shall be a juridical person established in the organisational legal form of a joint stock company (except for transfer agents)	Law No. 461-II of the Republic of Kazakhstan of July 2, 2003, On the Securities Market	N/D
12. Restrictions under paragraphs 6 and 11 of Annex 17	The stock exchange shall be a juridical person established in the organisational legal form of a joint stock company	Law No. 461-II of the Republic of Kazakhstan of July 2, 2003, On the Securities Market	N/D
13. Restrictions under paragraphs 6 and 11 of Annex 17	A bank holding company, a non-resident of the Republic of Kazakhstan, directly holding 25 percent or more of the outstanding shares of the bank (except for privileged shares and shares redeemed by the bank) or having the opportunity to directly use 25 percent or more of the voting shares of the bank, may only be represented by a financial institution, non-resident of the Republic of Kazakhstan, subject to consolidated supervision in its country of residence	Law No.2444 of the Republic of Kazakhstan of August 31, 1995, On Banks and Banking Activities in the Republic of Kazakhstan	N/D
14. Restrictions under paragraphs 6 and 11 of Annex 17	The single savings pension fund shall be the only organisation on the territory of the Republic of Kazakhstan engaged in activities to collect mandatory pension contributions and mandatory occupational pension contributions	Law No.105-V of the Republic of Kazakhstan of June 21, 2013, On Pension Provision in the Republic of Kazakhstan	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
15. Restrictions under paragraphs 6 and 11 of Annex 17	the common registrar shall be the only organisation on the territory of the Republic of Kazakhstan engaged in maintenance of a registry of holders of securities	Law No. 461-II of the Republic of Kazakhstan of July 2, 2003, On the Securities Market	N/D
16. Restrictions under paragraphs 6 and 11 of Annex 17	an insurance holding company, non-resident of the Republic of Kazakhstan, directly holding 25 percent or more of the outstanding shares of the insurance (reinsurance) company (except for privileged shares and shares redeemed by the insurance (reinsurance) company) or having the opportunity to directly use 25 percent or more of the voting shares of the insurance (reinsurance) company, may only be represented by a financial institution	Law No.126-II of the Republic of Kazakhstan of December 18, 2000, On Insurance Activities	N/D
17. Restrictions under paragraphs 6 and 11 of Annex 17	The insurance guarantee fund shall be the only organisation on the territory of the Republic of Kazakhstan guaranteeing insurance payments to policyholders (the insured, beneficiaries) in cases of compulsory liquidation of insurance companies under mandatory insurance contracts	Law No.423-II of the Republic of Kazakhstan of June 3, 2003, On Insurance Guarantee Fund	N/D
18. Restrictions under paragraphs 6 and 11 of Annex 17	An organisation providing mandatory deposit guarantees shall be a non-profit organisation established in the organisational legal form of a joint stock company. The founder (the sole shareholder of the organisation) providing mandatory deposit guarantees shall be represented by the authorised authority	Law No. 169-III of the Republic of Kazakhstan of July 7, 2006, On mandatory guarantees on deposits placed in second-tier banks of the Republic of Kazakhstan	N/D
19. Restrictions under paragraphs 6 and 11 of	the credit bureau with state participation shall be established in the organisational legal form of a joint stock company and the only	Law No. 573-II of the Republic of Kazakhstan of July 6, 2004,	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
Annex 17	specialised non-profit organisation collecting information required for the compilation of credit histories from suppliers on a mandatory basis	On Credit Bureaus and Formation of Credit Histories in the Republic of Kazakhstan	
20. Restrictions under paragraphs 6 and 11 of Annex 17	A database of insurance contracts shall be compiled and maintained by a non-profit organisation established in the organisational legal form of a joint stock company with state participation	Law No.126-II of the Republic of Kazakhstan of December 18, 2000, On Insurance Activities	N/D
	III. THE RUSSIAN FEDERATION		
1. Restrictions under paragraphs 6 and 11 (Annex 17	Insurance companies that are subsidiaries of foreign investors (main organisations) or with a share in their authorised capital held by foreign investors of more than 49 percent may not engage in insurance of life, health and property of nationals in the Russian Federation at the expense of funds allocated for this purpose from the corresponding budget to federal executive authorities (policyholders), as well as insurance related to the procurement of goods, works and services for state and municipal requirements and insurance of property interests of state agencies and municipal organisations.	Law No.4015-I of the Russian Federation of November 27, 1992,On the Organisation of Insurance Business in the Russian Federation	N/D
	Insurance companies in the Russian Federation that are subsidiaries of foreign investors (main organisations) or with a share in their authorised capital held by foreign investors of more than 51 percent, may not engage in insurance of property interests associated with survival of nationals to a certain age or period or the onset of other events in the life of nationals, as well as with their death, and compulsory insurance of civil liability of owners of vehicles. An insurance company that is a subsidiary of a foreign investor		up to August 22, 2017

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	(main organisation) or with a share in its authorised capital held by a foreign investor of more than 49 percent may engage in insurance activities in the Russian Federation if the foreign investor (main organisation) has been an insurance company for at least 5 years, operating under the legislation of the respective state. The legislation of the Russian Federation sets a limit amount (quota) of 50 percent for the participation of foreign capital in the authorised capital of insurance companies. Information on the amount (quota) of foreign capital of insurance companies, introduction or termination of restrictions on foreign investment specified in the fifth and seventh indents of this paragraph shall be published in accordance with the legislation of the Russian Federation. If the amount (quota) of foreign capital in the authorised capital of insurance companies exceeds 50 percent, the insurance supervisory authority shall cease the issuance of licenses to conduct insurance activities to insurance companies that are subsidiaries of foreign investors (main organisation) or with a share in its authorised capital held by a foreign investor of more than 49 percent. An insurance company shall obtain prior authorisation of the insurance supervisory authority in order to increase its authorised capital at the expense of foreign investors and/or their subsidiaries and alienate its shares (shares in the authorised capital) in favour of foreign investors (including sales to foreign investors); Russian shareholders (participants) shall be required to obtain prior authorisation of the supervisory authority to alienate their shares (shares in the authorised capital) of an insurance company in favour of foreign investors and/or their subsidiaries.		

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	If the set amount (quota) of foreign capital in the authorised capital of insurance companies is exceeded, the insurance supervisory authority shall refuse prior authorisation to all insurance companies that are subsidiaries of foreign investors (main organisation) or with a share in its authorised capital held by a foreign investor in excess of 49 percent or becoming in excess thereof as a result of these transactions. All foreign investors shall pay for their shares (stakes) in insurance companies exclusively in cash in the currency of the Russian Federation. Notwithstanding the provisions of this paragraph, insurance companies licensed to conduct insurance activities prior to the accession of the Russian federation to the WTO shall be allowed to resume their activities under the terms of respective licenses		
2. Restrictions under paragraphs 6 and 11 of Annex 17	Insurance agents and insurance brokers may only be represented by nationals of the Russian Federation (this restriction shall not apply to insurance agents that are natural persons , not registered as individual entrepreneurs)	Law No.4015-I of the Russian Federation of November 27, 1992,On the Organisation of Insurance Business in the Russian Federation	N/D
3. Restrictions under paragraphs 6 and 11 of Annex 17	The participation of foreign capital in the banking system of the Russian Federation shall be limited to 50 percent. For the purposes of controlling the quota of foreign participation in the banking system of the Russian Federation prior authorisations of the Central Bank shall be required to: establish a credit institution with foreign participation, including	International obligations of the Russian Federation concerning services and based on the Protocol of December 16, 2011, on the Accession of the Russian Federation to the Marrakesh Agreement Establishing the	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
	subsidiaries and affiliates increase the authorised capital of a credit institution at the expense of non-resident(s) alienate shares (stakes) of a credit institution to non-residents	World Trade Organisation of April 15, 1994	
4. Restrictions under paragraphs 6 and 11 of Annex 17	Licenses to operate in the financial services sphere in the Russian Federation shall be issued to juridical persons of the Russian Federation established in the organisational legal form prescribed by the legislation of the Russian Federation	Federal Law No.395-Iof December 1, 1990, On Banks and Banking Activities, Federal Law No.39-FZof April 22, 1996,On Securities Market, Federal Law No.4015-Iof November 27, 1992,On the Organisation of Insurance Business in the Russian Federation, Federal Law No.7-FZ of February 7, 2011,On Clearing and Clearing Activities, Federal Law No.325-FZof November 21, 2011, On Organised Bidding, Federal Law No.75-FZof May 7, 1998, On Non-State Pension Funds, Federal Law No.156-FZof November 29, 2001, On Investment Funds, Federal Law No.29-FZof March 14, 2013, On Amendments to Certain Legislative Acts of the Russian	N/D

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
		Federation	
5. Restrictions under paragraphs 6 and 11 of Annex 17	For credit institutions with foreign investments, restrictions shall be imposed in the following cases: if a person acting as the sole executive authority of a Russian credit organisation is a foreign national or a stateless person, the collegial executive authority of this credit institution shall be comprised of nationals of the Russian Federation by at least 50 percent. The number of employees that are nationals of the Russian Federation shall not be less than 75 percent of the total number of employees of a Russian credit organisation with foreign investments	Order No. 02-195 of the Bank of Russia of April 23, 1997, On Introduction of the Regulation "On specific features of registration of credit institutions with foreign investments and the procedure for the prior approval by the Bank of Russia of an increase in the authorised capital of a registered credit institution at the expense of non-residents"	N/D
6. Restrictions under paragraphs 6 and 11 of Annex 17	The number of foreign personnel in a representative office of a foreign credit institution, as a rule, shall not exceed 2 people. When more accredited employees are required by a representative office, the requirement shall be substantiated in a written statement addressed to the President of the Bank of Russia, on the basis of which a decision shall be made	Order No.02-437 of the Bank of Russia of October 7, 1997, On the procedure for opening and operation in the Russian Federation of representative offices of foreign credit institutions	N/D
7. Restrictions under paragraphs 6 and 11 of Annex 17	the management (including the sole executive authority) and the chief accountant of a Russian insurance entity (juridical person) shall reside permanently on the territory of the Russian Federation	Law No.4015-I of the Russian Federation of November 27, 1992, On the Organisation of Insurance Business in the	up to January 1, 2015

Restriction	Description of Restriction	Grounds for Application of Restrictions (Regulatory Legal Act)	Validity of Restriction
		Russian Federation	
8. Restrictions under paragraphs 6 and 11 of Annex 17	Activities requiring a license may only be conducted by juridical persons of the Russian Federation and individual entrepreneurs duly registered in the Russian Federation. Activities subject to licensing shall be determined in accordance with the legislation of the Russian Federation	Federal Law No. 99-FZof May 4, 2011, On Licensing of Certain Activities(and the legislation governing the activities listed in paragraph 2 of Article 1 of the Law), Federal Law No. 395-Iof December 1, 1990,On Banks and Banking Activities	N/D
9. Restrictions under paragraphs 6 and 11 of Annex 17	The share of each shareholder (related group of persons) in the authorised capital of a bidding organiser may not exceed 10 percent, except in cases where the shareholder (related group of persons) is represented by a authorised authority or financial market infrastructure organisations of the Russian Federation, members of the same holding group	—	N/D
10. Restrictions under paragraphs 6 and 11 of Annex 17	Insurance histories in the Russian Federation shall be maintained by a single organisation established and operating under the legislation of the Russian Federation	—	N/D
11. Restrictions under paragraphs 6 and 11 of Annex 17	An organisation obtaining the status of a central depository shall be the only organisation on the territory of the Russian Federation to fulfil the functions of a central depository The central depository shall be established in the form of a joint stock company	Law No. 414-FZ of the Russian Federation of December 7, 2011,On Central Depository	N/D

ANNEX 18
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Procedure for Collection of Indirect Taxes and the Mechanism for controlling their Payments on Export and Import of Goods, Performance of Works and Provision of Services

I. General Provisions

1. This Protocol has been developed in accordance with Articles 71 and 72 of the Treaty on the Eurasian Economic Union and determines the procedure for collection of indirect taxes and the mechanism of control over their payments on export and import of goods, performance of works and provision of services.

2. The terms used in this Protocol shall have the following meanings:

"audit services" means services for conducting audits of accounting, tax and financial reporting statements;

"accounting services" means services for setting, keeping, and reconstruction of accounting records, compilation and/or submission of tax, accounting and financial reporting statements;

"movable property" means property other than immovable property and vehicles;

"design services" means services for the design of artwork, the appearance of products, building façades, interiors of buildings; industrial design;

"import of goods" means the importation of goods by taxpayers (payers) to the territory of one Member State from the territory of another Member State;

"engineering services" means engineering and consultancy services for the preparation of the process of manufacture and sale of goods (works, services), preparation for construction and operation of industrial, infrastructure, agricultural and other facilities, as well as pre-design and design services (preparation of feasibility studies, design development, technical testing and analysis of test results);

"competent authorities" means ministries of finance and economy, tax and customs authorities of the Member States;

"consultancy services" means services for providing clarifications and recommendations and other forms of consultations, including identification and/or assessment of problems and/or possibilities of a person with regard to administrative, economic, financial (including tax and accounting) issues, as well as planning, organisation and implementation of business activities, and personnel management;

"indirect taxes" means the value added tax (hereinafter "VAT") and excise taxes (excise tax or excise duty);

"marketing services" means services related to research, analysis, planning and forecasting in the sphere of manufacture and circulation of goods (works, services) in order to identify measures to create the necessary economic conditions for the manufacture and circulation of goods (works, services), including descriptions of goods (works, services), development of pricing and advertising strategies;

"taxpayer (payer)" means a payer of taxes, levies and duties of the Member States (hereinafter "a taxpayer");

"scientific research" means research under customers' specifications;

"immovable property means land plots, subsoil areas, isolated water objects and all that is firmly connected to the land/ground, that is, facilities that may not be moved without disproportionate damage to their intended use, including forests, perennial plantings, buildings, structures, pipelines, power transmission lines, enterprises as property complexes and space facilities;

"zero VAT rate" means imposition of VAT at the rate of zero percent with the right to deduct (offset) corresponding amounts of VAT;

"research, development and design work" means development of samples of new products, design documentation for new products or new technologies;

"work" means activities yielding material results that may be used by juridical persons and/or natural persons;

"advertising services" means services for creating, distributing and posting information intended for an unspecified audience and designed to shape and maintain interest in a juridical or natural person, goods, trademarks, works and services, by any means and in any form;

"goods "means any movable and immovable property, vehicles, all kinds of energy marketed or intended for sale;

"vehicles" means air and sea vessels, inland navigation vessels, mixed (river and sea) vessels; railway or tramway rolling stock units; buses; motor vehicles, including trailers and semi-trailers; freight containers; dump trucks;

"service" means activities yielding intangible results that are sold or consumed in the course of the activities, as well as the transfer and provision of patents, licenses, trademarks, copyrights or other rights;

"data processing services" means services for collection and compilation of information, systematisation of information (data) arrays and putting the results of this information processing at disposal of a user;

"export of goods" means exportation of goods sold by a taxpayer from the territory of one Member State to the territory of another Member State;

"legal services" means services of a legal nature, including provision of consultations and clarifications, preparation and legal examination of documents, representation of clients in courts.

II. Procedure for Applying Indirect Taxes on Export of Goods

3. When exporting goods from the territory of one Member State to the territory of another Member State, the taxpayer of the Member State from the territory of which the goods are exported, a zero VAT rate and/or exemption from excise taxes upon submission to the tax authority of the documents provided for by paragraph 4 of this Protocol shall be applied.

When exporting goods from the territory of one Member State to the territory of another Member State, the taxpayer shall be entitled to tax deductions (offsets) in the procedure similar to that is provided for by the legislation of the Member State and applied in respect of goods exported from the territory of that Member State outside the Union.

The place of sale of goods shall be determined in accordance with the legislation of the Member States, unless otherwise determined in this paragraph.

In the case of sale of goods by a taxpayer of one Member State to a taxpayer of another Member State, when conveyance (transportation) of

goods commences outside the Union and ends in another Member State, the place of sale of goods shall be deemed the territory of the Member State where the goods are placed under the customs procedure of release for domestic consumption.

4. In order to confirm the validity of application of a zero VAT rate and/or exemption from excise taxes, the taxpayer of the Member State from the territory of which the goods are exported shall submit to the tax authority the following documents (copies) with the tax declaration:

1) agreements (contracts) concluded with a taxpayer of another Member State or a taxpayer that is not a member of the Union (hereinafter "agreements (contracts)"), on the basis of which the goods are exported; in the case of a lease of goods or a credit on goods (commercial loan, material loan), lease agreements (contracts), credit on goods (commercial loan, material loan) agreements (contracts); agreements (contracts) for the manufacture of goods; tolling agreements (contracts);

2) a bank statement confirming the actual receipt of proceeds from the sale of exported goods at the account of the exporting taxpayer, unless otherwise provided for by the legislation of the Member State.

If the agreement (contract) provides for settlements in cash, found to conform to the legislation of the Member State from the territory of which the goods are exported, the taxpayer shall submit to the tax authority a bank statement (copy thereof) confirming the deposit of amounts received by the taxpayer onto its bank account and copies of cash receipts confirming the actual receipt of proceeds from the purchaser of the goods, unless otherwise provided for by the legislation of the Member State from the territory of which the goods are exported.

In the case of export of goods under a lease agreement (contract) providing for transfer of ownership for such goods to the lessee, the taxpayer shall submit to the tax authority a bank statement (copy thereof) confirming the actual receipt of lease payments (in compensation for the initial cost of the goods (leased items)) at the account of the exporting taxpayer, unless otherwise provided for by the legislation of the Member State.

In the case of foreign barter trade transactions or the provision of a credit on goods (commercial loan, material loan), the exporting taxpayer shall submit to the tax authority documents confirming the import of goods (performance of works, provision of services) received (acquired) under these transactions.

The documents referred to in this sub-paragraph shall not be submitted to the tax authority if their submitting is not provided for in the legislation of the Member State in respect of goods exported from the territory of that Member State outside the Union;

3) a statement of import of goods and payment of indirect taxes executed in the form provided for by an international interagency treaty and marked by the tax authority of the Member State to the territory of which the goods are imported indicating the payment of indirect taxes (release or other procedure for the fulfilment of tax obligations) (hereinafter "the statement") (in hard copy, in its original or in a copy, at the discretion of tax authorities of the Member States) or a list of statements (in hard copy or electronically with an electronic (digital) signature of the taxpayer).

The taxpayer shall include in the list of statements all details and information specified in the statements the information on which has been reported to the tax authorities in the form provided for by an international interagency treaty.

The form, filling procedure and format of the list of statements shall be as set by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States.

In the case of sale of goods exported from the territory of one Member State to the territory of another Member State and placing thereof under the customs procedure of a free customs zone or a free warehouse on the territory of another Member State, a copy of the customs declaration under which such goods are placed under the customs procedure of a free customs zone or a free warehouse, certified by the customs authority of another Member State, shall be submitted to the tax authority of the first Member State instead of the above statement.

4) transport (shipping) and/or other documents required by the legislation of the Member State and confirming the movement of goods from the territory of one Member State to the territory of another Member State. These documents shall not be submitted if execution of these documents is not provided for by the legislation of the Member State for certain types of movement of goods, including the movement of goods without the use of vehicles;

5) other documents confirming the validity of a zero VAT rate and/or exemption from excise taxes provided for by the legislation of the Member State from the territory of which the goods are exported.

The documents specified in this paragraph, except for the statement (the list of statements) shall not be submitted to the tax authority if non-presentation of documents confirming the validity of the application of a zero VAT rate and/or exemption from excise taxes with the tax declaration is consistent with the legislation of the Member State from the territory of which the goods are exported.

The documents provided for by this paragraph shall not be submitted with the relevant tax declaration for excise taxes if they have already been submitted with the VAT tax declaration, unless otherwise provided for by the legislation of the Member State.

All documents provided for by sub-paragraphs 1, 2, 4, 5 and the fourth indent of sub-paragraph 3 of this paragraph may be submitted in electronic form in the procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States. The format of such documents shall be specified by tax authorities of the Member States or other regulatory legal acts of the Member States.

5. Documents provided for by paragraph 4 of this Protocol shall be submitted to the tax authority within 180 calendar days from the date of shipment (transfer) of goods.

In case of non-presentation of these documents within the determined time limit, the indirect taxes shall be payable to the budget for the tax (reporting) period including the date of shipment of the goods, or any other tax (reporting) period determined by the legislation of the Member State with the right to deduct (offset) corresponding VAT amounts according to the legislation of the Member State from the territory of which the goods were exported.

For the purposes of VAT calculations in sales of goods, the date of shipment shall be the date of the first primary accounting (reporting) document issued to the purchaser of the goods (the first carrier) or the date of issuance of another binding document provided for by the legislation of the Member State for a VAT taxpayer.

For the purposes of calculations of excise taxes on excisable goods manufactured of own raw materials, the date of shipment of goods shall be

the date of the first primary accounting (reporting) document issued to the purchaser (consignee) of the goods; and on excisable tolling goods, the date of shipment shall be the signing date of the acceptance certificate for the excisable goods, unless otherwise provided for by the legislation of the Member State on the territory of which the excisable goods were manufactured.

In the case of non-payment, partial payment or delayed payment of indirect taxes in violation of the time limit determined in this paragraph, the tax authority shall recover such indirect taxes and penalties in the procedure and amount determined by the legislation of the Member State from the territory of which the goods were exported and shall apply means of securing the fulfilment of the obligations to pay indirect taxes, penalties and sanctions as determined by the legislation of that Member State.

In the case of presentation by a taxpayer of the documents provided for by paragraph 4 of this Protocol, the amount of indirect taxes paid shall be deducted (offset) or refunded in accordance with the legislation of the Member State from the territory of which the goods were exported, upon expiration of the time limit determined in this paragraph. The amounts of interest and penalties paid for violation of terms for payment of indirect taxes shall be non-refundable.

6. The volume of goods and excise rates in force on the date of shipment of excisable goods exported into the Member States and excise taxes shall be recorded in the relevant tax declaration on excise taxes.

7. The tax authority shall verify the validity of the application of a zero VAT rate and/or exemption from excise taxes and deductions (offsets) of these taxes and adopts (delivers) a respective decision under the legislation of the Member State from the territory of which the goods were exported.

In case of non-presentation of the statement to the tax authority, the tax authority shall be entitled to issue (adopt) a decision confirming the validity of the application of a zero VAT rate and/or exemption from excise taxes or deductions (offsets) of these taxes in respect of transactions for the sale of goods exported from the territory of one Member State into the territory of another Member State, if the tax authority of one Member State has available an electronic confirmation from the tax authority of another Member State certifying the actual payment of indirect taxes in full (or exemption from indirect taxes).

8. If the information on the movement of goods and payment of indirect taxes submitted by a taxpayer does not correspond to the data obtained within the exchange of information determined between tax authorities of the Member States, the tax authority shall recover indirect taxes and penalties in the procedure and amount provided for by the legislation of the Member State from the territory of which the goods were exported and shall apply means of securing the fulfilment of the obligations to pay indirect taxes, penalties and sanctions as determined by the legislation of that Member State.

9. The provisions of this section with regard to VAT shall also apply to goods representing results of works performed under manufacturing agreements (contracts) and exported from the territory of the Member State on the territory of which they were manufactured to the territory of another Member State. The above-mentioned goods shall not be regarded as tolling goods.

10. The tax base for excise taxation of goods representing results of works performed under tolling agreements (contracts) shall be represented as the volume and quantity (other indices) of excisable tolling goods, in kind, in respect of which fixed (specific) excise tax rates have been set, or the cost of

excisable tolling goods in respect of which ad valorem excise rates have been set.

11. The tax base for VAT on export of goods, when increased (decreased) due to an increase (decrease) in the price of goods sold or a reduction in the amount (volume) of goods sold in connection with their return due to inadequate quality and/or incomplete delivery, shall be adjusted in the tax (reporting) period in which the parties to the agreement (contract) change the price (agree the refund) of exported goods, unless otherwise provided for by the legislation of a Member State.

When exporting goods (leased items) from the territory of one Member State to the territory of another Member State under a lease agreement (contract) providing a transfer of ownership to the lessee, under a credit on goods (commercial loan, material loan) agreement (contract), or an agreement (contract) for the manufacture of goods, a zero VAT rate and/or exemption from excise duties (if such transaction is subject to excise duties under the legislation of the Member State) shall be applied upon submission to the tax authority of the documents provided for by paragraph 4 of this Protocol.

The VAT tax base for goods (leased items) exported from the territory of one Member State to the territory of another Member State under a lease agreement (contract) envisaging a transfer of ownership to the lessee shall be determined as of the date specified in the lease agreement (contract) for each lease payment, in the amount of the initial cost of goods (leased items) under each lease payment.

Tax deductions (offsets) shall be executed in the procedure provided for by the legislation of a Member State to the extent attributable to the cost of goods (leased items) under each lease payment.

The VAT tax base for goods exported from the territory of one Member State to the territory of another Member State under a credit on goods (commercial loan, material loan) agreement (contract) shall be represented by the cost of goods transferred (provided) provided for by the agreement (contract), if no cost is specified therein, by the cost indicated in the shipping documents, and if no cost is specified in the agreement (contract) and shipping documents, by the cost of goods recorded in accounting records.

12. In order to ensure complete payment of indirect taxes, the legislation of the Member State governing the pricing principles for taxation purposes may be applied.

III. Procedure for Collection of Indirect Taxes on Import of Goods

13. Indirect taxes on goods imported into the territory of one Member State from the territory of another Member State (except as determined in paragraph 27 of this Protocol and/or for placing imported goods under the customs procedure of a free customs zone or a free warehouse) shall be levied by the tax authority of the Member State into the territory of which the goods were imported at the place of registration of taxpayers, owners of the goods, including taxpayers applying special tax treatments, including with account of the specific features provided for by paragraphs 13.1-13.5 of this Protocol.

For the purposes of this section, the owner of the goods shall be a person exercising the right of ownership with respect to the goods or a person to which the right of ownership for the goods is transferred under the agreement (contract).

13.1. If the goods are acquired under an agreement (contract) between a taxpayer of one Member State and a taxpayer of another Member State, indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, owner of the goods, or, if provided for by the legislation of the Member State, by a commission agent, mandatary or agent.

13.2. If the goods are acquired under an agreement (contract) between a taxpayer of one Member State and a taxpayer of another Member State and imported from the territory of a third Member State, indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, the owner of the goods.

13.3. If the goods are sold by a taxpayer of one Member State through a commission agent, mandatary or agent to a taxpayer of another Member State and imported from the territory of the first or a third Member State, indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, the owner of the goods, or, if provided for by the legislation of the Member State, by a commission agent, mandatary or agent.

13.4. If a taxpayer of one Member State acquires goods previously imported into the territory of that Member State by a taxpayer of another Member State, with outstanding indirect taxes available for such goods, these indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, the owner of the goods, or, if provided for by the legislation of the Member State, by a commission agent, mandatary or agent (if the goods are sold by the taxpayer of another Member State via a commission agent, mandatary or agent).

If a taxpayer of one Member State acquires goods previously imported into the territory of that Member State by a commission agent, mandatary or agent (taxpayer of that Member State) under a commission, mandate or agency agreement (contract) concluded with a taxpayer of another Member State, with outstanding indirect taxes available for such goods, these indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, the owner of the goods, or, if provided for by the legislation of the Member State, by the commission agent, mandatary or agent that imported the goods.

13.5. If the goods are acquired under an agreement (contract) between a taxpayer of one Member State and a taxpayer of a state that is not a member of the Union and imported from the territory of another Member State, indirect taxes shall be paid by the taxpayer of the Member State into the territory of which the goods are imported, the owner of the goods, or, if provided for by the legislation of the Member State, by a commission agent, mandatary or agent (if the goods are sold via a commission agent, mandatary or agent).

14. For the purposes of VAT payment, the tax base shall be determined on the date of registration of the taxpayer's imported goods (but not later than the time limit determined by the legislation of the Member State into the territory of which the goods are imported) on the basis of the cost of purchased goods (including goods produced under a manufacturing agreement (contract)), as well as goods received under a credit on goods (commercial loan, material loan) agreement (contract), tolling goods and excise taxes payable on excisable goods.

The cost of purchased goods (including goods produced under a manufacturing agreement (contract)) shall be taken as the transaction price to

be paid to the supplier for the goods (works, services) under the terms of the agreement (contract).

The cost of goods obtained under a barter agreement (contract), as well as under a credit on goods (commercial loan, material loan) agreement (contract), shall be represented by the cost of goods specified in the agreement (contract), if no cost is specified in the agreement (contract), by the cost indicated in the shipping documents, and if no cost is specified in the agreement (contract) and shipping documents, by the cost of goods indicated in accounting records.

For the purposes of determining the tax base, the cost of goods (including goods produced under a manufacturing agreement (contract)) expressed in foreign currencies shall be converted into the local currency at the exchange rate of the national (central) bank of the Member State on the date of acceptance of the goods for registration.

The tax base for the import of tolling products into the territory of one Member State from the territory of another Member State shall be taken as the cost of tolling and excise taxes payable on excisable tolling products. The cost of tolling expressed in foreign currencies shall be converted into local currency at the exchange rate of the national (central) bank of the Member State on the date of acceptance of tolling products for registration.

15. The tax base for the import of goods (leased items) into the territory of one Member State from the territory of another Member State under a lease agreement (contract) providing the transfer of ownership to the lessee shall be specified as the portion of the cost of goods (leased items) provided for by the lease agreement (contract) as on its payment date (regardless of the actual amount and date of payment). Lease payment in foreign currencies shall be converted into local currency at the exchange rate of the national

(central) bank of the Member State on the date corresponding to the time (date) of determining the tax base.

16. The tax base for excise taxes shall be represented by the amount and quantity (other indices) of imported excise goods, including tolling goods, in kind, for which fixed (specific) rates of excise taxes have been set, or the cost of imported excisable goods, including tolling goods, with respect to which ad valorem excise rates have been set.

The tax base for the calculation of excise duties shall be determined on the date of registration of imported excisable goods, including tolling goods, by the taxpayer (but not later than the time limit determined by the legislation of the Member State into the territory of which the excisable goods are imported).

17. The amount of indirect taxes payable on goods imported into the territory of one Member State from the territory of another Member State shall be calculated by the taxpayer at the tax rates set by the legislation of the Member State into the territory of which the excisable goods are imported.

18. In order to ensure complete payment of indirect taxes, the legislation of the Member State governing the pricing principles for taxation purposes may be applied.

19. Indirect taxes, excluding excise taxes on marked excisable goods, shall be paid not later than on the 20th day of the month following the month:

of acceptance of imported goods for registration;

of the date of payment provided for by the lease agreement (contract).

Excise taxes on marked excisable goods shall be paid within the terms determined by the legislation of the Member State.

20. The taxpayer shall submit to the tax authority the respective tax declaration in the form determined by the legislation of the Member State or

in the form approved by the competent authority of the Member State into the territory of which the goods are imported, including under a lease agreement (contract), not later than on the 20th day of the month following the month of registration of imported goods (the date of payment provided for by the lease agreement (contract)). With the tax declaration, the taxpayer shall submit to the tax authority the following documents:

1) a statement in hard copy (four copies) and in electronic form or a statement in electronic form with an electronic (digital) signature of the taxpayer;

2) a bank statement confirming the actual payment of indirect taxes on imported goods, or any other document confirming the fulfilment of tax obligations to pay indirect taxes, if provided for by the legislation of the Member State. If a taxpayer has paid (recovered) excess amounts of taxes, duties or indirect taxes to be refunded (offset) both, at the importation of goods into the territory of one Member State from the territory of another Member State and at the sale of goods (works, services) on the territory of the Member State, the tax authority shall adopt (deliver) a decision on offsetting thereof in payment of indirect taxes on imported goods in accordance with the legislation of the Member State into the territory of which the goods are imported. In this case, a bank statement (copy thereof) confirming the actual payment of indirect taxes on imported goods shall not be submitted. In case of a lease agreement (contract), the documents referred to in this sub-paragraph shall be submitted when due under the lease agreement (contract);

3) transport (shipping) and/or other documents required by the legislation of the Member State and confirming the movement of goods from the territory of one Member State to the territory of another Member State.

These documents shall not be submitted if execution of these documents is not provided for by the legislation of the Member State for certain types of movement of goods, including the movement of goods without the use of vehicles;

4) detailed tax invoices drawn up in accordance with the legislation of the Member State when shipping the goods, if execution thereof (invoicing) is provided for by the legislation of the Member State.

If the legislation of the Member State does not provide for the execution of a detailed tax invoice (invoicing) or if the goods are purchased from a taxpayer of a non-member state, other document(s) issued (made out) by the seller and confirming the cost of goods imported shall be submitted to the tax authority instead of the detailed tax invoice;

5) agreements (contracts) under which the goods imported into the territory of a Member State from the territory of another Member State are purchased; in the case of a lease of goods (leased items), lease agreements (contracts); in the case of a credit on goods (commercial loan, material loan), credit on goods (commercial loan, material loan) agreements (contracts); as well as manufacturing or tolling agreements (contracts);

6) an information statement (in the cases provided for by paragraphs 13.2 - 13.5 of this Protocol), submitted to the taxpayer of one Member State by the taxpayer of another Member State or by a taxpayer of a non-member state (signed by the manager (individual entrepreneur) and certified with the company seal) that sells the goods previously imported from the territory of a third Member State, containing the following information on the taxpayer of the third Member State and the agreement (contract) concluded with the taxpayer of that third Member State on the acquisition of imported goods:

taxpayer identification number in the Member State;

full name of the taxpayer (organisation (individual entrepreneur)) of the Member State;

location (residence) of the taxpayer in the Member State;

number and date of the agreement (contract);

number and date of the specifications.

If the taxpayer of the Member State selling the goods is not the owner of the goods sold (is a commission agent, mandatary or agent), the information specified in indents two to six of this sub-paragraph shall be submitted in respect of the owner of the goods sold.

If the information statement is submitted in a foreign language, a Russian translation must be required.

Information statements shall not be submitted if the information required under this sub-paragraph is contained in the agreement (contract) referred to in sub-paragraph 5 of this paragraph;

7) commission, mandate or agency agreements (contracts) (if concluded);

8) agreements (contracts), under which the goods imported into the territory of a Member State from the territory of another Member State were purchased, under commission, mandate or agency agreements (contracts) (in the cases provided for by paragraphs 13.2 - 13.5 of this Protocol, except when indirect taxes are paid by the commission agent, mandatary or agent).

Documents referred to in sub-paragraphs 2 – 8 of this paragraph may be submitted as copies certified in the procedure determined by the legislation of a Member State or in electronic form under the procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States. The format of the said

documents shall be determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States.

In case of a lease agreement (contract), at the first VAT payment, the taxpayer shall submit to the tax authority all documents specified in sub-paragraphs 1 – 8 of this paragraph. Thereafter, the taxpayer shall submit to the tax authority the documents (copies thereof) indicated in sub-paragraphs 1 and 2 of this paragraph, simultaneously with the tax declaration.

Documents referred to in this paragraph, except for the statements and information statements, shall not be submitted to the tax authority if non-presentation thereof simultaneously with the tax declaration is in accordance with the legislation of the Member State into the territory of which the goods are imported.

21. An updated (substituted) statement shall be submitted either in hard copy (four copies) and in electronic form or in electronic form with an electronic (digital) signature of the taxpayer. Simultaneously with the updated (substituted) statement, the documents provided for by sub-paragraphs 2 - 8 of paragraph 20 of this Protocol shall be provided, if they have not been previously presented to the tax authority.

If submitting the updated (substituted) statement does not entail changes to the previously submitted tax declaration, the taxpayer shall not submit a revised (additional) tax declaration, unless otherwise determined by the legislation of a Member State. Submission of such an updated statement shall not entail the reconstruction of previously deductible VAT amounts paid when importing the goods.

An updated (substituted) statement shall not be submitted in the cases determined by the legislation of the Member State.

22. In cases of non-payment, not full payment of indirect taxes on imported goods or payment of such taxes on a later date as against the date determined in paragraph 19 of this Protocol, as well as upon detecting facts of non-submitting tax declarations, their submitting with violation of the period determined in paragraph 20 of this Protocol or in cases of non-compliance of the data specified in the tax declarations with the data obtained within the exchange of information between tax authorities of the Member States, the tax authority shall recover the indirect taxes and penalties in the procedure and amount determined by the legislation of the Member State into the territory of which the goods are imported and shall apply means of securing the fulfilment of the obligations to pay indirect taxes, penalties and sanctions as determined by the legislation of that Member State.

23. When imported goods are returned in the month of their registration, the transactions for import of these goods shall not be recorded in the tax declaration if the goods are returned due to inadequate quality and/or incomplete delivery.

Return of goods due to inadequate quality and/or incomplete delivery shall be confirmed by the claim agreed by the parties to the agreement (contract), as well as by documents corresponding to subsequent transactions with such goods. These documents may include transfer and acceptance certificates for the goods (if the returned goods are not transported), transport (shipping) documents (if the returned goods are transported), destruction certificates or other documents. In the case of partial return of such goods, the above documents (copies thereof) shall be submitted to the tax authority simultaneously with the documents provided for by paragraph 20 of this Protocol.

When imported goods are returned on the above grounds upon expiration of the month in which they were accepted for registration, the taxpayer shall submit to the tax authority a corresponding updated (additional) tax declaration and documents (copies thereof) referred to in the second indent of this paragraph.

The documents referred to in the second indent of this paragraph may be submitted in electronic form in the procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States. The format of such documents shall be specified by tax authorities of the Member States or other regulatory legal acts of the Member States.

In the case of a partial return of goods due to inadequate quality and/or incomplete delivery, an updated (substituted) statement shall be presented to the tax authority without information on the partially returned goods. The statement shall be submitted either in hard copy (four copies) and in electronic form or in electronic form with an electronic (digital) signature of the taxpayer.

In the case of a full return due to inadequate quality and/or incomplete delivery of goods the details of which were recorded in the previously submitted statement, the updated (substituted) statement shall not be submitted to the tax authority. The taxpayer shall inform the tax authorities on the details of the previously submitted statement containing information on the goods returned in full in the form and procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States.

In case of a partial or full return of goods due to inadequate quality and/or incomplete delivery, the VAT previously paid on the import of these

goods and subject to deduction shall be paid in the tax period in which the goods are returned, unless otherwise provided for by the legislation of the Member State.

24. In case of an increase of the cost of imported goods upon expiration of the month in which the goods were accepted for registration by the taxpayer, the tax base for the purposes of VAT payment shall be increased by the difference between the updated and the previous cost of the imported goods. The VAT payment and submission of tax declaration shall be completed not later than on the 20th day of the month following the month in which the parties to the agreement (contract) changed the price of imported goods.

The difference between the updated and the previous cost of the acquired imported goods shall be recorded in the tax declaration submitted by the taxpayer to the tax authority simultaneously with the following:

a statement (indicating the difference between the updated and the previous cost) in hard copy (four copies) and in electronic form or in electronic form with an electronic (digital) signature of the taxpayer;

the agreement (contract) or other document specified by the parties to the agreement (contract) confirming the increase in the price of imported goods, and an adjustment detailed tax invoice (if provided for by the legislation of the Member State). These documents may be submitted as copies certified in the procedure determined by the legislation of a Member State or in electronic form in the procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States. The format of the said documents shall be determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member States.

25. When goods imported into the territory of a Member State in accordance with its legislation without the payment of indirect taxes are used for purposes other than those for which the exemption or alternative payment procedure are granted, the import of such goods shall be subject to indirect taxes in the procedure determined by this section.

26. The amounts of indirect taxes paid (offset) on goods imported into the territory of one Member State from the territory of another Member State shall be subject to deduction (offset) in the procedure provided for by the legislation of the Member State into the territory of which the goods are imported.

27. Excise taxes on goods subject to excise marking (accounting and control marks, labels) shall be levied by the customs authorities of the Member State, unless otherwise provided for by the legislation of the Member State.

IV. Procedure for Collection of Indirect Taxes in the Performance of Works and Provision of Services

28. Indirect taxes on the performance of works and provision of services shall be collected on the territory of a Member State which is recognised as the place of sale of the works and services (with the exception of the works referred to in paragraph 31 of this Protocol).

In the performance of works or provision of services, the tax base, the rates of indirect taxes, the procedure for their collection and tax exemptions (immunity from taxation) shall be in accordance with the legislation of the Member State the territory of which is recognised as the place of sale of the works and services, unless otherwise determined in this section.

29. The territory of a Member State shall be deemed the place of sale of the works and services if:

1) the works and services are directly related to immovable property located on the territory of that Member State.

The provisions of this sub-paragraph shall also apply to lease, rent and other types of charter of immovable property;

2) the works and services are directly related to movable property or vehicles located on the territory of that Member State;

3) the services in the sphere of culture, art, education (training), physical culture, tourism, leisure and sports are provided on the territory of that Member State;

4) the taxpayer of that Member State is the buyer of :

consultancy, legal, accounting, auditing, engineering, advertising, design, marketing, data processing services, as well as scientific research, design and experimental and technological and experimental (technological) works;

works and services for the development of computer programmes and databases (computer software and information products), adaptations and modifications thereof, support for such programs and databases;

recruitment services for the staff working at the location of the purchaser.

The provisions of this sub-paragraph shall also apply to:

transfer, granting, assignment of patents, licenses and other documents certifying state-protected industrial property rights, trademarks, trade names, service marks, copyright, related rights or other similar rights;

rent, lease and other types of charter of movable property, except for the rent, lease and other types of charter of vehicles;

provision of services by a person recruiting on its behalf for the main party to an agreement (contract) or on behalf of the main party to an agreement (contract) another person to perform the works, services provided for in this sub-paragraph;

5) the works are performed or the services are provided by the taxpayer of that Member State, unless otherwise provided for by sub-paragraphs 1- 4 of this paragraph.

The provisions of this sub-paragraph shall also apply to rent, lease and other types of vehicles chartering.

30. The following documents shall be deemed confirming the place of sale of works or services:

agreement (contract) for the execution of works or provision of services concluded between taxpayers of the Member States;

documents confirming the execution of works, provision of services;

other documents required by the legislation of the Member States.

31. When conducting tolling operations in respect of customer-supplied goods imported into the territory of a Member State from the territory of another Member State with subsequent exportation of tolling products to the territory of another state, the procedure for collecting VAT and controlling its payment shall be as specified under section II of this Protocol, unless otherwise determined in this section. In this case, the VAT base shall be determined as the cost of tolling operations performed.

32. In order to confirm the validity of application of a zero VAT rate to the performance of works referred to in paragraph 31 of this Protocol, the following documents (copies thereof) shall be submitted in hard copy to the tax authorities, simultaneously with the tax declaration:

1) agreement (contract) between taxpayers of the Member States;

2) documents confirming the fact of execution of works;

3) documents confirming the export (import) of goods referred to in paragraph 31 of this Protocol;

4) a statement (in hard copy, in its original or in a copy, at the discretion of tax authorities of the Member States) or a list of statements (in hard copy or electronically with an electronic (digital) signature of the taxpayer).

The list of statements shall be submitted in the procedure determined by sub-paragraph 3 of paragraph 4 of this Protocol.

In the case of export of tolling products outside the Union, the statement (the list of statements) shall not be provided to the tax authority.

In the case of export of tolling products from the territory of one Member State to the territory of another Member State and placing thereof under the customs procedure of a free customs zone or a free warehouse on the territory of another Member State, a copy of the customs declaration under which such goods are placed under the customs procedure of a free customs zone or a free warehouse, certified by the customs authority of another Member State, shall be submitted to the tax authority of the first Member State instead of the above statement (list of statements).

5) a customs declaration confirming the export of tolling products outside the Union;

6) other documents provided for by the legislation of the Member States.

All documents provided for by sub-paragraphs 1, 2, 3, 5, 6 and the fourth indent of sub-paragraph 4 of this paragraph may be submitted in electronic form in the procedure determined by regulatory legal acts of tax authorities of the Member States or other regulatory legal acts of the Member

States. The format of such documents shall be specified by tax authorities of the Member States or other regulatory legal acts of the Member States.

The documents provided for by this paragraph, except for the statement (the list of statements) shall not be submitted to the tax authority if non-submission of documents confirming the validity of the application of a zero VAT rate and/or exemption from excise taxes simultaneously with the tax declaration is consistent with the legislation of the Member State on the territory of which the goods are tolled.

33. If a taxpayer performs/provides several types of works/services the taxation of which is governed by this section, and the performance/provision of certain works/services is auxiliary to the performance/provision of other works/services, the place of sale of main works/services shall also be regarded as the place of sale of auxiliary works/services.

ANNEX 19
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on General Principles and Rules of Competition

I. General provisions

1. This Protocol has been developed in accordance with Section XVIII of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and determines the specific features of its application, the penalties for violation of the general rules of competition in transboundary markets on the territories of two or more Member States (hereinafter "the transboundary market"), the procedure for conducting by the Commission of control over compliance with the general rules of competition in transboundary markets (including cooperation with the authorised authorities of the Member States), interaction between the authorised authorities of the Member States when conducting control over compliance with the competition (antitrust) law, as well as introduction of state price regulation and challenging decisions of the Member States on its introduction.

2. The terms used in this Protocol, as well as for the purposes of Section XVIII of the Treaty, shall have the following meanings:

1) "vertical agreement" means an agreement between economic entities (market participants), under which one of them acquires goods or is a potential purchaser thereof, and the other provides goods or is a potential seller thereof;

2) "interchangeable goods" means goods that are comparable by their functional purpose, application, qualitative and technical characteristics, price and other parameters to the extent that the purchaser actually substitutes or is willing to substitute one type goods with the other in consumption (including for industrial purposes);

3) "state price regulation" means setting by state government and local authorities of the Member States prices (tariffs), surcharges to prices (tariffs), maximum or minimum prices (tariffs), maximum or minimum surcharges to prices (tariffs) in the procedure determined by the legislation of the Member States;

4) "state or municipal preferences" means provision of benefits to individual economic entities (market participants) by executive and local authorities of the Member States and by other authorities or organisations exercising the functions thereof, ensuring more favourable terms for activities through the transfer of state or municipal property and other objects of civil rights or property exemptions, state or municipal guarantees;

5) "group of persons" means a set of natural persons and/or juridical persons corresponding to one or more of the following criteria:

an economic company (partnership, economic partnership) and a natural person or a juridical person if such natural person or juridical person holds more than 50 percent of the total number of votes of voting shares (equities) in the authorised (share) capital of the economic company (partnership, economic partnership) through participation in the economic company (partnership, economic partnership) or under the powers transferred by other parties including under written agreements;

an economic entity (market participant) and a natural person or a juridical person exercising the functions of the sole executive authority of such economic entity (market participant);

an economic entity (market participant) and a natural person or a juridical person entitled to issue mandatory instructions to such economic entity (market participant) on the basis of constituent documents of the economic entity (market participant) or a contract (agreement) concluded with the economic entity;

economic entities (market participants) in which over 50 percent of members of collegial executive authorities and/or the Board of Directors (Supervisory Board, the Board of the Fund) are represented by the same natural persons ;

a natural person, his/her spouse, parents (including adoptive parents), children (including adopted children), and siblings;

persons each of which is included in a group with the same person on the grounds specified in indents two to six of this sub-paragraph, as well as other persons included in a group with any of these persons on any of the grounds specified in indents two to six of this paragraph;

an economic company (partnership, economic partnership), natural persons and/or juridical persons included in one group of persons on any of the grounds specified in indents two to seven of this sub-paragraph if such natural persons or juridical persons hold more than 50 percent of the total number of votes of voting shares (equities) in the authorised (share) capital of the economic company (partnership, economic partnership) through participation in the economic company (partnership, economic partnership) or under the powers transferred by other parties.

A group of persons shall be regarded as a single economic entity (market participant), and the provisions of Section XVIII of the Treaty and this Protocol relating to economic entities (market participants) shall apply to a group of persons , except in cases provided for by this Protocol.

For the purposes of implementing competition (antitrust) policy on the territories of the Member States, the term "group of persons " may be specified in the legislation of the Member States, including as to the amount of disposing shares (equities) by one person in the authorised (share) capital of another person wherein such disposal (participation) is recognised as a group of persons ;

6) "discriminatory conditions "means conditions of access to a commodity market, conditions of production, exchange, consumption, purchase, sale and other types of transfer of goods, when an economic entity (market participant) or several economic entities (market participants) are at a disadvantage compared with another economic entity (market participant) or other economic entities (market participants) subject to the conditions, restrictions and specific features provided for by the Treaty and/or other international treaties of the Member States;

7) "dominant position" means the position of an economic entity (market participant) (group of persons) or several economic entities (market participants) (groups of persons) in the market of particular goods enabling such economic entity (market participant) (group of persons) or economic entities (market participants) (group of persons) to exert a decisive influence on the general terms for circulation of goods at the respective commodity market, and/or to remove other economic entities (market participants) from the commodity market, and/or to impede access to this commodity market to other economic entities (market participants);

8) "competition" means competitiveness of economic entities (market participants), when independent actions of each of them eliminate or limit the ability of each of them to unilaterally influence the general conditions for circulation of goods on the relevant commodity market;

9) "confidential information" means all kinds of information protected by regulatory legal acts of the Member States, except for the information regarded as State secret (State secrets) under the legislation of the Member States;

10) "coordination of economic activities" means agreement of actions of economic entities (market participants) by a third person, not included in the same group of persons with any of these economic entities (market participants) and not operating in that commodity market(s), in which the actions of economic entities (market participants) are agreed;

11) "indirect control" means the possibility of a juridical person or a natural person to determine decisions to be made by a juridical person through a juridical person or several juridical persons bound by direct control relationship;

12) "monopolistically high price" means a price set by the economic entity (market participant) holding the dominant position, if this price exceeds the amount of costs required for the production and sale of respective goods and profits and the price determined under the conditions of competition in a commodity market with a comparable composition of buyers or sellers of goods, conditions of goods circulation, conditions of access to the commodity market, government regulations, including taxation and customs and tariff regulation (hereinafter "a comparable commodity market"), if such a market is available inside or outside the Union. A price set by a natural monopoly entity within the tariff for respective goods

determined under the legislation of the Member States may not be regarded as a monopolistically high price;

13) "monopolistically low price" means a price set by the economic entity (market participant) holding the dominant position, if this price is lower than the amount of costs required for the production and sale of respective goods and profits and the price determined under the conditions of competition in a comparable commodity market, if such a market is available inside or outside the Union;

14) "unfair competition" means any actions of an economic entity (market participant) (group of persons) or several economic entities (market participants) (groups of persons), aimed at obtaining an advantage in business activities, contrary to the legislation of the Member States, business customs, requirements of integrity, reasonableness and fairness, which have caused or may cause damage to competing economic entities (market participants) or their business reputation;

15) "signs of restriction of competition" means reduction of the number of economic entities (market participants) not included into a single group of persons in a commodity market, increase or decrease in the price of goods not resulting from corresponding changes in other general conditions of circulation of goods in the commodity market, refusal of economic entities (market participants) not included into a single group of persons to conduct independent activities in the commodity market, determining general conditions of goods circulation in the commodity market by agreement between economic entities (market participants) or under binding instructions issued by another person, or as a result of agreement by economic entities (market participants) not included in the same group of persons of their actions in the commodity market, as well as under other circumstances that

enable an economic entity (market participant) or several economic entities (market participants) to unilaterally influence the general conditions of circulation of goods in the commodity market;

16) "direct control" means the possibility of a juridical person or natural person to determine decisions to be made by a juridical person through one or more of the following actions:

exercising the functions of its executive authority;

obtaining the right to determine the conditions of business operations of a juridical person ;

disposing more than 50 percent of the total number of votes granted by shares (equities) in the authorised (share) capital of the juridical person ;

17) "agreement" means an agreement executed in writing in the form a document or multiple documents, as well as an agreement in oral form;

18) "goods" means objects of civil rights (including work, service, including financial service) intended for sale, exchange or other types of circulation;

19) "commodity market" means the sphere (including geographical) of circulation of goods which may not be replaced by other goods or of interchangeable goods, within which the purchaser may acquire goods based on economic, technical or other opportunity or expediency, and when such possibility or expediency is unavailable outside its scope;

20) "economic entity (market participant)" means a commercial organisation or a non-profit organisation operating with generation of profit, an individual entrepreneur, as well as a natural person whose professional income-generating activities are subject to state registration and/or licensing under the legislation of the Member States;

21) "economic concentration" means transactions and other actions that influence or may influence the competitive situation.

3. The dominant position of an economic entity (market participant) shall be determined based on the analysis of the following circumstances:

1) the share of the economic entity (market participant) and its relationship with shares of competitors and customers;

2) the possibility for the economic entity (market participant) to unilaterally determine the level of prices of goods and exert a decisive influence on the general conditions for circulation of goods in the relevant commodity market;

3) availability of economic, technological, administrative or other restrictions on access to the commodity market;

4) the period within which the economic entity (market participant) may exert a decisive influence on the general conditions of circulation of goods in the commodity market.

4. The legislation of the Member States may determine other (additional) conditions for recognition of the dominant position of economic entities (market participants).

The dominant position of an economic entity (market participant) in the transboundary market shall be determined by the Commission in accordance with the methodology of assessing the status of competition in the transboundary market approved by the Commission.

II. Acceptability of Agreements and Exceptions

5. The agreements provided for by paragraphs 4 and 5 of Article 76 of the Treaty, as well as agreements of economic entities (market participants)

on joint activities that may lead to the consequences referred to in paragraph 3 of Article 76 of the Treaty, may be deemed acceptable if they do not impose any restrictions on economic entities (market participants) that are irrelevant to the objectives of these agreements and do not enable the elimination of competition in the respective commodity market, and if the economic entities (market participants) prove that such agreements have resulted or may result in:

1) improved production (sale) of goods or promotion of technical (economic) progress or improved competitiveness of goods manufactured in the Member States in the world commodity market;

2) receiving by consumers of a proportionate part of the benefits (advantages) acquired by the relevant persons through such actions.

6. "Vertical" agreements shall be permitted if:

1) they constitute commercial concession agreements;

2) the share of each economic entity (market participant) that is a party to such an agreement in the commodity market of the goods covered by the vertical agreement does not exceed 20 percent .

7. The provisions of paragraphs 3-6 of Article 76 of the Treaty shall not extend to agreements between economic entities (market participants) included in the same group if one of these economic entities (market participants) has established direct or indirect control with respect to the other economic entity (market participant) or if such economic entities (market participants) are under direct or indirect control of a common person, except for agreements between economic entities (market participants) engaged in activities that may not be performed in parallel by a single economic entity (market participant) under the legislation of the Member States.

III. Control over Compliance with the General Rules of Competition

8. The authorised authorities of the Member States shall be in charge of suppression of violations by economic entities (market participants), as well as by natural persons and non-profit organisations of the Member States that are not economic entities (market participants), of the general rules of competition determined in Article 76 of the Treaty on the territories of the Member States.

9. The Commission shall be in charge of suppression of violations by economic entities (market participants), as well as by natural persons and non-profit organisations of the Member States that are not economic entities (market participants), of the general rules of competition determined in Article 76 of the Treaty on the territories of the Member States, if such violations have or may have an adverse effect on competition in transboundary markets, except for violations adversely affecting competition in transboundary financial markets, the suppression of which shall be carried out in accordance with the legislation of the Member States.

10. The Commission shall:

1) review statements (materials) on the presence of signs of a violation of the general rules of competition determined in Article 76 of the Treaty, which has or may have an adverse effect on competition in transboundary markets, as well as conduct the necessary investigations;

2) initiate and review cases of violations of the general rules of competition determined in Article 76 of the Treaty, which have or may have an adverse effect on competition in transboundary markets, based on requests from authorised authorities of the Member States, economic entities (market

participants) of the Member States, state government authorities of the Member States and natural persons, or on its own initiative;

3) issue rulings, adopt decisions binding for economic entities (market participants) of the Member States, including on the application of penalties to economic entities (market participants) of the Member States in the cases provided for in Section XVIII of the Treaty and in this Protocol, on actions aimed at termination of violations of the general rules of competition, elimination of consequences of such violations, ensuring competition, avoidance of actions that may constitute an obstacle to the emergence of competition and/or may result in restriction or elimination of competition in the transboundary market and violation of the general rules of competition in the cases provided for in Section XVIII of the Treaty and in this Protocol;

4) request and receive information from state government and local authorities, other authorities or organisations of the Member States exercising their functions, juridical persons and natural persons , including confidential information required for the exercise of powers to control compliance with the general rules of competition in transboundary markets;

5) submit, not later than June 1 to the Supreme Council, the annual reports on the competitive situation in transboundary markets and measures taken to suppress violations of the general rules of competition at these markets, and post the approved reports on the official website of the Union on the Internet;

6) post decisions on reviewed cases of violations of the general rules of competition on the official website of the Union on the Internet;

7) exercise other powers required for the implementation of the provisions of Section XVIII of the Treaty and this Protocol.

11. The procedure for examination of statements (materials) on violations of the general rules of competition in transboundary markets, the procedure for conducting investigations of violations of the rules of general competition in transboundary markets, as well as the procedure for conducting the proceedings on violations of the general rules of competition in transboundary markets shall be approved by the Commission. Results of the analysis of the competitive situation conducted by the Commission when examining a case of violation of the general rules of competition shall be included in the Commission's decision adopted following examination of the case, except for confidential information.

For the purposes of exercising the powers to control compliance with the general rules of competition in transboundary markets required for the implementation of the provisions of Section XVIII of the Treaty and of this Protocol, the Commission shall approve:

the method for assessing the competitive situation;

the method for determining monopolistically high (low) prices;

the methods for calculation and procedure for imposition of penalties;

specific features of application of the general rules of competition in various economic sectors (if necessary);

the procedure for cooperation (including information exchange) between the Commission and the authorised authorities of the Member States.

12. In order to ensure the investigation and preparation of case materials on violations of the general rules of competition in transboundary markets determined by Article 76 of the Treaty, the Commission shall operate a respective structural unit (hereinafter – "the authorised structural unit of the Commission").

13. When examining statements (materials) on violation of the general rules of competition in transboundary markets, conducting investigations of violation of the general rules of competition in transboundary markets examining cases on violation of the general rules of competition in transboundary markets, the authorised structural unit of the Commission shall request all information required for examination of statements (materials), conducting investigation, examination of the case from state government authorities, local authorities, other authorities or organisations of the Member States exercising their functions, juridical and natural persons .

Economic entities (market participants), non-profit organisations, state government authorities, local authorities, other authorities or organisations (and officials thereof) of the Member States exercising their functions and natural persons are obliged to submit to the Commission upon its request, within the determined periods, the information, documents, statements, clarifications as may be required by the Commission in accordance with its powers.

14. Decisions of the Commission on the imposition of a penalty, decisions of the Commission binding the offender to perform certain actions shall be deemed enforcement documents and shall be enforceable by authorities enforcing judicial acts and acts of other authorities and officials of the Member State of registration of the offending economic entity (market participant), non-profit organisation that is not an economic entity (market participant), or of the Member State of permanent or temporary residence of the offending natural person.

Acts and actions (omissions) of the Commission in the sphere of competition shall be contested in the Court of the Union in the procedure

provided for by the Statute of the Court of the Union (Annex 2 to the Treaty) subject to the provisions of this Protocol.

If the Court of the Union initiates proceedings following an appeal against a decision of the Commission in the case of violation of the general rules of competition in transboundary markets, the effect of the decision of the Commission shall be suspended until the effective date of the decision of the Court of the Union .

The Court of the Union shall admit to examination an appeal against a decision of the Commission in the case of violation of the general rules of competition in transboundary markets without prior application of the applicant to the Commission for resolving the matter in the pretrial procedure.

15. Acts and actions (omissions) of the authorised authorities of the Member States may be contested with the judicial authorities of the Member States in accordance with the procedural legislation of the Member States.

IV. Penalties for Violation of the General Rules of Competition in Transboundary Markets Imposed by the Commission

16. In accordance with the method of calculation and the procedure for imposing penalties to be approved by the Commission, the Commission shall impose penalties for violations of the general rules of competition in transboundary markets determined in Article 76 of the Treaty, as well as for non-submission or late submission of requested data (information) to the Commission or for submission of knowingly false information to the Commission, in the following amounts:

1) unfair competition inadmissible under paragraph 2 of Article 76 of the Treaty shall be subject to penalties in the amount of RUB 20,000 to

110,000 for officials and individual entrepreneurs and RUB 100,000 to 1,000,000 for juridical persons;

2) conclusion by an economic entity (market participant) of an agreement inadmissible under paragraphs 3-5 of Article 76 of the Treaty, as well as participation therein, shall be subject to a penalty in the amount of RUB 20,000 to 150,000 for officials and individual entrepreneurs, and, for juridical persons, in the amount of one to fifteen percent of the proceeds gained by the offender from selling goods (works, services) in the market of which the violation occurred or the amount of expenditure of the offender on the purchase of goods (works, services) in the market of which the violation occurred, but not more than one-fiftieth of the overall proceeds of the offender from selling all goods (works, services) and no less than RUB 100,000; and if the amount of proceeds of the offender from selling goods (works, services) in the market of which the violation occurred exceeds 75 percent of the total proceeds of the offender from selling all goods (works, services) the penalty in the amount of three thousandth to three hundredths of the amount of the proceeds gained by the offender from selling goods (works, services) in the market of which the violation occurred or of the amount of expenditure of the offender for the purchase of goods (works, services) in the market of which the violation occurred, but not more than one-fiftieth of the overall income of the offender from selling all goods (works, services) and no less than RUB 100,000;

3) coordination of economic activities of economic entities (market participants) inadmissible under paragraph 6 of Article 76 of the Treaty shall be subject to penalties in the amount of RUB 20,000 to 75,000 for natural persons, RUB 20,000 to 150,000 for officials and individual entrepreneurs, and RUB 200,000 to 5,000,000 for juridical persons;

4) committing by an economic entity (market participant) holding a dominant position in the commodity market of actions constituting an abuse of the dominant position and inadmissible under paragraph 1 of Article 76 of the Treaty shall be subject to a penalty in the amount of RUB 20,000 to 150,000 for officials and individual entrepreneurs, and, for juridical persons, in the amount of one to fifteen percent of the proceeds gained by the offender from selling goods (works, services) in the market of which the violation occurred or the amount of expenditure of the offender on the purchase of goods (works, services) in the market of which the violation occurred, but not more than one-fiftieth of the overall proceeds of the offender from selling all goods (works, services) and no less than RUB 100,000; and if the amount of proceeds of the offender from selling goods (works, services) in the market of which the violation occurred exceeds 75 percent of the total proceeds of the offender from selling all goods (works, services) the penalty in the amount of three thousandth to three hundredths of the proceeds gained by the offender from selling goods (works, services) in the market of which the violation occurred or of the amount of expenditure of the offender on the purchase of goods (works, services) in the market of which the violation occurred, but not more than one-fiftieth of the overall income of the offender from selling all goods (works, services) and no less than RUB 100,000;

5) non-submission or late submission to the Commission of information (data) provided for by Section XVIII of the Treaty and in this Protocol, including failure to provide statements (information) at the request of the Commission, as well as deliberate submission to the Commission of knowingly false statements (information), shall be subject to a penalty in the amount of RUB 10,000 to 15,000 for natural persons, RUB 10,000 to 60,000

for officials and individual entrepreneurs, and RUB 150,000 to 1,000,000 for juridical persons.

For the purpose of this Protocol, officials shall refer to managers or employees of economic entities (market participants) and non-profit organisations that are not economic entities (market participants) performing organisational and regulatory or administrative and business functions, as well as heads of organisations operating as the sole executive authorities of economic entities (market participants) and non-profit organisations that are not economic entities (market participants). For the purposes of this Protocol, natural persons carrying out professional income-generating activities that are subject to state registration and/or licensing under the legislation of the Member States shall be liable for violations of the general rules of competition in transboundary markets as being officials.

17. The penalties provided for by sub-paragraphs 1-5 of paragraph 16 of this Protocol shall be transferred to the budget of the Member State of registration of the offender (for juridical persons) or of the Member State of permanent or temporary residence of the offender (for natural persons).

18. The penalties provided for by paragraph 16 of this Protocol shall be paid by an economic entity (market participant), a natural person or a non-profit organisation that is not an economic entity (market participant) in the national currency of the Member State of registration of the economic entity (market participant) or non-profit organisation, or of permanent or temporary residence of the natural person, having violated the general rules of competition under this Protocol, at the rate set by the national (central) bank of the said Member State as of the date of adopting by the Commission of the decision to impose the penalty.

19. A person (group of persons) having voluntarily informed the Commission of their concluding an agreement prohibited by Article 76 of the Treaty shall be exempt from liability for the offence under sub-paragraph 2 of paragraph 16 of this Protocol subject to accumulation of the following conditions:

at the time the of application of a person, the Commission did not have at its disposal any information or documents concerning the offence;

the person initially or subsequently refused to participate in the agreement inadmissible in accordance with Article 76 of the Treaty;

the information and documents submitted are sufficient to determine the event of offence.

The exemption from liability shall be granted to the person that is first to fulfil all the conditions provided for by this paragraph.

20. Statements filed on behalf of several persons that are parties to an agreement that is inadmissible under Article 76 of the Treaty shall be rejected.

21. Amount of penalties for violations of the general rules of competition in transboundary markets determined in this section may be amended by decision of the Supreme Council, with the exception of penalties imposed on juridical persons and calculated based on the proceeds generated by the offender from selling goods (works, services) or expenditures of the offender for the purchase of goods (works, services) in the market of which the offence is committed.

V. Cooperation between Authorised Authorities of the Member States

22. For the purposes of implementing Section XVIII of the Treaty and this Protocol, the authorised authorities of the Member States shall cooperate within the law enforcement activities by sending notifications, requests for information, inquiries and orders to conduct certain procedural activities, exchange of information, coordination of the law enforcement activities of the Member States, as well as implementation of the law enforcement activities at the request of any Member State.

This cooperation shall be carried out by the central offices of the authorised authorities of the Member States.

23. The authorised authority of a Member State shall notify the authorised authority of another Member State if it becomes aware that its law enforcement activities may affect the interests of another Member State in the sphere of protection of competition.

24. In this Protocol, the law enforcement activities that may affect the interests of another Member State in the sphere of protection of competition shall refer to the activities of the authorised authorities of the Member States:

1) relating to the law enforcement activities of another Member State;

2) relating to anti-competitive actions (except for mergers and acquisitions and other actions), including those undertaken on the territory of another Member State;

3) relating to transactions (other actions), when one of the parties or a person controlling one or more parties to the transaction or otherwise determining the conditions of their business activities is a person registered or incorporated under the legislation of another Member State;

4) relating to the use of coercive measures requiring or prohibiting any actions on the territory of another Member State within enforcement of the competition (antitrust) legislation.

25. Notifications of transactions (other actions) shall be sent:

1) not later than the date of the decision of the notifying authorised authority of the Member State on extension of the transaction examination period;

2) if a decision is made on a transaction without an extension of the examination period, not later than the date of the decision on the transaction, within a reasonable time allowing the notified Member State to express its opinion on the transaction.

26. In order to ensure the possibility of taking into account the opinion of another Member State, notifications referred to in sub-paragraphs 1, 2 and 4 of paragraph 24 of this Protocol shall be sent to that Member State at the stage of examination of the case upon discovery of new facts to be notified to another Member State, within reasonable time periods allowing the notified Member State to express its opinion, but in any case prior to adoption of a decision in the case or conclusion of a friendly settlement agreement.

27. Notifications shall be sent in writing and shall contain sufficient information to allow the notified Member State to conduct a preliminary analysis of the consequences of the law enforcement activities of the notifying Member State affecting the interests of the notified Member State.

28. The authorised authorities of the Member States may submit requests for information and documents, as well as orders to conduct certain procedural activities.

29. A request for information and documents, an order to conduct certain procedural activities shall be executed in writing on a letterhead of the authorised authority of a Member State and shall indicate:

1) the number of the respective case (if any) information on which is requested, a detailed description of the offence and other facts related thereto,

legal qualification of the act under the legislation of the requesting Member State enclosing the text of the applicable law;

2) full names of persons in respect of which proceedings are conducted and of witnesses, their domicile or residence, nationality, place and date of birth; for juridical persons, names and addresses (if available);

3) the exact address of the addressee and name of document to be served (in requests for serving of documents);

4) a list of information and actions to be submitted or executed (in order to conduct questioning, the circumstances to be clarified and specified and the sequence and wording of questions to be addressed to the questioned person shall be indicated).

30. A request for information and documents, an order to conduct certain procedural activities may also contain:

1) an indication of the period for implementing required activities;

2) a motion for conducting in a determined procedure the activities specified in the request;

3) a motion to allow for representatives of authorised authorities of the requesting Member State to attend the implementation of the activities specified in the request as well as, unless it does not conflict with the legislation of each of the Member States, to participate therein;

4) other motions related to the execution of a request or an order.

31. A request for information and documents and an order to conduct certain procedural activities shall be signed by the heads of the requesting authorised authorities of the Member States or their deputies. The above request or order shall be attached with copies of documents referenced to in the text of the request or order, as well as other documents required for the proper execution of the request or order.

32. Orders to conduct expert examinations and other procedural activities requiring additional expenses to be incurred by an executing Member State shall be sent by prior agreement between the authorised authorities of the Member States.

33. Authorised authorities of the Member States may send procedural documents by mail directly to participants of respective cases located on the territory of another Member State.

34. It shall be allowed to send a repeated request for information and documents and order to conduct certain procedural activities, if additional information or clarification of the information obtained in the execution of the previous request or order are required.

35. A request for information and documents and an order to conduct certain procedural activities shall be executed within 1 month from the date of receipt or in any other period agreed in advance by the authorised authorities of the Member States.

When it is required to apply to some other state authority of the Member State or economic entity (market participant) of the requested Member State, the above period shall be extended by the time of execution of such application.

36. The requested authorised authority of a Member State shall conduct the actions specified in the request or order and answers all questions contained therein. The requested authorised authority of a Member State may, on its own initiative, conduct any actions not stipulated in the said request or order, but related to the execution thereof.

37. In case of a failure or impossibility to execute a request or order within the time specified in paragraph 35 of this Protocol, the requested authorised authority of a Member State shall inform the requesting authorised

authority of a Member State of such impossibility or of the expected time of execution of the request or order.

38. The authorised authorities of the Member States shall examine the practice of execution of requests for information and documents and orders to conduct certain procedural activities and keep each other informed of any cases of improper execution thereof.

39. Documents drawn up or certified by an institution or a specially authorised official within his/her jurisdiction and bearing the official seal on the territory of a Member State shall be accepted on the territories of other Member States without any special certification.

40. Legal assistance in cases of administrative offences may be refused if execution of a request or order may prejudice the sovereignty, security, public order or other interests of the requested Member State or is contrary to its legislation.

41. Each Member State shall independently bear the expenses arising in connection with the execution of requests and orders.

In certain cases, the authorised authorities of the Member States may agree on a different procedure for undertaking expenses.

42. When executing orders to conduct certain procedural and other actions, the authorised authorities of the Member States shall conduct the following:

1) questioning persons subject to the proceedings in the respective case, as well as witnesses;

2) discovery of documents required for the proceedings in the case;

3) examination of territories, premises, documents and belongings of the person who is subject of the order (except for such person's dwelling);

4) obtaining information required for the proceedings in or examination of the case from government agencies and officials;

5) serving of documents or copies thereof on participants of the respective case;

6) expert examination and other actions.

43. Procedural and other actions under respective cases shall be conducted in accordance with the legislation of the requested Member State.

44. If, under the legislation of the requested Member State, certain procedural activitiies require delivering specific decisions by authorised officials, these shall be delivered at the place of execution of the order.

45. Upon agreement by authorised authorities of the Member States, certain procedural actions on the territory of the requested Member State may be carried out in the presence and with the participation of representatives of the authorised authority of the requesting Member State pursuant to the legislation of the requested Member State.

46. Subject to the requirements of their legislation, authorised authorities of the Member States shall exchange information:

1) on the situation of commodity markets, approaches and practical results of demonopolisation under economic restructuring, methods and practical experience in prevention, limiting and suppression of monopolistic activities and development of competition;

2) contained in the national registries of companies holding dominant positions and engaged in the supply of products to commodity markets of the Member States;

3) on the practice of examination of cases concerning violations of the competition (antitrust) legislation of the Member States.

47. The authorised authorities of the Member States shall cooperate in the development of national legislation and regulations on competition (antitrust) policy through the exchange of information and methodological assistance.

48. The authorised authority of a Member State shall provide to the authorised authority of another Member State any information on anti-competitive practices at its disposal, if such information is, in the opinion of the authorised authority of the providing Member State, related to the law enforcement activity of the authorised authority of another Member State or may serve as a basis for such activity.

49. The authorised authority of a Member State shall be entitled to send to the authorised authority of another Member State a request for respective information outlining the circumstances of the case requiring the use of the information requested.

The authorised authority of a Member State having received such a request shall provide to the requesting authorised authority of another Member State the information available to it, if such information is regarded by the authorised authority as relevant to the law enforcement activity of the authorised authority of the requesting Member State or may serve as the basis for such activities.

All information requested shall be delivered within the terms agreed by authorised authorities of the Member States, but not later than within 60 calendar days from the date of receipt of the request.

The received information shall only be used for the purposes of the relevant request or consultation and shall not be disclosed or transferred to third persons without the consent of the authorised authority of the Member State that has transmitted the information.

50. If a Member State finds that any anti-competitive practices conducted on the territory of another Member State adversely affect its interests, it may notify thereof the Member State on the territory of which the anti-competitive practices are conducted and request this Member State to initiate appropriate law enforcement actions aimed to suppress the anti-competitive practices. This cooperation shall be implemented through the authorised authorities of the Member States.

The notification shall contain information about the nature of anti-competitive practices and their possible consequences for the interests of the notifying Member State, as well as a proposal on exchange of additional information and other types of cooperation which the notifying Member State is authorised to offer.

51. Upon receipt of a notification in accordance with paragraph 50 of this Protocol and after negotiations between the authorised authorities of the Member States (if conducting such negotiations is required), the notified Member State shall decide on the initiation of the law enforcement actions or extension of those previously initiated law enforcement actions in respect of the anti-competitive practices specified in the notification. The notified the Member States shall inform the notifying Member State of the decision made. When conducting the law enforcement actions in respect of the anti-competitive actions specified in the notification, the Member State shall inform the notifying Member State on the results of appropriate law enforcement actions.

When deciding on initiation of the law enforcement actions, the notified Member State shall be governed by its legislation.

The provisions of paragraphs 50 and 51 of this Protocol shall not limit the right of the notifying Member State to exercise the law enforcement actions provided by the legislation of that Member State.

52. In the case of mutual interest in the implementation of law enforcement actions in respect of related transactions (executed actions), the authorised authorities of the Member States may agree to cooperate in the exercise of law enforcement actions. When deciding on such cooperation in the exercise of law enforcement actions, the authorised authorities of the Member States shall take into account the following factors:

1) the possibility of more efficient use of material and information resources oriented to the law enforcement activities and/or reduction of the expenses incurred by the Member States in the course of the exercise of law enforcement activities;

2) the possibility of obtaining information by the Member States required for the exercise of the law enforcement activity;

3) the expected outcome of such cooperation - increaring possibilities for cooperating Member States to achieve the objectives of their law enforcement activity.

53. A Member State having duly notified the other Member State may restrict or terminate cooperation within this Protocol and implement law enforcement actions independently of the other Member State in accordance with its legislation.

54. The Member States shall conduct agreed competition policy in respect of actions of economic entities (market participants) of third countries, if such actions may negatively affect the competition in commodity markets of the Member States, through the application of the legislation rules of the Member States to such economic entities (market

participants) in the same manner and to the same extent, irrespective of their legal form and place of registration, on equal terms, as well as in cooperation in the procedure determined by this section.

55. Information and documents provided within the cooperation on the matters specified in paragraphs 22-53 of this Protocol shall be confidential and may be used only for the purposes specified in this Protocol. The use of such information for other purposes and transfer thereof to third persons shall only be allowed with the written consent of the authorised authority of the Member State that has provided the information.

56. The Member States shall ensure the protection of this information, documents and other data, including personal data, provided by the authorised authority of another Member State.

VI. Cooperation between the Commission and the Authorised Authorities of the Member States for Monitoring Compliance with the General Rules of Competition

57. The Commission and the authorised authorities of the Member States shall interact when authorised authorities of the Member States submit statements on violations of the general rules of competition with the Commission, when the Commission examines the statements on violations of the general rules of competition in transboundary markets, during the Commission's investigations of such violations, during examination by the Commission of cases of violation of general rules of competition in transboundary markets, as well as in other cases.

When the authorised authorities of the Member States are mutually interested in the discussion of the most pressing issues of the law enforcement practice, information exchange and problems of harmonisation

of the legislation of the Member States, the Commission, in cooperation with the authorised authorities of the Member States, shall organise meetings at the level of the heads of the authorised authorities of the Member States and the member of the Board of the Commission in charge of competition and antitrust regulation.

The Commission shall cooperate with the central offices of the authorised authorities of the Member States.

58. A decision to refer the statement on a violation of the general rules of competition for examination to the Commission may be taken by the authorised authority of a Member State at any stage of its examination, conducted with account of the specific features determined by the legislation of the Member State referring the statement.

Upon taking such a decision, the authorised authority of a Member State shall send a respective written application to the Commission.

The application shall contain:

the name of the submitting authority;

the name of the economic entity (market participant), the actions (omissions) of which contain signs of violation of the general rules of competition;

a description of the actions (omissions) containing signs of violation of the general rules of competition;

borders of the commodity market, in which the signs of violation have been identified;

the provisions of Article 76 of the Treaty, which, in the opinion of the authorised authority of the Member State, have been violated.

The application shall be attached with documents in the examination of which signs of violation of the general rules of competition were identified

and which are necessary, in the opinion of the authorised authority of the Member State, for examination of the application by the Commission.

Submitting an application of the authorised authority of a Member State to the Commission shall be deemed as grounds to suspend examination of the statement on violation of the general rules of competition by the authorised authority until the Commission adopts a decision to investigate the violation of the general rules of competition, or to refer the statement (materials) to the authorised authorities of the Member States with appropriate jurisdiction, or to return the statement.

The authorised authority of a Member State shall notify the applicant of the referral of its statement to the Commission within 5 business days from the date of its sending to the Commission.

In a period not exceeding 5 business days from the date of receipt of the statement of violation of the general rules of competition in transboundary markets, the Commission shall notify the authorised authorities of the Member States and the applicant of the acceptance of the said statement for examination.

59. A decision of the Commission to investigate the violation of the general rules of competition in transboundary markets or to refer the statement (materials) to the authorised authorities of the Member States with appropriate jurisdiction shall be regarded as grounds for termination of examination of the statement by the authorised authority of the Member State.

60. A decision to refer the statement (materials) for examination to the authorised authority of a Member State may be taken at any stage of its examination, if the Commission finds that suppression of the violation of the

general rules of competition lies within the jurisdiction of the authorised authority.

In the case of such a decision, the authorised structural unit of the Commission shall prepare the appropriate request to the authorised authority of the Member State to be signed by the member of the Board of the Commission in charge of competition and antitrust regulation.

The application shall contain:

the name of the economic entity (market participant), the actions (omissions) of which contain signs of violation of the general rules of competition;

a description of the actions (omissions) containing signs of violation of the general rules of competition;

borders of the commodity market, in which the signs of violation have been identified;

The request shall be attached with documents in the examination of which signs of violation of the general rules of competition were identified and which are necessary, in the opinion of the Commission, for examination of the request by the authorised authority of the Member State.

Within 5 business days from the date of sending the statement, the Commission shall notify the applicant of the referral of its statement to the authorised authority of a Member State.

61. When investigating violations of the general rules of competition and examining cases of violation of the general rules of competition in transboundary markets, the Commission may send to the authorised authorities of the Member States a reasoned submission to conduct the following procedural activities, if the information obtained on request is insufficient to adopt a decision:

questioning persons subject to the investigation or corresponding proceedings, as well as witnesses;

reclaiming documents required for the investigation or proceedings;

inspecting territories, premises, documents and belongings of the person subject to the investigation or proceedings in the case of violation of the general rules of competition (except for such person's dwelling);

serving of documents or copies thereof on participants of the relevant case;

expert examination and other actions.

The procedural activities that are conducted on the territory of the Member State of registration of the offender who is under investigation by the Commission or subject to proceedings in a case of violation of the general rules of competition, shall be exercised in the presence and/or with the participation of employees of the authorised structural unit of the Commission as well as a representative of the authorised authority of the Member State on the territory of which the violation has occurred and/or adverse effects on competition have been identified.

When conducting procedural activities on the territory of the Member State where the violation has occurred and/or adverse effects on competition have been identified, employees of the authorised structural unit of the Commission and a representative of the authorised authority of the Member State of registration of the offender shall be present.

Should it be impossible for employees of the authorised structural unit of the Commission and/or a representative of the concerned authorised authority of a Member State to attend procedural activities, the authorised authority of a Member State executing the reasoned submission of the Commission shall be entitled to conduct such procedural activities

independently, provided that written notifications of the impossibility of attending such procedural activities are sent no later than 5 business days prior to their conducting.

62. A reasoned submission to conduct certain procedural activities shall be executed in writing and contain:

1) the number of the case (if any) information on which is requested, a detailed description of the offence and other facts related thereto, legal qualification of the act under Article 76 of the Treaty;

2) full names of persons subject to the investigation or proceedings conducted by the Commission and of witnesses, their domicile or residence, nationality, place and date of birth; for juridical persons, names and addresses (if such information is available);

3) the exact address of the addressee and name of document to be served (when required);

4) a list of information and actions to be submitted or executed (in order to conduct questioning, the circumstances to be clarified and specified and the sequence and wording of questions to be addressed to the questioned person shall be indicated).

63. A reasoned submission to conduct certain procedural activities may also contain:

1) an indication of the period for implementing required activities;

2) a motion for conducting the activities specified in the submission in a determined order ;

3) full names of employees of the authorised structural unit of the Commission who shall attend the implementation of the activities specified in the submission as well as, unless it does not conflict with the legislation of the requesting Member State, participate therein;

4) other motions related to the execution of the submission.

64. A reasoned submission to conduct certain procedural activities shall be signed by a member of the Board of the Commission in charge of competition and antitrust regulation. A reasoned submission shall be attached with copies of documents referenced to in its text, as well as other documents required for its proper execution.

65. The authorised authority of a Member State executing a reasoned submission of the Commission shall conduct procedural activities listed in the reasoned submission of the Commission under the legislation of its Member State and only in respect of persons residing on the territory of an executing Member State.

66. A reasoned submission to conduct an expert examination and other procedural activities, the execution of which requires additional expenses on behalf of an executing Member State, shall be executed on agreement of the issue of reimbursement by the Commission and the authorised authority of the Member State to which address the submission is sent.

67. A reasoned submission to conduct certain procedural activities shall be executed within 1 month of its receipt or within another period agreed upon in advance by the Commission and the authorised authority of the Member State to which address the submission is sent.

When it is required to apply to some other state authority of the Member State or economic entity (market participant) of an executing Member State, the above periods shall be extended by the time of execution of such application.

68. The authorised authority of an executing Member State shall conduct the actions referred to in the reasoned submission and answer the

questions raised, as well as may, on its own initiative, conduct any actions not provided for by the said submission, but related to the execution thereof.

69. In case of a failure to execute the reasoned submission or impossibility to execute it within the periods specified in paragraph 67 of this Protocol, the authorised authority of a Member State shall inform the Commission of the impossibility of execution of the said submission or of the expected time of its execution.

70. The reasoned submission to conduct certain procedural activities may be rejected, in whole or in part, only if its execution may prejudice the sovereignty, security or public order of an executing Member State or is contrary to its legislation, which shall be notified to the Commission in writing by the Member State. The Board of the Commission shall be entitled to introduce the issue of the lawfulness of a refusal of an authorised authority of a Member State to execute a reasoned submission for examination to the Council of the Commission.

71. Documents prepared or certified by an institution or a specially authorised official within his/her jurisdiction and bearing the official seal on the territory of a Member State the authorised authority of which received a reasoned submission, shall be accepted by the Commission without any special certification.

72. It shall be allowed to send a repeated reasoned submission to conduct certain procedural activities, if additional information or clarifications of the information obtained in the execution of the previous submission are required.

73. If a reasoned submission to conduct certain procedural activities is sent, within a single case of violation of the general competition rules in transboundary markets, to two or more authorised authorities of the Member

States, the interaction between such authorised authorities of the Member States and the Commission shall be coordinated by employees of the authorised structural unit of the Commission.

74. When investigating a violation of the general rules of competition and conducting proceedings on cases of violation of the general rules of competition in transboundary markets, the Commission may submit to authorised authorities of the Member States requests for information and documents.

75. A request for information and documents shall be executed in writing and contain:

the purpose of the request;

the number of the case (if any) information on which is requested, a detailed description of the offence and other facts related thereto, legal qualification of the act under Article 76 of the Treaty and this Protocol;

information on the person subject to the case examined (if available):

for natural persons, full name, domicile or residence, nationality, place and date of birth;

for juridical persons, name and location;

the period within which information shall be provided, but not less than 10 business days from the date of receipt of the request;

list of information to be submitted.

The above requests shall be attached with copies of documents referenced to in the text of the requests, as well as other documents required for the proper execution thereof.

76. The authorised authority of a Member State shall provide the information at its disposal within the period determined in the request.

77. In case of a failure to execute a request (if its execution may prejudice the sovereignty, security and public order of the Member State or is contrary to its legislation), the requested authorised authority of the Member State shall inform the Commission thereof within a period not exceeding 10 business days from the date of receipt of the request, indicating the reason for the impossibility of providing the information, and if the information may not be provided within the period determined by the Commission, indicating the period for submission of the information.

78. If when investigating a violation of the general rules of competition and conducting proceedings on cases of violation of the general rules of competition in transboundary markets the Commission sends a request for information and documents to government authorities of the Member States, juridical and/or natural persons of a Member State, the Commission shall simultaneously send a copy of such request to the authorised authority of the Member State of operation of the requested government authority, registration of the requested juridical person, temporary or permanent residence of the requested natural person.

79. When any additional information or clarifications are required for information obtained within the execution of the previous request, a repeated request for information and documents may be sent to the authorised authority of a Member State.

80. Documents provided to the Commission by authorised authorities of the Member States and containing confidential information shall be handled under an international treaty within the Union.

VII. Introduction of State Price Regulation for Goods and Services on the Territories of the Member States

81. The Member States shall introduce state price regulation in commodity markets that are not in a situation of natural monopoly in exceptional cases, including emergencies, natural disasters, national security matters, provided that the problems that have emerged may not be eliminated through any measures having a less negative impact on the competitive situation.

82. As an interim measure, the Member States may introduce state price regulation for certain types of socially relevant goods on certain territories for a certain period in the procedure provided for by the legislation of the Member States.

The total period of application of state price regulation under this paragraph with regard to one type of socially relevant goods in a particular area may not exceed 90 calendar days in 1 year. This period may be extended by agreement with the Commission.

83. The Member State shall notify the Commission and other Member States of the introduction of state price regulation under paragraphs 81 and 82 of this Protocol within a period not exceeding 7 calendar days from the date of adoption of the respective decision.

84. The provisions of paragraphs 81-83 of this Protocol shall not apply to state price regulation of all services, including the services of natural monopoly entities, as well as to the sphere of state procurement and goods interventions.

85. In addition to the services listed in paragraph 84 of this Protocol, the provisions of paragraphs 81-83 of this Protocol shall not apply to state price regulation for the following goods:

1) natural gas;

2) liquefied gas for domestic use;

3) electric and thermal energy;

4) vodka, liquor and other alcoholic beverages of more than 28 per cent (minimum price);

5) ethyl alcohol from food raw materials (minimum price);

6) solid fuel, heating oil;

7) products of the nuclear power cycle;

8) kerosene for domestic purposes;

9) oil and petroleum products;

10) pharmaceuticals;

11) tobacco products.

86. If the Commission receives an appeal from a Member State contesting the decision of another Member State to introduce state price regulation stipulated in paragraphs 81 and 82 of this Protocol, the Commission may adopt a decision on the need for cancellation of the state price regulation upon availability of the grounds provided for by paragraph 87 of this Protocol.

87. A decision on the need for cancellation of the state price regulation may be adopted by the Commission if this regulation results or may result in restriction of competition, including:

creating barriers to entry to the market;

reducing the number of economic entities (market participants) in such market not included in the same group of persons .

The Member State contesting the decision on the introduction of state price regulation by another Member State shall prove that the objectives of the introduction of state price regulation may be achieved by other means having a less negative impact on the competitive situation.

The Commission shall decide on the availability or lack of the need for the cancellation of the state price regulation within a period not exceeding 2 months from the date of receipt of the appeal under paragraph 86 of this Protocol.

88. The Commission shall review the appeal of a Member State contesting the decision of another Member State to introduce state price regulation in the procedure determined by the Commission.

89. A decision of the Commission on the need for cancellation of the state price regulation taken pursuant to paragraph 87 of this Protocol shall be sent to the authority of the Member State having adopted the decision to introduce the state price regulation not later than on the day following the day of adoption of the decision and shall be enforced under the legislation of the Member State having adopted the decision to introduce the state price regulation .

If a Member State does not agree with the decision of the Commission on the need for cancellation of the state price regulation, the matter shall be committed to the Supreme Council. In this case, the Commission's decision shall not be enforceable prior to its examination by the Supreme Council.

ANNEX 20
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Common Regulation Principles and Rules for Activities of Natural Monopoly Entities

I. General Provisions

1. This Protocol has been developed pursuant to Article 78 of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and aims to create a legal framework for the application of common principles and general rules for the regulation of activities of natural monopoly entities of the Member States in the spheres specified in Annex 1 to this Protocol.

2. The terms used in this Protocol shall have the following meanings:

"domestic market" means the market of a Member State used for circulation of services of natural monopoly entities;

"access to services of natural monopoly entities" means provision by natural monopoly entities of one Member State of services related to natural monopolies to consumers of another Member State on terms no less favourable than those provided for similar services to consumers of the first Member State, when technically feasible;

"natural monopoly" means a situation of the services market when the creation of a competitive environment to meet the demand for a particular type of services is not possible or is economically infeasible due to the specific technological features of production processes and provision of these services;

"legislation of the Member States" means the national legislation of each Member State relating to spheres of natural monopolies;

"national authorities of the Member States" means authorities of the Member States carrying out regulation and/or control over natural monopoly entities;

"provision of services" means provision of services and manufacture (sale) of goods representing an object of civil turnover;

"consumer" means a subject of civil rights (a natural or juridical person) using or intending to use any services provided by natural monopoly entities;

"natural monopoly entity" means an economic entity providing services in the spheres of natural monopolies determined by the legislation of the Member States;

"sphere of natural monopolies" means a sphere of circulation of a service legally regarded as a natural monopoly, where a consumer may purchase services of natural monopoly entities.

II. General Principles for Regulation of Activities of Natural Monopoly Entities

3. In regulation and/or control over activities of natural monopoly entities in the spheres of natural monopolies specified in Annexes 1 and 2 to this Protocol, the Member States shall be guided by the following principles:

1) maintenance of a balance of interests of consumers and natural monopoly entities of the Member States, ensuring availability of services and their appropriate quality for consumers, efficient functioning and developing natural monopoly entities;

2) improving the efficiency of regulation aimed at reduction in the number of spheres of natural monopolies henceforth by creating conditions for development of competition in these spheres;

3) use of flexible tariff (price) regulation of natural monopoly entities taking into account the industry specifics, scope of their activities, market conditions, medium-term (long-term) macroeconomic and industry forecasts, as well as tariff (price) regulation measures in respect of these entities, including the possible application of a differentiated tariff that may not be set on the basis of affiliation of a consumer (consumer groups) to any of Member State;

4) introduction of regulation when an analysis of the respective domestic market detects that the market is in a state of natural monopoly;

5) reduction of barriers to entry to domestic markets, including by ensuring access to services of natural monopoly entities;

6) applying procedures for regulation of activities of natural monopoly entities, ensuring independence of decisions, continuity, openness, objectivity and transparency;

7) mandatory conclusion by natural monopoly entities of service contracts with consumers for the provision of regulated services, if technically feasible, which shall be determined in accordance with the legislation of the Member States, unless otherwise provided for by the provisions of Sections XX and XXI of the Treaty;

8) ensuring compliance of natural monopoly entities with the rules of access to services of natural monopoly entities;

9) focus of regulation on a specific natural monopoly entities;

10) ensuring compliance of set tariffs (prices) with the quality of services in the spheres of natural monopolies subject to regulation;

11) protection of interests of consumers, including with respect to various violations of natural monopoly entities associated with the use of tariffs (prices) for regulated services;

12) creation of economic conditions making it beneficial for natural monopoly entities to reduce costs, introduce new technologies and to improve the efficiency of use of investments.

III. Types and Methods of Regulation of Natural Monopoly Entities

4. The Member States shall apply the types (forms, ways, methods, instruments) of regulation of natural monopoly entities of the Member States based on the common principles and rules for the regulation of natural monopolies determined by this Protocol.

5. In the regulation of activities of natural monopoly entities, the following types (forms, ways, methods, instruments) of regulation shall be applied:

1) tariff (price) regulation;

2) types of regulation determined by this Protocol;

3) other types of regulation determined by the legislation of the Member States.

6. Tariff (price) regulation of services rendered by natural monopoly entities, including determining the cost of connection (joining) to services of natural monopoly entities, may be ensured through the following:

1) setting (approval) by the national authority tariffs (prices) for regulated services of natural monopoly entities, including their limit levels

based on the methodology (formula) and rules of application thereof approved by the national authority, as well as respective control over compliance with the fixed tariffs (prices) by a national authority;

2) determining (approval) by the national authority the methodology and rules of application thereof to be used by natural monopoly entity to set and apply the tariffs (prices), as well as control over setting and application of tariffs (prices) by natural monopoly entities by a national authority.

7. In tariff (price) regulation, the national authorities of the Member States may also apply the following methods of tariff (price) regulation or a combination thereof, in accordance with the legislation of the Member States:

1) the method of economically justified costs;

2) the method of indexation;

3) the method of investment capital profitability;

4) the method of comparative analysis of the efficiency of activities of natural monopoly entities.

8. The tariff (price) regulation shall take into account:

1) compensation to natural monopoly entities of economically justified costs related to carrying out the regulated activities;

2) obtaining economically justified profit;

3) encouraging natural monopoly entities to lower costs;

4) setting tariffs (prices) for services of natural monopoly entities taking into account the reliability and quality of such services.

9. When setting the tariffs (prices), the following may be taken into account:

1) specific features of functioning of natural monopolies on the territories of the Member States, including specific features of technical requirements and regulations;

2) state subsidies and other state support measures;

3) market conditions, including the level of prices in unregulated market segments;

4) territorial development plans;

5) state taxation, budget, innovation, environmental and social policy;

6) energy efficiency measures and ecological aspects.

10. Regulation of tariffs (prices) for services of a natural monopoly entity provides for separate accounting of expenditures, including investments, as well as income and operating assets, by types of regulated services of natural monopoly entities when calculating the costs of the natural monopoly entity.

11. Tariffs (prices) for services of natural monopoly entity may be regulated based on long-term regulation parameters, which may include the level of reliability and quality of regulated services, the dynamics of changes in costs associated with the supply of the respective services, the rate of return, the periods of return on invested capital and other parameters.

For the purposes of regulation of tariffs (prices) for services of natural monopoly entity, long-term regulation parameters obtained using the method of comparative analysis of the efficiency of activities of natural monopoly entities may be applied.

12. Specific features of application of paragraphs 4-11 of this Protocol in certain spheres of natural monopolies may be determined in Sections XX and XXI of the Treaty.

IV. Rules of Access to Services of Natural Monopoly Entities

13. The Member States shall determine in their legislation the rules of regulation ensuring access to services of natural monopoly entities as specified in paragraph 2 of this Protocol.

National authorities of the Member States shall ensure control over observation of the rules of access and connection (joining, use) of consumers to services of natural monopoly entities.

14. The rules of ensuring consumer access to services of natural monopoly entities shall include:

1) the essential terms of contracts, as well as the procedure for their conclusion and execution;

2) the procedure for determining the availability of technical capabilities;

3) the procedure for submitting information on services provided by natural monopoly entities, their cost, access terms, potential sales volumes, technical and technological capabilities of providing such services;

4) the conditions for obtaining public information, allowing to provide to interested persons the possibility to compare the terms of circulation of and/or access to services of natural monopoly entities;

5) a list of information that may not be regarded as trade secret;

6) the procedure for handling complaints and claims and resolution of disputes regarding access to services of natural monopoly entities.

15. Natural monopoly entities of the Member States shall be allowed to apply differentiated terms of access to their services for consumers of the Member States (taking into account the specific features of each individual

sphere of natural monopoly, as determined in Sections XX and XXI of the Treaty), if such terms are not applied based on the principle of affiliation of consumers with any Member State, subject to observation of the legislation of each Member State.

16. Without prejudice to the provisions of paragraph 15 of this Protocol, the legislation of the Member States shall not contain any rules determining for consumers of the Member States any differentiated terms of access to services of natural monopoly entities on the basis of their affiliation with any Member State.

17. Specific features of application of paragraphs 13-16 of this Protocol in specific spheres of natural monopolies, including transit, are determined in Sections XX and XXI of the Treaty.

V. National Authorities of the Member States

18. The Member States shall have national authorities entitled to regulate and/or control activities of natural monopoly entities in accordance with the legislation of the Member States.

National authorities of the Member States shall operate in accordance with the legislation of the Member States, the Treaty, as well as other international treaties of the Member States.

19. The functions of national authorities of the Member States shall include:

1) tariff (price) regulation of services rendered by natural monopoly entities;

2) regulation of access to services of natural monopolies, including setting fees (prices, tariffs, charges) for the connection (joining) to services of

natural monopoly entities, in cases provided for by the legislation of the Member States;

3) protection of the interests of consumers of services of natural monopolies;

4) consideration of complaints and claims, settlement of disputes regarding setting and applying regulated tariffs (prices) and access to services of natural monopoly entities;

5) examination, approval or integration of investment programmes of natural monopoly entities and control over their implementation;

6) ensuring observance by natural monopoly entities of the restrictions provided for by the legislation of the Member States on referral information to trade secret;

7) controlling activities of natural monopoly entities, including through inspections and in other forms (monitoring, analysis, expert examinations);

8) other functions provided for by the legislation of the Member States.

VI. Competence of the Commission

20. The Commission shall exercise the following powers:

1) adopting a decision on expansion of spheres of natural monopolies in the Member States when a Member State intends to include in the sphere of natural monopolies another sphere of natural monopolies not specified in Annexes 1 or 2 to this Protocol, following a respective application of the Member State to the Commission.

2) analysing and suggesting methods to coordinate the development and implementation of decisions of national authorities relating to the spheres of natural monopolies;

3) conducting comparative analyses of the systems and practices of regulation of natural monopoly entities in the Member States with preparing respective annual reports and memoranda;

4) promoting harmonisation of regulation measures in the spheres of natural monopolies in respect of ecologicalaspects and energy efficiency;

5) submitting for consideration by the Supreme Council the results of ongoing work referred to in sub-paragraphs 3-4 of this paragraph, as agreed with the national authorities of the Member States, as well as proposals for establishing regulatory legal acts of the Member States in the sphere of natural monopolies, as agreed with the Member States, which shall be subject to approach, and determine the sequence of implementation of respective measures to harmonise the legislation in this sphere;

6) controlling the implementation of Section XIX of the Treaty.

Annex 1

to the Protocol on Common Regulation Principles and Rules for Activities of Natural Monopoly Entities

Spheres of Natural Monopolies in the Member States

Item No.	The Republic of Belarus	The Republic of Kazakhstan	The Russian Federation
1.	Transportation of oil and petroleum products via main pipelines	Services to transport oil and/or petroleum products via main pipelines	Transportation of oil and petroleum products via main pipelines
2.	Transmission and distribution of electricity	Services for the transmission and/or distribution of electricity	Services for the transmission of electricity
3.		Services for technical dispatching of supply and consumption of electricity; services for balancing the output and consumption of electricity; services to ensure availability of electric power for the load (January 1, 2016)	Services for operational dispatch management in the electric power industry
4.	Services provided by railway transport communications ensuring the traffic of public transport, management of railway traffic and rail transportations	Services of main railway networks	Railway transportations

Annex 2

to the Protocol on Common Regulation Principles and Rules for Activities of Natural Monopoly Entities

Spheres of Natural Monopolies in the Member States

Item No.	The Republic of Belarus	The Republic of Kazakhstan	The Russian Federation
1.	Transportation of gas via main and spur pipelines	Storage services, transportation of marketable gas via connecting and main pipelines and/or gas distribution systems, operation of group tank units, as well as transportation of raw gas via connecting pipelines	Gas transportation via pipelines
2.	Services of transport terminals, airports; air navigation services	Services of air navigation; services of ports and airports	Services at transport terminals, ports and airports
3.	Public telecommunications and public postal services	Telecommunications services, in the absence of a competitive service provider due to the technological impossibility or economic infeasibility of the provision of these types of services, except for universal telecommunications services; services for property lease	Public telecommunications services and public postal services

Item No.	The Republic of Belarus	The Republic of Kazakhstan	The Russian Federation
		(rent) or charter of cable ducts and other fixed assets technologically related to connection of telecommunication networks to the public telecommunications network; public postal services	
4.	Transmission and distribution of thermal energy	Services for the production, transmission, distribution and/or supply of thermal energy	Services for the transmission of thermal energy
5.	Centralised water supply and disposal	Water supply and/or disposal services	Water supply and disposal using centralised systems and utility infrastructure systems
6.			Services for the use of the inland waterway infrastructure
7.		Railway services using railway transport under concession contracts	
8.		Approach route services	
9.			Icebreaker support of vessels in the waters of the Northern Sea Route

ANNEX 21
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Ensuring Access to Services of Natural Monopoly Entities in the Electric Power Sphere, including Fundamental Pricing and Tariff Policy

1. This Protocol has been developed in accordance with Articles 81 and 82 of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and determines the common principles and rules of access to services of natural monopoly entities in the electric power sphere.

2. The terms used in this Protocol shall have the following meanings:

"domestic demands for electricity (power)" means the volumesof electricity (power) required for consumption on the territories of the respective Member States;

"access to services of natural monopoly entities in the electric power sphere" means the possibility for a subject of the domestic market of one Member State to use the services of natural monopoly entities in the electric power sphere on the territory of another Member State;

"substitution of electricity (power)" means interconnected and simultaneous supply of equal capacities of electricity (power) into an electric power system and out to various supply points located at the border(s) of a Member State;

"interstate transmission of electricity (power)" means provision of services by authorised organisations of the Member States on the movement and/or substitution of electricity (power).

Depending on the legislation of a Member State, the respective relations shall be formalised in transmission (transit) service agreements or other civil law contracts, including purchase and sale contracts of electricity (power);

"common electric power market of the Member States" means a system of relations between subjects of domestic electricity markets of the Member States relating to the purchase and sale of electricity (power) and related services, operating on the basis of common rules and respective agreements;

"movement of electricity (power)" means ensuring the electricity transfers (power transfers) produced on the territory of a Member State via the grid of another Member State between supply points located at its boundary (boundaries);

"subjects of domestic electricity market" means persons that are subjects of the market of electricity (power) of a Member State and operate in the electric power sphere in accordance with the legislation of that Member State, including the production of electricity (power), purchase and sale of electricity (power), electricity distribution, electric power supply to consumers, provision of services for the transmission of electricity (power), operational dispatch management in the electric power industry, sales of electricity (power), and organisation of purchase and sale of electricity;

"services of natural monopoly entities in the electric power sphere " means services for the transmission of electric power via electric grid, operational dispatch management in the electric power industry and other services related to the sphere of natural monopolies in accordance with the legislation of the Member States.

3. Interaction between the Member States in the sphere of electric power shall be based on the following principles:

the use of technical and economic advantages of parallel operation of electric power systems of the Member States;

avoidance of economic damage in the implementation of such parallel operation;

the use of mechanisms based on market relations and fair competition as one of the main tools for building up a sustainable system to meet the demand for electricity (power);

gradual establishing a common electric power market of the Member States on the basis of parallel electric power systems of the Member States, taking into account specific features of existing models of electricity (power) markets of the Member States;

gradual harmonisation of the legislation of the Member States in the electric power sphere;

harmonisation of technical standards and regulations.

Regulation of activities of natural monopoly entities in the electric power sphere is conducting on the basis of common principles, rules and methods determined in Section XIX of the Treaty.

4. The Member States shall promote coordination of their electric power development programmes of their states to ensure effective cooperation in the field of electric power in the long term.

5. The common electric power market of the Union shall be formed on the basis of the following principles:

cooperation based on equality, mutual benefit and avoidance of economic damage to any Member State;

balancing of economic interests of producers and consumers of electricity, as well as other subjects of the common electric power market of the Member States;

gradual harmonisation of legislation of the Member States in the electric power sphere, including in terms of information disclosure by subjects of the common electric power market of the Member States;

priority use of mechanisms based on market relations and fair competition in order to form a sustainable system to meet the demand for electricity (power) in competitive activities;

ensuring easy access to services of natural monopoly entities in the electric power sphere under the existing technical capabilities on condition of the priority use of these services for covering the domestic demands of the Member States in the implementation of interstate transmission of electricity (power);

gradual transformation of the structure of national vertically integrated companies in the electric power sphere in order to identify competitive and monopolistic activities;

development of interstate relations of the Member States in the electric power sphere in accordance with the agreed common electric power market model of the Member States;

gradual formation of the common electric power market of the Member States on the basis of parallel electric power systems of the Member States, taking into account specific features of existing models of electric power markets of the Member States;

the use of technical and economic advantages of parallel operation of electric power systems of the Member States in compliance with the mutually agreed terms of parallel operation;

at the respective stage of market integration, ensuring access of producers and consumers of electricity to electricity markets of the Member States with regard to the interests of their national economies;

trade in electricity between subjects of the Member States taking into account the energy security of the Member States.

6. Within the existing technical capacities, the Member States shall ensure free access to services of natural monopoly entities in the electric power sphere, provided the priority use of these services to cover the domestic demands of the Member States for electricity (power) based on the following principles:

equal requirements to subjects of the domestic market of electricity (power), as determined by the legislation of the Member State on the territory of which the services are provided;

taking into the account the legislation of the Member States in the provision of access to services of natural monopolies in the electric power sphere, subject to the priority use of these services for satisfying the domestic demands of the Member States;

ensuring proper technical condition of electric power facilities, affecting parallel operation of electric power systems of the Member States in the provision of services of natural monopoly entities in the electric power sphere;

contractual formalisation of relations arising between subjects of domestic electricity markets of the Member States;

provision of paid services by natural monopoly entities of the Member States in the electric power sphere.

7. Interstate transmission of electricity (power) shall be ensured based on the following principles:

1) interstate transmission of electricity (power) via the electric power system of a neighbouring Member State shall be performed by the Member States within the existing technical capability, subject to the priority supply of domestic demands for electricity (power) of the Member States;

2) technical capabilities for interstate transmission of electricity (power) shall be determined based on the following priorities:

ensuring domestic demands for electricity (power) of the Member State the electric power system of which is to be used for interstate transmission;

ensuring interstate transmission of electricity (power) from one part of the electric power system of a Member State to its another part via the electric power system of a neighbouring Member State;

ensuring interstate transmission of electricity (power) from the electric power system of a Member State to the electric power system of one Member State via the electric power system of another Member State;

ensuring interstate transmission of electricity (power) via the electric power system of a Member State in order to fulfil the obligations in respect of electric power engineering entities of third states;

3) in interstate transmission of electricity (power), authorised organisations of the Member States shall be guided by the principle of reimbursement of the costs of interstate transmission of electricity (power) on the basis of the legislation of the Member State;

4) interstate transmission of electricity (power) in fulfilment of obligations in respect of electric power engineering entities of third countries shall be regulated on a bilateral basis taking into account the legislation of the respective Member State.

8. In order to ensure unhindered interstate transmission of electricity (power) via electric power systems, the Member States shall implement a package of agreed preliminaries, namely:

before the start of a new calendar year of supply of electricity (power), authorised organisations of the Member States shall declare the planned volumes of electricity (power) intended for interstate transmission for entering in the national forecast balances of output and consumption of electricity (power), including for the purpose of accounting such supplies in the calculation of tariffs for services of natural monopoly entities;

based on the calculations of the planned cost of interstate transmission of electricity (power), authorised organisations of the Member States shall conclude contracts pursuant to the agreements reached.

In order to ensure unhindered interstate transmission of electricity (power) via electric power systems of the Member States, authorised authorities of the Member States shall apply the common Methodology for Interstate Transmission of Electricity (Power) between the Member States, including the procedure for determining the technical conditions and volumes of interstate transmission of electricity (power), as well as agreed approaches to pricing for services related to the interstate transmission of electricity (power), contained in the Annex to this Protocol.

The organisations selected in accordance with the legislation of the Member States shall ensure interstate transmission of electricity (power) on the entire territory of their states in accordance with the above Methodology.

9. Implementation of interstate transmission of electricity (power) and operation of power supply network facilities required to ensure interstate transmission of electricity (power) shall be conducted in accordance with regulatory legal and technical documents of the Member State providing services related to implementation of interstate transmission of electricity (power).

10. In case of rejection of interstate transmission of electricity (power), the authorised organisation of the Member States shall submit supporting materials indicating the reasons for the rejection.

11. Pricing (tariff setting) for services of natural monopoly entities in the electric power sphere shall be carried out in compliance with the legislation of the Member States.

Tariffs for services of natural monopoly entities in the electric power sphere in the common electric power market of the Member States shall not exceed similar domestic tariffs for subjects of their domestic electricity markets.

12. All differences in relations regarding interstate transmission of electricity (power) shall be settled taking into account other existing international treaties.

Annex

to the Protocol on Access to Services of Natural Monopoly Entities in the Electric Power Sphere, including Fundamental Pricing and Tariff Policy

Methodology
for Interstate Transmission of Electricity (Power) between the Member States

1. The basic provisions on the procedure for filing a declaration and forming annual forecast volumes of interstate transmission of electricity (power) to be included in the forecast balances of output and consumption of electricity (power), including those taken into account in the calculation of tariffs for services of natural monopoly entities

1.1. On the territory of the Republic of Belarus.

1.1.1. Annual forecast volumes of interstate transmission of electricity (power) (hereinafter "ITE") over the national electric grid of the Republic of Belarus shall be determined by the organisation in charge of ITE, on the basis of the application submitted.

1.1.2. An application for the upcoming calendar year shall be submitted not later than April 1 of the previous year. An application shall indicate the annual ITE and maximum power, broken down by months.

1.1.3. When considering an application, the authorised organisation of the Republic of Belarus shall be guided by the existing technical capabilities, determined in accordance with this Methodology.

If the volume of ITE declared exceeds the available technical capabilities for the entire year or any separate month, the authorised

organisation of the Republic of Belarus shall send a reasoned rejection to the organisation, which has submitted an application.

1.1.4. Declared ITE volumes, approved by the authorised organisation of the Republic of Belarus, shall be formalised in the form of an appendix to the contract for electricity transmission and taken into account in the calculation of tariffs for electricity transmission services.

1.1.5. The volumes of electricity intended for ITE may be adjusted by agreement between authorised organisations of the Member States before November 1 of the year preceding the year of the planned ITE.

1.2. On the territory of the Republic of Kazakhstan.

1.2.1. Annual forecast volumes of ITE over the national electric grid of the Republic of Kazakhstan shall be determined on the basis of an ITE application submitted by an organisation authorised for the implementation of ITE to the transmission system operator of the Republic of Kazakhstan.

1.2.2. An application for the upcoming calendar year shall be submitted not later than April 1 of the previous year. An application shall contain the annual ITE volume, broken down by months, indicating electricity reception and output points on the border of the Republic of Kazakhstan.

1.2.3. When considering a declaration, the system operator of the Republic of Kazakhstan shall be guided by the existing technical capabilities, determined in accordance with this Methodology. If the volume of ITE declared exceeds the available technical capabilities for the entire year or any separate month, the system operator of the Republic of Kazakhstan shall send a reasoned rejection to the organisation, which has submitted an application.

1.2.4. Declared ITE volumes, approved by the system operator of the Republic of Kazakhstan, shall be formalised in the form of an appendix to the

contract for electricity transmission and taken into account in the calculation of tariffs for electricity transmission services.

1.2.5. Upon compilation of a forecast balance of electricity and power of the Unified Electric System of the Republic of Kazakhstan (hereinafter "the UES of Kazakhstan"), the volumes of supply of electricity under bilateral intergovernmental treaties shall be determined and agreed with wholesale market entities before October 15 of the year preceding the planning year.

1.2.6. The volumes of electricity intended for ITE may be adjusted at the suggestion of the entities authorised for ITE organisations and implementation before November 1 of the year preceding the year of the planned ITE.

1.3. On the territory of the Russian Federation.

1.3.1. In accordance with the Procedure for the compilation of a consolidated forecast balance within the UES of Russia for constituent entities of the Russian Federation, the authorised organisation (the organisation managing the Unified National (All-Russian) Electric Grid (hereinafter "UNEG") of the Russian Federation) shall, before April, 1 of the year preceding the year of the planned supply, send its proposals, agreed with authorised organisations of the Member States engaged in the management of the national electric grid, to the Federal Tariff Service of the Russian Federation (FTS of Russia) and the system operator of UES of Russia.

1.3.2. The agreed proposals shall be reviewed by the FTS of Russia and taken into account in drawing up a consolidated forecast balance of output and consumption of electricity (power) by constituent entities of the Russian Federation for the following calendar year within the time limits provided for by the legislation of the Russian Federation.

1.3.3. The volumes of electricity and power intended for ITE and approved as part of the consolidated forecast balance of output and consumption of electricity (power) for the constituent entities of the Russian Federation for the year of supply shall be taken into account in the calculation of prices (tariffs) for services of natural monopolies in the electric power sphere.

1.3.4. The volumes of electricity and power intended for ITE may be adjusted on the proposal of the organisation managing the UNEG, subject to their approval by authorised authorities (organisations) of the Member States before November 1 of the year preceding the year of the planned supply, with respective adjustments of the prices (tariffs) set for the services of natural monopolies in the electric power sphere.

2. Procedure for determining the technical feasibility and planned volumes of ITE based on the planned annual, monthly, daily and diurnal operation modes of electric power systems, including the provisions determining the functions and powers of the Planning Coordinator

2.1. Terms.

For the purposes of section 2 of this Methodology, the following terms shall be used:

Controlled cross-section means a set of power transmission lines (PTL) and other elements of the electric grid identified by dispatch centres of system operators of electric power systems of the Member States, power transfers in which are controlled in order to ensure stable operation, reliability and durability of electric power systems.

Maximum allowable power flow means the highest flow in the grid cross-section that satisfies all the requirements for normal operation.

Interstate cross-section means a supply point or group of points identified by system operators of electric power systems of the Member States, located on interstate power transmission line(s) connecting electric power systems (separate power districts) of neighbouring states, distinguished by the tasks of technical planning and parallel operation electric power modes.

Other terms used herein shall have the meanings determined in the Protocol on Access to Services of Natural Monopoly Entities in the Electric Power Sphere, including Fundamental Pricing and Tariff Policy (Annex 21 to the Treaty on the Eurasian Economic Union).

2.2. General Provisions.

2.2.1. Problems to be solved at planning stages:

– annual planning: verification of the technical feasibility of implementation of the stated volumes of electricity (power) supply between the Member States and ITE between the Member States accounted for in the forecast balances of output and consumption of electricity (power), taking into account annual maintenance planning schedules for the power supply network equipment limiting export and import cross-sections, and adjustment thereof, if necessary;

– monthly planning: verification of the technical feasibility of implementation of the stated volumes of electric power supply and ITE between the Member States accounted for in the annual forecast balances of output and consumption of electricity (power), taking into account the monthly planning schedules of repairs of power supply network equipment limiting its export and import cross-sections, and adjustment thereof, if necessary;

– daily planning and diurnal mode adjustments: verification of the technical feasibility of implementation of the stated day-ahead hourly volumes of supplies and ITE between the Member States, taking into account the actual circuits and modes, planned, unplanned and emergency shut-downs of power supply network equipment, limiting export and import cross-sections, the volume of supplies and ITE between the Member States.

2.2.2. Planning (feasibility calculation) for the planned volumes of ITE between the Member States shall be conducted between the UES of Russia and the UES of Kazakhstan and between the UES of Russia and Integrated Electric System of Belarus (the IES of Belarus) using the computational model of parallel electric power systems (hereinafter "the computational model").

2.2.3. The computational model shall represent a mathematical model of technologically interconnected parts of the UES of Russia, UES of Kazakhstan and IES of Belarus to the extent required for planning purposes, and including a description of:

– columns and parameters of the electric grid equivalent circuit;

– active and reactive nodal loads;

– active and reactive generation in the nodes;

– minimum and maximum active and reactive generation power;

– transmission constraints.

2.2.4. The computational model shall be based on an equivalent circuit approved by system operators of electric power systems of the Member States, as a rule, with respect to basic modes corresponding to the agreed hours of winter maximum and minimum loads and summer maximum and minimum loads (basic design schedules). Maximum allowable transfers in interstate and domestic controlled sections shall be indicated for the typical

circuits and modes, if they substantially affect the implementation of interstate supplies (exchange).

2.2.5. The system operator of UES of Russia shall be the planning coordinator.

2.2.6. The composition of computational models and continuously updated information for each planning stage, including lists of power facilities and electric power systems (equivalents of electric power systems) included in the computational models, the procedure and time regulations for their compilation and updates, data exchange formats and methods for planning of annual, monthly, daily and diurnal operation modes of electric power systems shall be determined by documents approved by the system operator of UES of Russia and the UNEG management organisation jointly with the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan.

2.3. Functions and powers of the planning coordinator and other system operators of Electric Power Systems of the Member States.

2.3.1. The planning coordinator shall:

– form basic computational models;

– organise the information exchange with the organisation carrying out the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan for planning purposes;

– calculate electric power modes on the basis of data obtained from the organisation carrying out the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan for planning purposes;

– adjust the interstate flow between electric power systems of the Member States (parts thereof) if the results of calculations demonstrate

infeasibility of the electric modes or excess over the maximum allowable flows in controlled sections of the computational model under the stated amounts of supplies and ITE, taking into account the principles of priority specified in sub-paragraph 2 of paragraph 4 of the Protocol on Access to Services of Natural Monopoly Entities in the Electric Power Sphere, including Fundamental Pricing and Tariff Policy (Annex 21 to the Treaty on the Eurasian Economic Union):

1) ensure domestic demands of the Member State the electric power system of which shall be used for ITE;

2) ensure interstate transmission of electricity (power) from one part of the electric power system of a Member State to another part thereof via the electric power system of a neighbouring Member State;

3) ensure interstate transmission of electricity (power) from the electric power system of one Member State to the electric power system of another Member State via the electric power system of a another Member State;

4) ensure interstate transmission of electricity (power) via the electric power system of a Member State in order to fulfil the obligations in respect of electric power engineering entities of third states, non-members of the Union;

– communication of the results of the above calculations to the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan.

2.3.2. If the calculations demonstrate infeasibility of electric modes or excess of the maximum allowable flows in controlled cross-sections of the computational model, the planning coordinator shall inform the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the management organisation of the

UNEG, of the values of the required adjustments to the quantities of net transfers (balances) of the electric power systems.

The organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the management organisation of the UNEG shall adjust the volumes of electricity (power) supply under all contracts, including ITE, on the basis of the above-mentioned priority principle, or take other measures to eliminate violations of allowable transfer requirements in controlled cross-sections identified on the basis of calculations by the planning coordinator.

Information on the adjusted contractual volumes of electricity (power) supplies under all contracts, including ITE between the Member States, shall be communicated by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the UNEG management organisation to the subjects of domestic electricity markets of the Member States under the contracts.

2.3.3. In case of non-receipt from the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan of the relevant planning data or in case of receipt of data containing technical errors or deliberately false information, the planning coordinator shall be entitled to use substitute information, the content and procedure for application of which shall be governed by the documents approved by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia.

2.4. Annual Planning.

2.4.1. Annual planning shall be carried out on the terms and in the procedure determined by the organisation performing the functions of the

system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia.

2.4.2. The organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia shall prepare draft maintenance schedules for the power supply network equipment for the planned calendar year and submit them to the planning coordinator. The planning coordinator shall compile a coordinated maintenance schedule for the power supply network equipment for the planned calendar year and send it to the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the UNEG management organisation. A list of power supply network facilities the maintenance of which shall be agreed for the annual (and monthly) maintenance schedule and the time regulations for its drawing up shall be determined by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia.

2.4.3. The organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan shall submit to the planning coordinator the information required for the annual planning of the respective national electric power system (consumption, generation, net transfers, power supply network equipment maintenance) compiled on the basis of the forecast balances of electricity and power at the peak hour of a typical business day.

2.4.4. The planning shall result in obtaining an updated forecast values of net transfers for the UES of Russia and the UES of Kazakhstan, and the UES of Russia and the IES of Belarus.

2.4.5. The planning coordinator shall calculate the modes and send the calculation results to the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan.

2.5. Monthly Planning

2.5.1. Monthly planning shall be carried out on the terms and in the procedure determined by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia, after the same pattern as used for annual planning, with the exchange of data and results divided up by month.

2.6. Daily and Diurnal Planning.

2.6.1. Daily and diurnal planning shall be carried out on the terms and in the procedure determined by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia.

2.6.2. The organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan shall, on a daily basis, submit to the planning coordinator the data required for updating the computational model for the planned day (hereinafter "day X") in the form of sets of 24-hour updated date data (from 12 a.m. to 12 p.m.), including:

– planned maintenance of power supply network equipment elements of 220 kV and higher of the electric power system;

– hourly diagrams of consumption and generation of electric power, cumulatively, for the electric power system (including for separate power districts determined by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan

and the system operator of UES of Russia when compiling the computational model);

– hourly diagrams of net power flow (electric power system deficit shall be regarded as a positive net power flow).

The UNEG management organisation shall submit to the planning coordinator cumulative values for the hourly diagrams of electricity supply between the UES of Russia, the UES of Kazakhstan and the IES of Belarus, as agreed with the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan, under all types of contracts, including ITE between the Member States.

2.6.3. If the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan fail to submit the data for updating the computational model to the planning coordinator, the latter shall use substitute information determined by the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the system operator of UES of Russia, as agreed when compiling the computational model.

2.6.4. The planning coordinator shall update the computational model and calculate the electric modes.

2.6.5. The planning coordinator shall calculate the modes and send the calculation results in the agreed format to the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan.

2.6.6. If the declared volumes of supplies and ITE between the Member States are infeasible, the organisation performing the functions of the system operator of IES of Belarus, the system operator of UES of Kazakhstan and the UNEG management organisation shall take measures to adjust the

volume of supplies and ITE, taking into account the priority specified in paragraph 2.3.1 of this Methodology.

2.6.7. If, due to unpredictable changes in power consumption and/or circuits and modes and/or changes in the terms of supply contracts, an adjustment of the planned volumes of supply and ITE between the Member States is required, within an operational day, the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan shall submit to the planning coordinator:

– the data for updating the computational model for the current day in the form of sets of hourly updated data for the remaining hours of day X in the volume corresponding to the information transmitted for planning purposes for the next 24 hours;

– an application indicating the proposed changes to the planned volume of supplies and ITE between the Member States.

2.6.8. For each time stage within 24 hours, a critical time shall be set for submitting data ("gate closure") and communication of the results of calculations. It shall not be allowed to send data after the "gate closure". The planning coordinator shall update the computational model and calculate the electric modes for the remaining hours of day X.

2.6.9. The planning shall result in compilation of an updated hourly schedule of supplies and ITE between the Member States for the remaining hours of day X. Should it be impossible to compile updated hourly schedules due to changes in circuits and modes conditions after the time of the diurnal adjustment of modes, the supplies and ITE between the Member States may be changed on the terms of emergency assistance or forced electricity supply under respective special contracts for the supply of electricity concluded between authorised economic entities of the Member States.

3. List of subjects of the Member States authorised to organise and implement ITE, indicating the functions of each organisation within ensuring ITE

3.1. On the territory of the Republic of Belarus.

3.1.1. On the territory of the Republic of Belarus, ITE shall be organised and implemented by the IES of Belarus and the organisation performing the management functions for the IES of Belarus, with the execution of the following functions:

– services for electricity transmission via the transmission electric grid (by subordinate organisations of the organisation performing the management functions for the IES of Belarus, under the overall coordination of the latter);

– services for ITE technical dispatching (by the organisation performing the management functions for the IES of Belarus);

– interaction with electric power systems of neighbouring states to manage their parallel operation and ensure sustainability (by the organisation performing the management functions for the IES of Belarus).

3.2. On the territory of the Republic of Kazakhstan.

3.2.1. On the territory of the Republic of Kazakhstan, ITE shall be organised and implemented by the system operator, executing the following functions:

– services for electricity transmission via the National electric grid;

– provision of services for technical dispatching of supply and consumption of electricity;

– services on balancing the output and consumption of electricity;

– interaction with electric power systems of neighbouring states to manage their parallel operation and ensure sustainability thereof.

3.3. On the territory of the Russian Federation.

3.3.1. As in accordance with the legislation of the Russian Federation, the implementation of ITE between the Member States via the UES of Russia shall require a set of actions related to the following:

3.3.1.1. Provision of services for operational dispatch management in the electric power industry, including the management of parallel operation of the UES of Russia and electric power systems of other Member States, ensuring substitution of electricity (power) and coordinated planning;

3.3.1.2. Provision of services for the transmission (movement) of electricity via the Unified National (All-Russian) Electric Grid, including to ensure ITE between the Member States;

3.3.1.3. Specific features of the turnover of electricity and power in the wholesale electricity and power market of the Russian Federation, including when it is required to ensure coordinated and simultaneous supplies of equal amounts of electricity (power) into the UES of Russia and out via different supply points located at the border(s) of the Russian Federation and the Member States.

3.3.2. The ITE between the Member States shall be ensured by the following authorised organisations:

3.3.2.1. The system operator of UES of Russia, to be in charge of organisation and management of parallel operation of the UES of Russia with the UES of Kazakhstan and the IES of Belarus;

3.3.2.2. The UNEG management organisation, to be in charge of the provision of services related to the movement (using the principle of substitution) of electricity under ITE procedures between the Member States via the UES of Russia and organisation of parallel operation of the UES of Russia with the UES of Kazakhstan and the IES of Belarus, including

cooperation with foreign authorised organisations on ITE planning (annual, monthly, hourly), distribution of actual hourly volumes of electricity moved across the state borders of the Russian Federation and the Member States, taking into account the adjusted planned volumes under commercial contracts; determining hourly deviations of actual volumes of electricity moved across the state borders between the Russian Federation and the Member States from the planned values; commercial metering of electricity in supply points located at common borders of the Member States;

3.3.2.3. A commercial operator, an organisation in charge of arranging wholesale trade in electricity, power and other goods and services admitted to trading on the wholesale market;

3.3.2.4. An organisation in charge of the provision of services for the calculation of requirements and obligations of participants in the wholesale market;

3.3.2.5. A commercial agent, a participant of the wholesale electricity and power market, conducting export and import operations, providing access for the volumes of electricity (power) declared for ITE between the Member States to participate in relations on the wholesale electricity and power market and ensuring settlement of differences associated with deviations of actual net transfers from the planned values.

4. List of Components to be Included in Tariffs for natural monopoly entities in ITE

4.1. On the territory of the Republic of Belarus.

4.1.1. The costs of C_{net} services for the ITE via the transmission grid of the Republic of Belarus (hereinafter "TN") to be included in tariffs for natural

monopoly entities in the implementation of ITE between the Member States shall be calculated by the formula:

$C_{net} = C(1 + IF)(1 + P)(1 + DT)$, where:

C – the total TN maintenance and operation costs attributable to the ITE between the Member States, determined in the procedure prescribed by the authorised state authority;

IF – contributions to the innovation fund (percentage);

P – contributions for profit (percentage) determined in the procedure determined by the legislation of the Republic of Belarus;

DT – deductions for taxes (percentage);

The total costs C shall include: the costs of maintenance and repairs; wages; depreciation; other capital disbursements (auxiliary materials, third-party energy, social security contributions, etc.); the cost of compensation for the loss of electricity.

4.1.2. The tariff for ITE services in the grids of the IES of Belarus shall be calculated by the formula:

$T = \frac{C_{net}}{E_t}$, where:

T – tariff for ITE services in the grids of the IES of Belarus;

E_t – the total volume of ITE between the Member States in the grids of the IES of Belarus.

4.2. On the territory of the Republic of Kazakhstan.

4.2.1. In accordance with the legislation of the Republic of Kazakhstan, the tariff for electricity transmission, including ITE between the Member States, applied for consumers engaged in the transmission of electricity, including ITE, via the national electric grid (hereinafter "the NEG"), shall be calculated by the following formula:

($T = \frac{Z + P}{W_{total}}$ (KZT/kWh), where:

T – the tariff for electricity transmission, including ITE between Member States applied for consumers engaged in the transmission of electricity, including ITE, via NEG networks (KZT/kWh);

Z – the overall costs of the NEG of the Republic of Kazakhstan for the transmission of electricity, including ITE, determined in the procedure under the legislation (mln. KZT);

P – the level of profit necessary for the efficient functioning of the NEG in the provision of services for the transmission of electricity, including ITE, determined in the procedure under the legislation of the Republic of Kazakhstan (mln. KZT);

W_{total} – the total volume of electricity transmitted by NEG under agreements and contracts (mln. KWh).

4.2.2. In accordance with the legislation of the Republic of Kazakhstan, in the calculation of tariff for electricity transmission of the NEG, tariff revenues shall include the total costs of electricity transmission for the NEG and the level of profit required for its efficient functioning in the provision of services for the transmission of electricity (determined on the basis of involvement of assets).

The costs included in the tariff for electricity transmissions services shall be determined in accordance with the legislation of the Republic of Kazakhstan.

4.3. On the territory of the Russian Federation.

4.3.1. General Provisions.

In accordance with the legislation of the Russian Federation, the tariff for the provision of electricity transmission services via UNEG shall be set in

the form of 2 rates: rates for the maintenance of the electric grids and compensation rates for electricity losses in the UNEG.

Similarly, the cost components included in the tariff for the provision of services of ITE between the Member States via the UES of Russia shall be divided into the cost component for the maintenance of UNEG facilities and the cost component for compensation of electricity and power losses in the UNEG.

4.3.2. Determination of costs included in tariffs of natural monopoly entities in ITE between the Member States.

4.3.2.1. List of cost components of the tariff for the services of ITE between the Member States for the maintenance of the UNEG.

The rate for the maintenance of the UNEG shall be applied to payments for the power declared for ITE between the Member States and determined at the exit point of the electricity transfer from the electric power system of the state the electric grid of which is used for ITE between the Member States.

In calculating the rates for the maintenance of UNEG facilities the following economically justified costs set by the national regulatory authority for the relevant settlement period shall be taken into account:

– operating costs;

– uncontrollable costs;

– recovery of invested capital (depreciation charges) of investments;

– return on invested capital.

4.3.2.2. List of cost components of the tariff for the services of ITE between the Member States for compensation of electricity and power losses in the UNEG.

The costs of compensation for losses of electricity and power in the UNEG shall be determined based on the standard electricity losses in the

UNEG reduced by the volume of electricity losses recorded in the equilibrium prices for electricity and the purchase prices of electricity and power in the wholesale market at the end of each settlement period for the supply point cluster of the appropriate exit point of the flow of electricity from the electric power system of the state the electric grid of which is used for ITE between the Member States, taking into account the cost of services of infrastructure organisations of the respective national market.

5. List of components associated with the ITE, not included in the tariffs for natural monopoly entities

5.1. On the territory of the Republic of Belarus.

In the Republic of Belarus, the system costs C_{syst} shall include the costs of maintaining reserve generation capacities required to ensure the ITE between the Member States, approved by the authorised public authority and determined taking into account the proportion of the total ITE power in the aggregate amount of power transmitted via networks of the IES of Belarus, as well as the costs of services of ITE technical dispatching between the Member States.

5.2. On the territory of the Republic of Kazakhstan.

In accordance with the legislation of the Republic of Kazakhstan, the tariff for ITE services between the Member States shall not take into account any costs.

5.3. On the territory of the Russian Federation.

In order to ensure the replacement of electricity (power), the volume of electricity subject to ITE between the Member States shall be accounted in the wholesale market when submitting price bids, in the day-ahead competitive selection of price bids, in determining market prices and the

share of system costs associated with the coordinated and simultaneous supply of equal volumes of electricity (power) at different supply points at the border(s) of the UES of Russia. The system costs shall consist of the following components:

5.3.1. A component associated with the compensation of the cost of electricity load losses and system constraints in the ITE between the Member States implemented via the UES of Russia (the difference in nodal prices):

$S_m^1 = \sum_{h \subset m} (\max\left[(\lambda_h^{ext} - \lambda_h^{ent}); 0\right] \times V_h^{ITE})$, where:

λ_h^{ext} – the price set as a result of the day-ahead competitive selection of price bids in hour *h* of month *m* in the export-import cross-section corresponding to the exit point of the electricity transfer from the UES of Russia under the ITE;

λ_h^{ent} – the price set as a result of the day-ahead competitive selection of price bids in hour *h* of month *m* in the export-import cross-section corresponding to the entry point of the electricity transfer into the UES of Russia under the ITE;

V_h^{ITE} – the volume of ITE via the UES of Russia in hour *h* month *m*.

5.3.2. A component associated with the availability of reserve generation capacities to implement the operation modes of the UES of Russia ensuring the ITE:

$S_m^2 = Peak_m \times (K_{planFTPZi}^{res} - 1) \times P_{COM\_prel}^{FTPZi}$, where:

$Peak_m$ – the peak power corresponding to the maximum declared hourly amount of the ITE in month *m*;

$K_{planFTPZi}^{res}$ – planned reserve ratio in FPTZi accounted for by the system operator in the competitive selection of power for the respective year;

$P_{COM\_prel}^{FTPZi}$ – preliminary price of the competitive selection for consumers in FPTZi for the respective year (determined by the system operator in accordance with the rules of the wholesale market of electricity and power);

FTPZi – free power transfer zone including the supply points corresponding to the exit point of electricity from the UES of Russia in the implementation of ITE.

In determining the cost of ITE, the difference between the planned prices for consumers shall be taken into account, as determined by the results of competitive power selection in free power transfer zones (groups of free power transfer zones) corresponding to the entry and exit points of ITE.

6. Requirements for contractual registration of ITE in accordance with the legislation of the Member States

6.1. On the territory of the Republic of Belarus.

The ITE between the Member States implemented via the electric power system of the Republic of Belarus shall be subject to agreement of the volume of electricity and power intended for the ITE in accordance with section 1 and paragraphs 2.4, 2.5 and 2.6 of section 2 of this Methodology and ITE contracts concluded with the authorised organisation of the Republic of Belarus.

The cost of ITE services under each contract shall be determined by the following formula:

$C_{ITE} = C_{net} + C_{syst}$.

6.2. On the territory of the Republic of Kazakhstan.

On the territory of the Republic of Kazakhstan, the ITE between the Member States shall be implemented on the basis of contracts for the

provision of electricity transmission services, concluded in a standard form approved by the Government of the Republic of Kazakhstan. These ITE contracts may take into account specific features of electric power transmission.

6.3. On the territory of the Russian Federation.

The ITE between the Member States via the UES of Russia shall be carried out under the following contracts:

6.3.1. A commercial agency contract with the authorised organisation of the Republic of Belarus or the Republic of Kazakhstan in order to ensure access to services of natural monopolies and interrelated and simultaneous supply of equal volumes of electricity (power), declared for the ITE, at different supply points at the border(s) of the UES of Russia.

The cost of ITE between the Member States via the UES of Russia in month *m* shall be determined in such contracts using the formula:

$Q_m^{ITE} = Q_m^{UNEG\_ITE} + Q_m^{SO\_ITE} + Q_m^{CO\_ITE}$, where:

$Q_m^{UNEG\_ITE}$ – the cost of services of the UNEG management organisation, payable in accordance with the Russian legislation;

$Q_m^{SO\_ITE}$ – the cost of services of the system operator, payable in accordance with the Russian legislation;

$Q_m^{CO\_ITE}$ – the cost of services related to the activities in the wholesale market of electricity (power) conducted in the implementation of the ITE via the UES of Russia, in month *m*.

$Q_m^{CO\_ITE} = S_m^1 + S_m^2 + Q_m^{CSCO\_ITE} + Q_m^{CCSC\_ITE} + Q_m^{AGENT\_ITE}$, where:

$Q_m^{CSCO\_ITE}$ – the cost of services of a commercial operator in charge of arranging wholesale trade in electricity, power and other goods and services admitted to trading on the wholesale market in month *m*;

$Q_m^{CCSC\_ITE}$ – the cost of comprehensive services for the calculation of assets and liabilities determined the Treaty of accession to the trading system of the wholesale market in month *m*;

$Q_m^{AGENT\_ITE}$ – the costs of a commercial agent determined bilaterally and specified in contracts concluded by the commercial agent.

6.3.2. Contracts (technical agreements) on the parallel operation of electric power systems between organisations of the Member States exercising the functions of operational dispatch management in the electric power sphere and transmission (movement) of electricity via the national electric grid;

6.3.3. Contracts of purchase and sale of electricity in order to compensate for the deviations of actual flows on ITE cross-sections from the planned values arising in the course of movement of electricity across the borders of the Member States, between economic entities authorised by the Member States.

7. Procedure for the exchange of commercial accounting data on hourly actual amounts of interstate power flows between economic entities of the Member States

7.1. This Procedure sets out the main areas of bilateral cooperation in obtaining hourly commercial accounting data; the procedure for determining the operational[6] hourly flow of electricity transfers via interstate transmission lines (hereinafter "IPTL") between the Republic of Kazakhstan and the Russian Federation base on the use of hourly commercial accounting data

[6] The hourly operational transfer shall refer to the hourly commercial accounting data (half-hour or hourly) obtained for all metering points included in the transfer from automated systems of commercial metering of electricity (hereinafter "ASCME") using the technical capabilities of commercial accounting facilities.

and agreed methods of updated calculations of these data up to the values at supply points; and the procedure for the exchange and reconciliation of commercial accounting data adjusted to the values at supply points.

The terms and procedure for the compilation and exchange of hourly commercial accounting data of IPTL shall be determined under the bilateral Agreements on the exchange of hourly values of the power flows at IPTL metering points.

7.2. Operational Exchange of Information.

The respective economic entities of the Member States shall on a daily basis (or otherwise, as may be agreed by the Member States) compile the values of hourly electricity transfers in IPTL, exchange the data, conduct respective calculations and assess compliance of the data.

Agreed data transmission formats shall be used for the operational exchange of information containing values of hourly electricity power flows transmitted via IPTL.

7.3. Calculation of Hourly Values at a Point of Supply.

Hourly values at a point of supply shall be calculated under the methods of calculation of actual amounts of transmitted and received electricity agreed in the bilateral Agreements.

8. Procedure for determining the actual net power flow via interstate transmission lines of the Member States

This procedure has been designed from authorised organisations of the Member States for determining the actual volumes of electricity moved via interstate cross-sections per calendar month.

The actual net electricity transfer moved via interstate cross-sections of the Member States shall be calculated as the algebraic sum of the received

(WP1_gran) and/or transmitted (WO1_gran) amount of electricity for each calendar month in each point of supply (WSaldo_gran).

The values of electricity delivered to the customs border (supply point) per calendar month for all operated IPTL in Reception, Transmission and balance modes shall be calculated by the formulas:

$$WR1\_bord = \sum W(factR1)i,$$

$$WT2\_bord = \sum W(factT1)i,$$

$$WSaldo\_bord, = WR1\_bord + WT1\_bord \text{ , where:}$$

$W(factR1)i$ – the actual amount of electricity received at each supply point for IPTL number *i* per calendar month. The value shall be inserted into the formula for calculating the net transfer taking into account its sign (transfer direction);

$W(factT1)i$ – the actual amount of electricity transmitted at each supply point for IPTL number *i* per calendar month. The value shall be inserted into the formula for calculating the net transfer taking into account its sign (transfer direction);

R – the number of IPTL on the interstate cross-section operated in the calendar month.

9. Procedure for calculating the volume and value of deviations of actual power flow on interstate cross-sections from the planned values in the implementation of the ITE within the Union

Actual supplies on interstate cross-sections shall include the following components: ITE volumes, the volumes under commercial contracts concluded by economic entities of the Member States, the amounts of emergency aid and the volumes due to the deviation of actual values of the net power flows from the planned values.

Hourly deviations of the actual net power flows from the planned values, depending on the initiative, shall be calculated by the UNEG management organisation, the system operator of UES of Russia, the organisation performing the functions of the system operator of IES of Belarus and the system operator of UES of Kazakhstan based on the following principles:

– in the implementation of ITE via the UES of Russia, the hourly values of ITE shall be equal to the respective planned values recorded in the daily dispatch schedule;

– actual hourly volumes of electricity supply under commercial contracts in each hour of the accounting period shall be taken equal to the respective planned values recorded in the daily dispatch schedule taking into account the duly agreed adjustments;

– the volumes of hourly deviations to be settled within relations with the electric power systems of third countries (external balancing) shall be recorded in the deviations within the Union. The procedure for determining the external balancing amounts shall be coordinated between system operators (with the participation of the UNEG management organisation) of related electric power systems of the Member States;

– the volume of emergency aid shall be determined by the terms of contracts on the purchase/sale of electricity in the provision of emergency aid, concluded between the subjects of domestic national markets.

The volumes of hourly deviations shall be subject to financial settlement between economic entities authorised by the Member States in accordance with the contracts to be concluded to ensure the ITE for each Member State under section 6 of this Methodology.

Based on the requirement to comply with the terms of contracts (technical agreements) on the parallel operation of electric power systems, including on frequency regulation in electric power systems of the Member States and maintenance of the agreed net power flow on interstate cross-sections, the cost of deviations shall compensate to the subjects of domestic national electricity (power) markets all justified costs incurred by them as a result of participation in system balancing on the national market of electricity (power).

The cost of deviations shall be calculated taking into account the special procedure accounting the volumes of electricity (power) purchased/sold to ensure the parallel operation of electric power systems, in volumes not exceeding the values specified in the contracts (technical agreements) on the parallel operation of electric power systems or other contracts governing relationships between the Member States in the electric power sphere.

The quantity and price parameters of electricity and power purchased and sold in order to compensate for the deviations, which are used in the calculation, shall be supported by accounting documents of organisations of the commercial infrastructure of the Russian Federation.

When calculating the costs of supplies under contracts, double accounting of the volumes of electricity (power) shall not be allowed.

ANNEX 22
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Rules of Access to Services of Natural Monopoly Entities in the Sphere of Gas Transportations Using Gas Transportation Systems, including Fundamental Pricing and Tariff Policy

1. This Protocol has been developed in accordance with Articles 79, 80 and 83 of the Treaty on the Eurasian Economic Union (hereinafter - "the Treaty") and establishes the framework for cooperation in the gas sphere, the principles and terms of providing access to services of natural monopoly entities in the sphere of gas transportation using gas transportation systems, including the fundamental provisions of pricing and tariff policies, for meeting the demands of the Member States.

2. The terms used in this Protocol shall have the following meanings:

"domestic demands for gas" means the volume of gas required for consumption on the territory of each Member State;

"gas" means a combustible mixture of gaseous hydrocarbons and other gases mined and/or produced on the territory of the Member States, consisting mainly of methane, transported in a compressed gaseous state using gas transportation systems;

"gas producing Member States" means the Member States on the territory of which the output of gas exceeds its consumption;

"gas consuming Member States" means the Member States on the territory of which the consumption of gas exceeds its output;

"gas transportation systems" means facilities designed for gas transportation, including main gas pipelines and related facilities connected by a single production process, except for gas distribution networks;

"access to services of natural monopoly entities in the sphere of gas transportation" means provision of the right to use gas transportation systems controlled by natural monopoly entities of the Member States for the transportation of gas;

"equal-netback pricing" means wholesale prices of gas formed to meet the domestic demands based, among other things, on the following principles:

for gas producing Member States, the wholesale market price shall be calculated by extraction from the selling price of gas in the external market of the value of duties, charges, taxes and other fees collected in these states and of the cost of gas transportation outside gas producing Member States, with account of the difference in the cost of gas transportation in the external and internal markets of the gas supplier;

for gas consuming Member States, the market wholesale price formed by a gas producer of a gas producing state by deducting duties, charges, taxes and other fees and of the cost of gas transportation outside gas producing Member States from the selling price of gas in the external market;

"gas transportation services" means services for the transportation of gas using gas transportation systems;

"authorised authorities" means state authorities authorised by the Member States to control the implementation of this Protocol.

3. The Member States shall gradually form a common gas market of the Union, as well as provide access to services of natural monopoly entities in

the sphere of gas transportation using gas transportation systems of the Member States on the basis of the following main principles:

1) non-application in mutual trade of import and export customs duties (other equivalent duties, taxes and fees);

2) priority supply of domestic demands for gas of the Member States;

3) prices and tariffs for gas transportation services for supply of the domestic demands of the Member States shall be set in accordance with the legislation of the Member States;

4) unification of gas-related norms and standards of the Member States;

5) ensuring environmental safety;

6) information exchange based on the information including data on domestic gas consumption.

4. Access to services of natural monopoly entities in the sphere of gas transportation shall be granted under the terms of this Protocol only in respect to gas originating from the territories of the Member States. The provisions of this Protocol shall not apply to relations of access to services of natural monopoly entities in the sphere of transportation of gas originating from the territories of third states and relations in the sphere of gas transportation to and from the territory of the Union.

5. Access to services of natural monopoly entities in the sphere of gas transportation using gas transportation systems of the Member States provided for by this Protocol shall be ensured subject to the implementation by the Member States of a set of measures, including the following activities:

establishment of an information exchange system based on the information including data on domestic gas consumption;

establishment mechanisms for the preparation of indicative (projected) balances in accordance with this Protocol;

unification of gas-related norms and standards of the Member States;

maintaining market prices to ensure commercial profitability of gas sales on the territories of the Member States.

Upon completion of the set of measures specified in this paragraph, the Member States shall execute a respective protocol.

6. The Member States shall seek to achieve equal-netback pricing on the territories of all Member States.

7. Upon completion by all the Member States of the set of measures specified in paragraph 5 of this Protocol, the Member States shall, within the existing technical capabilities and available capacities of gas transportation systems, with account of the agreed indicative (projected) gas balance of the Union and on the basis of civil law contracts of economic entities, ensure access of economic entities of other Member States to gas transportation systems located on the territories of the Member States for the transportation of gas to meet the domestic demands of the Member States, under the following rules:

economic entities of the Member States shall be granted access to the gas transportation system of another Member State on equal terms (including with regard to tariffs) with gas producers that are not owners of the gas transportation system of the Member State on the territory of which the transportation is carried out;

gas transportation volumes, prices and tariffs, as well as commercial and other terms of gas transportation using gas transportation systems, shall

be determined by civil law contracts between economic entities of the Member States in accordance with the legislation of the Member States.

The Member States shall facilitate proper implementation of existing contracts for the transportation of gas using main pipelines concluded between economic entities operating on their territories.

8. In accordance with the methodology for calculating indicative (projected) balances of gas, oil and petroleum products and with the participation of the Commission, authorised authorities of the Member States shall develop and agree the indicative (projected) gas balance of the Union (for the production, consumption and supply to meet the domestic demands , including mutual supplies), to be compiled for a period of 5 years and updated annually before October 1.

The Member States shall provide access to services of natural monopoly entities in the sphere of gas transportation for internal markets of the Member States with consideration for the agreed gas balance.

9. The Member States shall seek to develop long-term mutually beneficial cooperation in the following areas:

1) gas transportation across the territories of the Member States;

2) construction, reconstruction and operation of gas pipelines, underground gas storage facilities and other gas-related infrastructure;

3) provision of services required to meet domestic gas demands of the Member States.

10. The Member States shall ensure unification of regulatory and technical documents governing the operation of gas transportation systems located on the territories of the Member States.

11. This Protocol shall not affect the rights and obligations of the Member States under other international treaties to which they are participants.

The relations of the Member States in the sphere of gas transportation which are not regulated by the Treaty shall be governed by the legislation of the Member States.

12. The provisions of Section XVIII of the Treaty shall apply to natural monopoly entities engaged in gas transportation with account of the specific features provided for by this Protocol.

13. Pending the entry into force of an international treaty on the establishment of a common gas market of the Union provided for by paragraph 3 of Article 83 of the Treaty, bilateral treaties concluded between the Member States in the field of gas supply shall apply, unless otherwise agreed by the respective Member States.

ANNEX 23

to the Treaty on the Eurasian Economic Union

PROTOCOL
on Organisation, Management, Functioning and Development of the Common Markets of Oil and Petroleum Products

1. This Protocol has been developed in accordance with Articles 79, 80 and 84 of the Treaty on the Eurasian Economic Union (hereinafter - "the Treaty") and determines the framework for cooperation in the oil sphere, the principles of establishing of the common market of oil and petroleum products of the Union, as well as the principles of access to services of natural monopoly entities in the sphere of transportation of oil and petroleum products.

This Protocol has been developed taking into consideration the provisions of the Concept of the establishment of a common energy market of the Eurasian Economic Community of December 12, 2008, for the purposes of ensuring effective use of the potential of fuel and energy complexes of the Member States, as well as for providing oil and petroleum products to their national economies.

2. The terms used in this Protocol shall have the following meanings:

"access to services of natural monopoly entities in the sphere of oil and petroleum products transportation" means provision of the right to use oil and petroleum products transportation systems controlled by natural monopoly entities of the Member States for the transportation of oil and petroleum products;

"oil and petroleum products" means the goods specified in accordance with the Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union and the Common Customs Tariff of the Eurasian Economic Union;

"common market of oil and petroleum products of the Member States" means a set of commercial and economic relations of economic entities of the Member States in the sphere of production, transportation, supply, processing and marketing of oil and petroleum products on the territories of the Member States required to meet the в demands for them of the Member States;

"indicative (projected) balances of oil and petroleum products of the Union" means a system of estimated values determined under the methodology of determining indicative (projected) balances of gas, oil and petroleum products;

"transportation of oil and petroleum products" means commission of actions aimed at movement of oil and petroleum products by any means, including with the use of pipelines from the point of their reception from the sender to the point of delivery to the recipient, including discharge, filling, transfer between vehicle types, storage, and mixing.

3. When establishing the common markets of oil and petroleum products of the Union, the Member States shall be guided by the following basic principles:

1) non-application in mutual trade of quantitative restrictions and export customs duties (other equivalent duties, taxes and fees). The payment procedure for export customs duties on oil and petroleum products exported outside the customs territory of the Union shall be governed by treaties, including bilateral treaties, between the Member States;

2) ensuring priority supply of demands of the Member States in oil and petroleum products;

3) unification of norms and standards of the Member States regarding oil and petroleum products;

4) ensuring environmental safety;

5) information support of common markets of oil and petroleum products of the Union.

4. The Member States shall carry out the following set of measures to establish the common markets of oil and petroleum products of the Union:

1) creation of an information exchange system based on customs information, including information on the supply, export and import of oil and petroleum products by all modes of transport;

2) establishment of control mechanisms to prevent violation of the terms of this Protocol;

3) unification of norms or standards of the Member States regarding oil and petroleum products.

5. The measures referred to in paragraph 4 of this Protocol shall be implemented through the signing by the Member States or their authorised authorities of methodologies or rules within the framework of respective international treaties.

6. The Member States, in compliance with the international treaties between the Member States, within the existing technical capabilities, shall ensure the following conditions:

1) guaranteed feasibility of long-term transportations of produced oil and petroleum products manufactured from it using the existing transport system on the territories of the Member States, including systems of main pipelines and main petroleum product pipelines;

2) access to oil and petroleum products transportation systems located on the territory of each Member State for economic entities registered on the territories of the Member States under the same conditions as those provided to economic entities of the Member States on the territories of which the transportation of oil and petroleum products is carried out.

7. Tariffs for services for the transportation of oil and petroleum products using systems for the transportation of oil and petroleum products shall be set in accordance with the legislation of each Member State.

Tariffs for services for transportation of oil and petroleum products shall be set for economic entities of the Member States at a level not exceeding the tariffs set for economic entities of the Member State on the territory of which the transportation of oil and petroleum products is carried out.

The Member States shall not be obliged to set tariffs for services for the transportation of oil and petroleum products for economic entities of the Member States below the tariffs set for economic entities of the Member State on the territory of which the transportation of oil and petroleum products is carried out.

8. In accordance with the methodology for calculating indicative (projected) balances of gas, oil and petroleum products and with the participation of the Commission, authorised authorities of the Member States shall develop and agree:

indicative (projected) balances of oil and petroleum products of the Union for the following calendar year, annually before October 1;

long-term indicative (projected) balances of oil and petroleum products of the Union, which may be adjusted, if necessary, based on the actual

changes in oil production, manufacture and consumption of petroleum products of the Member States.

The volumes and directions of transportation of oil produced on the territory of a Member State across the territory of another Member State shall be annually determined in the protocols between the authorised authorities of the Member States.

9. Internal markets of oil and petroleum products of the Member States shall be regulated by the national authorities of the Member States. The Member States shall take measures to liberalise their markets for oil and petroleum products in accordance with the legislation of each Member State.

10. This Protocol shall not affect the rights and obligations of the Member States under other international treaties to which they are participants.

11. The provisions of section XVIII of the Treaty shall apply to natural monopoly entities engaged in transportations of oil and petroleum products with account of the specific features provided for by this Protocol.

12. Pending the entry into force of the international treaty on the establishment of common markets of oil and petroleum products of the Union provided for by paragraph 3 of Article 84 of the Treaty, bilateral treaties between the Member States regarding supplies of oil and petroleum products, determination and payment of export customs duties (other equivalent duties, taxes and fees) shall apply, unless otherwise agreed by the respective Member States.

ANNEX 24
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Coordinated (Agreed) Transport Policy

I. General Provisions

1. This Protocol has been developed in accordance with Articles 86 and 87 of the Treaty on the Eurasian Economic Union for the purposes of implementing coordinated (agreed) transport policy.

2. The terms used in this Protocol shall have the following meanings:

"civil aviation" means aviation used to meet the demands of the population and economy;

"common transport area" means a set of transport systems of the Member States characterised by unimpeded traffic of passengers, transfer of cargo and vehicles, their technical and technological compatibility, based on the harmonised legislation of the Member States in the sphere of transport;

"legislation of the Member States" means the national legislation of each Member State;

"common market of transport services" means a form of economic relations implying equal and parity conditions for the provision of transport services the specific features of functioning of the market of which, by type of transport, are determined this Protocol as well as international treaties within the Union.

3. This Protocol shall be implemented with account of the obligations assumed by each Member State at accession to the World Trade Organisation, as well as within other international treaties.

II. Road Transport

4. International carriage of goods by road performed by carriers registered on the territory of a Member State shall be carried out on a permit-free basis:

1) between the Member State of registration of such carriers and another Member State;

2) in transit through the territory of other Member States;

3) between other Member States.

5. By July 1, 2015, the Member States shall have adopted a programme of gradual liberalisation of carriage of goods by road between locations on the territory of another Member State performed by carriers registered on the territory of a Member State for the period from 2016 to 2025, indicating the extent and conditions of such liberalisation.

The Member States may have different levels and rates of liberalisation of carriage of goods by road referred to in the first indent of this paragraph.

6. The gradual liberalisation programme referred to in paragraph 5 of this Protocol shall be approved by the Supreme Council.

7. Specific features of coordinated (agreed) transport policy regarding regulation of road freight transport services within the Union shall be determined by international treaties.

8. The Member States shall take agreed measures to eliminate all obstacles (barriers) affecting the development of international road service and formation of road transport services within the Union.

9. Transport (road) control shall be exercised in the procedure according to Annex 1 to this Protocol.

III. Air Transport

10. Air transport in the Union shall be developed within the coordinated (agreed) transport policy by the gradual establishment of a common market of air transport services.

The Member States shall coordinate efforts for a common approach to the application of standards and recommended practices of the International Civil Aviation Organisation (ICAO).

11. Establishment of the common market of air transport services shall be based on the following principles:

1) ensuring compliance with international treaties and acts constituting the law of the Union, regulations and principles of the international law in the field of civil aviation;

2) harmonisation of the legislation of the Member States in accordance with the regulations and principles of international law in the field of civil aviation;

3) ensuring fair and honest competition;

4) facilitating fleet renewal, modernisation and development of the ground infrastructure of airports pursuant to the requirements and recommended practices of the International Civil Aviation Organisation (ICAO);

5) ensuring flight safety and aviation security;

6) ensuring non-discriminatory access of aviation companies of the Member States to the aviation infrastructure;

7) expansion of air services between the Member States.

12. The Member States recognise that each Member State shall have complete and exclusive sovereignty over the airspace above its territory.

13. Aircraft operations in the Member States within the Union shall be carried out under international treaties of the Member States and/or permits issued in accordance with the legislation of the Member States.

14. The provisions of this section shall apply only to civil aviation.

IV. Water Transport

15. Water transport in the Union shall be developed as part of the coordinated (agreed) transport policy.

16. Ships flying the flag of a Member State shall have the right to goods transportation, passengers and their luggage, carry out towing between the flag State and another Member State on the adjacent inland waterways, transit passage on inland waterways of another Member State, except for transportation and towing between ports and transportation to (from) ports of anotherMember State and third countries, according to the international shipping treaty of the Member States concluded by the Member States in execution of this Protocol.

17. Vessels navigating on inland waterways of a Member State shall be registered in the registry of vessels of the Member State and shall be owned by a resident of the Member State which has registered the vessel in its registry of vessels.

V. Rail Transport

18. While contributing to further development of mutually beneficial economic relations and taking into account the need to ensure access to rail transport services of the Member States and agreed approaches to state regulation of tariffs for these services, if such regulation is provided for by the legislation of the Member States, shall specify the following objectives:

1) gradual establishment of a common market of transport services in the sphere of rail transport;

2) ensuring access of consumers of the Member States to rail transport services in transportations on the territory of each Member State on the terms no less favourable than the terms established for consumers of that Member States;

3) maintaining a balance between the economic interests of consumers of rail services and the economic interests of rail transport organisations of the Member States;

4) enabling access of rail transport organisations of one Member State to the domestic market of rail transport services of another Member State;

5) enabling access of carriers to infrastructure services of the Member States in accordance with Annexes 1 and 2 to the Procedure for Regulating Access to Rail Transport Services, including Tariff Policy Framework (Annex 2 to this Protocol).

19. Access to rail transport services, including tariff policy framework, shall be regulated in the procedure provided for by Annex 2 to this Protocol as well as by relevant international treaties.

Annex 1
to the Protocol on Coordinated
(Agreed) Transport Policy

Procedure
for Transport (Road) Control at External Border of the Eurasian Economic Union

1. This Procedure has been developed in accordance with paragraph 9 of the Protocol on Coordinated (Agreed) Transport Policy (Annex 24 to the Treaty on the Eurasian Economic Union) and determines the procedure for implementing transport (road) control at external border of the Union.

2. The terms used in this Procedure shall have the following meanings:

"vehicle weight and dimensions" means the mass, axle loads and dimensions (width, height and length) of a vehicle, with or without cargo;

"external border of the Union" means the outside limits of the customs territory of the Union, dividing the territories of the Member States and territories of the states which are not a member of the Union ;

"checkpoint" means a fixed or mobile station (post) as well as a border entry point, equipped in accordance with the legislation of the Member State, where transport (road) control is conducted;

"transport (road) control authorities" means competent authorities authorised by the Member State for conducting transport (road) control on the territory of a Member State;

"carrier" means a juridical or natural person using a vehicle based on the right of ownership or on other legal grounds;

"vehicle" means:

for the cargo transportation , a truck, a trailer truck, a car (truck) tractor or a car (truck) tractor with a semi-trailer, chassis;

for passenger transportations, a motor vehicle intended for the carriage of passengers and luggage, having more than 9 seats, including the driver's seat, with a trailer for luggage transportation;

"transport (road) control" means control over international carriage by road.

Other terms that are not expressly specified in this Procedure shall have the meanings determined under international treaties, including international treaties within the Union.

3. This Procedure determines a common approach to transport (road) control to be implemented by transport (road) traffic control authorities at external border of the Union with regard to vehicles entering (leaving, passing in transit) the territory of the Member States.

4. Vehicles on route to the territory of a Member State through the territory of another Member State shall be subject to transport (road) control at checkpoints located at external border of the Union in accordance with the legislation of the Member State the territory of which is passed in transit by such vehicles and in accordance with paragraphs 7 and 8 of this Procedure.

5. Vehicles, documents required for the purposes of transport (road) control shall be checked and check results shall be executed in accordance with the legislation of the Member State passed in transit by the vehicles at the external border of the Union and pursuant to this Procedure.

6. Transport (road) control authorities shall mutually recognise all documents issued as a result of transport (road) control.

7. In addition to the transport (road) control activities provided for by the legislation of the Member State the state border of which is crossed for entry into the customs territory of the Union, the transport (road) control authority of that Member State shall carry out the following at checkpoints:

1) verification of compliance of the vehicle weight and dimensions with the standards similar to those determined by the legislation of other Member States the territories of which are passed in transit, as well as to the data specified in special permits for the transportation of oversized and/or heavyweight cargo or for the passage of oversized and/or heavyweight vehicles through the territories of other Member States;

2) verification of carrier's permits to pass through the territories of other Member States and their conformity to the type of shipment and of compliance of vehicle specifications with the requirements provided for by such permits;

3) verification of carrier's special permits for the transportation of oversized and/or heavyweight cargo or for the passage of oversized and/or heavyweight vehicles, as well as special permits for the carriage of dangerous goods on the territories of other Member States to be passed;

4) verification of carrier's permits (special permits) for transportation to (from) third countries on the territory of other Member States to be passed through;

5) issuance to carriers of accounting vouchers in a form agreed by transport (road) control authorities, if in accordance with the legislation of other Member States the transportation is allowed without permits to pass through the territories of other Member States, as well as for transportation carried out under multilateral permits.

8. For vehicles leaving through external border of the Union, transport (road) control authorities shall perform the following checks at checkpoints, in addition to the actions referred to in paragraph 7 of this Procedure:

1) check the carrier for the availability of receipts for payment of fees for the passage of the vehicles on the roads on territories of the Member States which have been passed, if the payment of such fees is obligatory in accordance with the legislation of the Member States;

2) check the carrier (driver) for the availability of receipts confirming the payment of fines for violation of the procedure established for international carriage by road on the territory of a Member State or court decisions on imposition of respective administrative penalties on the carrier (driver) if the permit to pass through the territory of a Member State or the accounting voucher contains a mark of the transport (road) control authority to impose such a fine on the carrier (driver);

3) check admissibility of vehicles of carriers of the Member States to international carriage by road;

4) check the carrier for the availability of the required documents in case of receipt of a notice referred to in paragraph 9 of this Procedure from a transport (road) control authority of another Member State.

9. If in the course of the control activities provided for by paragraph 7 of this Procedure any inconsistencies of controlled vehicle parameters or lack of or non-compliance of documents provided for by the legislation of the Member States are found, the transport (road) control authority of one Member State shall issue to the driver a notice in the form agreed by transport (road) control authorities of the Member States, containing information on:

the inconsistencies identified;

the requirement for obtaining the missing documents before arriving on the territory of another Member State;

the nearest checkpoint of transport (road) control authorities of another Member State on the route of the vehicle, where the carrier shall be required to confirm elimination of the inconsistencies of the controlled vehicle parameters and/or the documents specified in the notice.

10. Information on the issuance of the notice shall be forwarded to the transport (road) control authority of another Member State and shall be entered in the database of the transport (road) control authority that identified the inconsistencies.

11. If a transport (road) control authority of a Member State has issued to the carrier a notice under paragraph 9 of this Procedure, the transport (road) control authority of another Member State shall be entitled, at its checkpoint, to verify the execution of this notice and, upon the availability of proper grounds, apply to the carrier (driver) measures in accordance with the legislation of that other Member State.

12. A vehicle may only be released from the territory of the Union upon presentation by the carrier of the documents provided for by paragraphs 7 and 8 of this Procedure.

13. Upon establishing an inconsistency of controlled vehicle parameters, lack or non-compliance of documents provided with the legislation of the Member States, the transport (road) control authority of the first Member State shall inform the transport (road) control authority of the other Member State thereof at the departure of a vehicle across an external border of the Union on route to the territory of that other Member State.

14. The Member States shall take measures, on the basis of reciprocity, to harmonise their legislation, methods and technologies of transport (road) control at external border of the Union with regard to:

1) the requirements for weight parameters of vehicles on public roads included in international transport corridors;

2) establishing a system to control the full payment of fees for the passage of vehicles on public roads of another Member State;

3) developing a mechanism for the settlement of disputes arising with carriers of third countries;

4) developing a mechanism to return (detain) vehicles in case of violation of the requirements for international carriage by road on the territory of the Union.

15. Permits (special permits) shall be deemed invalid in the following cases:

1) if such permits are executed or used in violation of the legislation of the Member State the competent authorities of which have issued them;

2) if the weight and/or dimensional vehicle parameters specified in a special permit do not correspond to the results of weighing and measurements of the vehicle;

3) if vehicle characteristics do not correspond to the characteristics of the vehicle provided for in the permit for transit on the territories of the Member States.

16. If an inconsistency of vehicle parameters (characteristics) is identified in the course of control activities with regard to parameters (characteristics) specified in the permit, the transport (road) control authority of one Member State shall be entitled to request from a transport (road)

control authority of another Member State confirmation of the validity of the permit.

17. For the purposes of this Procedure, transport (road) control authorities shall:

1) conclude separate protocols, communicate to transport (road) control authorities of another Member State the provisions of regulatory legal acts of their states governing transport (road) control requirements, inform each other of any changes in these acts and exchange sample documents required for the implementation of transport (road) control in accordance with this Procedure;

2) mutually and regularly exchange information obtained as a result of transport (road) control activities. The form and procedure for the exchange of such information, as well as its composition, shall be determined by transport (road) control authorities;

3) organise the maintenance of a database of vehicles in transit through the territory of one Member State to the territory of another Member State and exchange the information contained in the database.

18. The exchange of information obtained as a result of transport (road) control activities shall be carried out electronically.

19. Transport (road) control authorities may provide other information on international carriage vehicles moving goods obtained as a result of transport (road) control activities.

20. For the purposes of compilation and registration of the results of transport (road) control activities and vehicles, transport (road) control authorities shall use information resources containing information about the results of additional transport (road) control activities under paragraphs 7-9

of this Procedure, as well as ensure mutual use of these information resources.

21. Within the determined procedure, the Member States shall inform the competent authorities of states, which are not a member of the Union on any changes in the procedure for the implementation of transport (road) control at external border of the Union.

Annex 2
to the Protocol on Coordinated
(Agreed) Transport Policy

Procedure
for Regulating Access to Rail Transport Services, including Tariff Policy Framework

1. This Procedure has been developed in accordance with the Protocol on Coordinated (Agreed) transport Policy (Annex 24 to the Treaty on the Eurasian Economic Union (hereinafter "the Treaty")), determines the procedure for regulating access to rail transport services, including tariff policy framework, and applies to relations between rail transport organisations, consumers, and authorised authorities of the Member States in the sphere of rail transport services.

2. The terms used in this Procedure shall have the following meanings:

"access to rail transport services" means the provision by rail transport organisations of a Member State of services to customers of another Member State on the terms no less favourable than those applied for similar services rendered to customers of the first Member State;

"access to infrastructure services" means the possibility for carriers to gain access to the infrastructure of transport services in accordance with the rules specified in Annexes 1 and 2 to this Procedure;

"infrastructure" means the rail transport infrastructure, including main and station tracks, power supply facilities, signalling and communication facilities, as well as devices, equipment, buildings, structures and other facilities technologically required for its operation;

"rail transport organisation" means a natural or juridical person of a Member State providing rail transport services to customers;

"transportation process" means a set of interrelated organisational and technological operations carried out in the preparation, implementation and completion of transportations of passengers, cargo , luggage, cargo-luggage and mail by rail transport;

"carrier" means a rail transport organisation carrying out activities in the transportation of cargo , passengers, luggage, cargo-luggage and mail under a proper license that owns or uses on other legal grounds rolling stock, including traction vehicles;

"consumer" means a natural or juridical person of a Member State intending to use or using rail transport services;

"tariff for rail transport services" means the monetary value of the cost of rail transport services;

"rail transport services" means services (works) rendered (performed) by rail transport organisations, namely:

freight transportation and additional services (works) related to the organisation and carrying out freight transportation (including empty rolling stock);

transportation of passengers, luggage, cargo-luggage, mail and additional services (works) related to such transportation;

infrastructure services;

"infrastructure services" means services related to the use of infrastructure for transportations and other services listed in Annex 2 to this Procedure.

3. Rail transport organisations shall provide access to rail transport services to consumers, regardless of their affiliation to a Member State, their

organisational and legal form, taking into account this Procedure and the legislation of the Member States.

4. The Member States shall ensure access of carriers of the Member States to infrastructure services in compliance with the principles and requirements specified in Annexes 1 and 2 to this Procedure.

The provisions of Annexes 1 and 2 to this Procedure shall not apply to relations between carriers of the Member States in the provision of services on the use of locomotives and locomotive crews in certain areas of the infrastructure of the Member States provided on the basis of contracts (agreements) concluded between such carriers in accordance with the legislation of the Member States.

5. The procedure and conditions for the provision of other rail transport services within establishing a common market for transport services shall be determined, if necessary, under international treaties within the Union.

6. Tariffs for rail transport services and/or their threshold levels (price limits) shall be set (changed) in accordance with the legislation of the Member States and international treaties, while enabling a differentiation of tariffs in accordance with the legislation of the Member States, with observance of the following principles:

1) compensation of economically justified costs directly related to rail transport services rendered;

2) ensuring development of rail transport in accordance with the legislation of the Member States;

3) ensuring transparency of tariffs for rail transport services, as well as the possibility to further review such tariffs and/or their threshold levels (price limits) at abrupt changes in economic conditions, with prior notification of the Member States;

4) ensuring publicity of decision-making when setting tariffs for rail transport services;

5) application of a harmonised approach to determining the freight nomenclature and tariff setting rules for rail transport services provided within natural monopolies;

6) determination of currencies for the tariffs for rail transport services in each Member State in accordance with the legislation of the Member State.

7. Tariffs for rail transport services and/or their threshold levels (price limits) shall be set (changed) in accordance with the legislation of the Member State, subject to this Procedure.

8. In the freight transportation by rail through the territories of the Member States, unified tariffs shall be applied as per types of transport (export, import and internal tariffs).

9. In order to improve the competitiveness of rail transport of the Member States, create favourable conditions for the freight transportation by rail, attract new cargo flows previously not transported by rail, ensuring the possibility of using previously unused or underutilised railway freight transportation routes, to encourage increased freight traffic on the railways of the Member States, to encourage increased introduction of new equipment and technologies, rail transport organisations shall be entitled, based on the economic feasibility, to change the level of tariffs for railway freight transportation services within their threshold levels (price limits) set or agreed by the authorised authorities of the Member States in accordance with the legislation of the Member States.

10. Rail transport organisations shall exercise their right to change the level of tariffs for railway freight transportations within the threshold levels (price limits) set in accordance with the methodology (techniques, procedure,

rules, instructions or other regulations) approved (determined) by the authorised authorities of the Member States in accordance with the legislation of the Member States, in compliance with the fundamental principle of inadmissibility of creating advantages for certain manufacturers of goods in the Member States.

11. Decisions on changes to the level of tariffs for railway freight transportation services shall be officially published in accordance with the legislation of the Member States and sent to the authorised authorities of the Member States and the Commission on a mandatory basis not later than 10 business days prior to their effective dates.

12. Should actions of a rail transport organisation regarding changes in tariffs for railway freight transportation services violate the rights and interests of consumers, consumers shall be entitled to file an application on the protection of their violated rights and interests to the national anti-monopoly authority of the Member State of stay or residence of such consumers.

If a rail transport organisation the actions of which are appealed against by a consumer is located at the place of stay or residence of the consumer, the national anti-monopoly authority of a Member State shall review the application of the consumer in accordance with the legislation of this Member State.

If a consumer files an application against actions of a rail transport organisation that is not located at the place of stay or residence of the consumer, the national anti-monopoly authority of the Member State shall, having identified and confirmed the requirements specified in the application of the consumer as reasonable, send, not later than within 10 business days, a request for an investigation to the Commission. Within 3 business days from

the date of submission of the request to the Commission, the national anti-monopoly authority of the Member State shall send a notification thereof to the consumer and the national anti-monopoly authority of the Member State of location of the rail transport organisation that has violated the terms of changing of the level of tariffs for railway freight transportations within the threshold levels (price limits) set.

On the basis of the aforementioned request, the Commission shall consider the application of the consumer and issue a decision in accordance with the rules determined under an international treaty within the Union.

13. When transporting freights by rail between two Member States through the territory of a third Member State and between the territories of a Member State using the railways of another Member State, as well as when transporting freights from the territory of one Member State through the territory of another Member State to third countries using sea ports of the Member States and in the opposite direction, each Member State shall apply the unified tariff of each Member State.

14. When transporting freights in transit from the territory of one Member State through the territory of another Member State to third countries and in the opposite direction (except for transporting freights through sea ports of the Member States), as well as when cargo transportation from third countries to other third countries in transit through the territory of the Member States, coordinated (agreed) tariff policy shall apply in accordance with the Concept for Establishing Coordinated Tariff Policy for the Rail Transport in the Member States of the Commonwealth of Independent States of October 18, 1996.

15. The Member States shall assign authorised authorities responsible for the implementation of this Procedure.

16. The Member States shall inform each other and the Commission of the assignment and official names of their authorised authorities no later than 30 days from the date of entry into force of the Treaty.

Annex 1
to the Procedure for Regulating Access
to Rail Transport Services, including Tariff
Policy Framework

Rules for Access to Rail Transport Infrastructure within the Eurasian Economic Union

I. General Provisions

1. These Rules govern the relations of carriers and infrastructure operators in the sphere of provision of access to rail transport infrastructure in various infrastructure sections within the Union.

2. Relations between carriers and infrastructure operators in the sphere of provision of access to infrastructure services within the territory of a Member State, except for the relations stipulated in paragraph 1 of these Rules, shall be governed in accordance with the legislation of the Member State.

II. Definitions

3. The terms used in these Rules shall have the following meanings:

"train movement schedule" means a legal and technical document of an infrastructure operator establishing the organisation of train movement of all categories in infrastructure sections, graphically displaying train routes on a scale grid for a conventional day, with the separation of standard (for the planning year), optional (for certain periods of time) and operational (for the current planning day) schedule types;

"long-term contract for the provision of infrastructure services" means a contract for the provision of infrastructure services concluded between an infrastructure operator and a carrier for a period of not less than 5 years;

"additional application" means an application for access to infrastructure services submitted by a carrier in order to carry out additional transportations within the effective period of a standard train movement schedule;

"access to infrastructure services" means the possibility for carriers to obtain infrastructure services for carrying out transportations;

"a national (network-wide) carrier" means a carrier engaged in cargo transportation , passengers, luggage, cargo-luggage or mail and ensuring the implementation of the train make-up plan in the entire infrastructure of a Member State, including with regard to special and military traffic. The status of a national (network-wide) carrier shall be specified in the legislation of each Member State;

"train path" means a graphical representation of a train route on a train movement schedule, indicating departure, destination and transfer points, time of departure and arrival, technical stops, average time en route, as well as other technical and technological parameters of trains;

"infrastructure operator" means a rail transport organisation with its own infrastructure and using the infrastructure lawfully and/or providing infrastructure services in accordance with the legislation of the Member State of location of the infrastructure;

"a train make-up plan" means a legal and technical document approved by the infrastructure operator on the basis of draft train make-up plans of carriers and determining the categories and purpose of trains formed at

railway stations taking into account the crossing capacity of infrastructure sections and the processing capacity of railway stations;

"crossing capacity of an infrastructure section" means the maximum number of trains and train-pairs that may pass an infrastructure section within an accounting period of time (a day), depending on the technical and technological capabilities of the infrastructure and rolling stock and train movement organisation methods taking into account the passing of trains of different categories;

"train movement timetable" means a document containing information on train movement on specific calendar dates based on the train movement schedule;

"safety certificate" means a document certifying compliance of the safety management system of a participant of the transportation process with the safety rules in rail transport, issued under the procedure determined by the legislation of the Member State;

"authorised authority" means an executive (public) authority of a Member State in charge of state regulation and/or management in the field of rail transports, as specified in accordance with the legislation of each Member State;

"infrastructure section" means part of the railway transport infrastructure adjacent to a junction of two adjoining infrastructures of the Member States within a locomotive circulation area specified by the infrastructure operator.

4. Other terms used in these Rules shall have the meanings specified in the Protocol on Coordinated (Agreed) Transport Policy, the Procedure for Regulating Access to Rail Transport Services, including Tariff Policy Framework, as well as the Rules for the Provision of Rail Infrastructure

Services within the Eurasian Economic Union (hereinafter "the Service Provision Rules").

III. General Principles of Access to Infrastructure Services

5. Access to infrastructure services shall be granted in various infrastructure sections and based on the following principles:

1) equality of requirements to carriers determined by the legislation of the Member State of location of the infrastructure, taking into account the technical and technological capabilities within the crossing capacity of infrastructure sections;

2) application to carriers of common pricing (tariff) policy in the sphere of infrastructure services in accordance with the legislation of the Member State of location of the infrastructure;

3) availability of information on the list of infrastructure services, the procedure for their provision based on the technical and technological capabilities of the infrastructure, as well as on tariffs, fees and charges for these services;

4) rational planning of repairs, maintenance and servicing of the infrastructure for the effective use of its capacity and to ensure continuity of the transportation process and integrity and safety of related processes;

5) protection of information constituting commercial or State secret, which becomes known in the process of planning and organisation of transportation activities and provision of infrastructure services;

6) priority (sequence) of provision of access to the infrastructure to carriers in case of a limited infrastructure crossing capacity in accordance with the standard train movement schedule;

7) ensuring by the carriers of the proper technical condition of the rolling stock used.

6. The principle of priority (sequence) of provision of access to the infrastructure to carriers shall be implemented using the following selection levels:

1) definition of the train category the priority (sequence) for which is determined in accordance with the legislation of the Member State of location of the infrastructure or under the acts of the infrastructure operator not contradicting the legislation of the Member State of location of the infrastructure;

2) in the case of identical categories of trains, depending on:

the availability of long-term contracts for the provision of infrastructure services with account of fulfilment of contractual obligations on transportation volumes;

the utilisation by the carrier of the carrying capacity of the infrastructure sections;

the presence of an effective contract for the provision of infrastructure services;

3) in the case of identical criteria specified in sub-paragraphs 1 and 2 of this paragraph, the implementation of competitive procedures in accordance with the legislation of the Member State of location of the infrastructure.

IV. Conditions of Access to Infrastructure Services

7. Access to infrastructure services shall be provided by the infrastructure operator to carriers having the following:

1) licenses to carry out transport activities issued by the authorised authority of the Member State in accordance with the legislation of the Member State of location of the infrastructure;

2) safety certificates issued by the authorised authority of the Member State in accordance with the legislation of the Member State of location of the infrastructure;

3) skilled employees involved in the organisation, management and carrying out the transportation process with documents confirming their qualifications and training in accordance with the legislation of the Member State of location of the infrastructure.

8. Access to infrastructure services shall be provided on the basis of:

1) technical and technological capacities of the infrastructure for the organisation of train movement and shunting within an infrastructure section;

2) a freight train make-up plan and a train movement schedule;

3) availability of infrastructure capacities and proposals of carriers on the use of infrastructure sections and distribution by the infrastructure operator of the capacities of infrastructure sections based on the principles of access to infrastructure services, as specified Section III of these Rules;

4) absence in accordance with the legislation of the Member State of location of the infrastructure of any prohibitions and restrictions preventing the rail transportation;

5) availability with the carrier of authorisations issued in agreement with other authorities and organisations in the cases provided for by the legislation of the Member State of location of the infrastructure.

9. The right of access to infrastructure services on certain train paths in the train schedule may be granted to carriers for a period not exceeding the

period of validity of the train movement timetable, except for the rights arising from long-term contracts.

V. Providing Access to Infrastructure Services

10. Access to infrastructure services shall be provided based on the requirements of the legislation of the Member State of location of the infrastructure and shall include the following stages:

1) development and publication by the infrastructure operator of a technical specification of infrastructure sections;

2) submission by the carrier of an application for access to the rail transport infrastructure within the Eurasian Economic Union (hereinafter "the application") according to the Annex;

3) consideration of the application by the infrastructure operator;

4) approval of the train movement schedule and timetable;

5) conclusion of a contract for the provision of infrastructure services in accordance with the legislation of the Member State of location of the infrastructure.

If the carrier is the operator of the infrastructure to be used, filing of the application and conclusion of the contract shall not be required.

11. Access to infrastructure services for additional transportations, not provided for by the standard train movement schedule, shall be granted on the basis of additional applications in the procedure determined by these Rules.

VI. Technical Specification of Infrastructure Sections

12. Annually, not later than 3 months before the start date of receipt of applications, the infrastructure operator shall approve and publish the

technical specification of infrastructure sections in the procedure determined by the acts of the infrastructure operator, in compliance with the legislation of the Member State of location of the infrastructure.

13. The technical specification of infrastructure sections shall include:

1) technical specifications of infrastructure sections and stations required to organise the train movement and shunting, indicating the lengths of infrastructure sections and the types of traction, weight standards and lengths of trains, as well as movement speeds of trains of different categories;

2) draft train paths for the train schedule for the international passenger traffic;

3) the predicted time of reception and transmission (exchange) of freight trains at each interstate junctions determined by decision of the Council for Rail Transport of the participating states of the Commonwealth of Independent States;

4) crossing capacities of infrastructure sections, except for the crossing capacities of infrastructure sections required by the national (network-wide) carrier to perform transportations in accordance with the requirements of the legislation of the Member State of location of the infrastructure.

14. The infrastructure operator may specify in the technical specification of infrastructure sections any other information and conditions for the planning of transportations and organisation of train traffic along infrastructure sections.

VII. Submission and Examination of Application

15. A carrier shall submit the application to the infrastructure operator.

16. The start and end dates for the reception and consideration of applications, the formation of the initial draft standard train schedule and the

deadlines for the submission of information provided for by paragraphs 24 and 26 of these Rules shall be determined by the legislation of the Member State of location of the infrastructure and/or acts of the infrastructure operator that do not contradict the legislation of the Member State of location of the infrastructure.

17. The application shall be attached with:

1) draft planned train schedule paths;

2) information on the planned annual volums of traffic (by quarters and months, as well as by type of cargoes);

3) information on the number of trains planned for transportation;

4) information on the types and characteristics of locomotives to be provided by the carrier for providing the transportations;

5) documents confirming compliance of the carrier with the requirements set forth in paragraph 7 of these Rules.

18. The application submitted by the carrier to the infrastructure operator on paper and all documents attached thereto:

shall be bound, numbered and stamped by the carrier and bear the signature of its head or authorised representative;

shall be submitted in the Russian language or in the language of the state of legal registration of the infrastructure operator and shall not contain corrections or additions and, if submitted in a different language, shall be accompanied by duly certified translation into the Russian language.

Documents attached to the application may be originals or copies. In the case of submission of copies of documents, the head of the carrier or its authorised representative signing the application shall confirm their accuracy and completeness in writing.

19. The application filed in electronic form shall be submitted in accordance with paragraph 17 of these Rules, taking into account the requirements for the electronic document flow, and shall be signed by an electronic signature.

20. The application shall be registered by the infrastructure operator with the issuance to the carrier of a document stating the serial registration number, date of receipt of the application and a list of documents submitted.

21. The infrastructure operator shall verify the applications received for compliance with the requirements established by paragraphs 17-19 of these Rules.

22. In the case of non-compliance of the application with the requirements established by these Rules, the infrastructure operator shall within 5 business days of receipt of the application notify the carrier in writing of the rejection of the application, indicating the reasons for the rejection.

23. In the period of consideration of the applications (but not later than 1 month before the deadline for consideration of the applications), the infrastructure operator shall be entitled, if necessary, to request from the carriers any additional information (data) required for the formation of the standard train schedule.

The additional information (data) requested by the infrastructure operator shall be submitted by the carrier within 5 business days of receipt of the request from the operator of the infrastructure subject to the requirements for filing and registration of the applications.

24. The initial draft standard train schedule shall be drawn up by the infrastructure operator taking into account accepted applications of carriers and the maximum utilisation of crossing capacities of infrastructure sections.

The infrastructure operator shall inform carrier of the outcome of consideration of its application within the period determined by the infrastructure operator.

25. In case of disagreement of the carriers with the original results of consideration of their applications, the infrastructure operator may hold coordinating approval procedures aimed at resolving all disagreements (conflicts) between the interested carriers through negotiations, in the course of which the infrastructure operator shall have the right to offer to carrier other train schedule paths, differing from those indicated in its application.

26. Having completed all the procedures provided for by this Section, the infrastructure operator shall inform the carrier on the approval (non-approval) of the application taking into account all adjustments (if any).

VIII. Formation, Development and Approval of the Standard Train Schedule and Timetable

27. The standard train schedule and timetable shall be developed and approved by the infrastructure operator for a period of one year in the procedure determined in the legislation of the Member State of location of the infrastructure, taking into account the applications received from carriers and the results of the coordinating approval procedure held.

28. The standard train schedule shall be formed by the infrastructure operator taking into account:

1) ensuring train traffic safety;

2) the most efficient use of the crossing capacity and carrying capacity of infrastructure sections and the processing capacity of railway stations;

3) the possibility of maintenance and repairs of infrastructure sections.

29. The standard train schedule shall be developed based on the principle of priority (sequence).

30. The standard train schedule shall become effective at 12 a.m. on the last Sunday in May of the calendar year and terminate at 12 a.m. on the last Saturday in May of the following calendar year.

31. The standard train schedule and timetable may be adjusted for freight trains in the procedure determined by the infrastructure operator.

IX. Concluding Contracts for the Provision of Infrastructure Services

32. Contracts for the provision of infrastructure services shall be concluded upon agreement of the application by the infrastructure operator, but not later than 10 calendar days before the date of entry into force of the standard train schedule.

33. Contracts for the provision of infrastructure services shall be concluded subject to the provisions stipulated by the Service Provision Rules.

Contracts for the provision of infrastructure services under additional applications shall be concluded no later than 1 month before the start of the calendar month of effecting transportations.

34. The infrastructure operator shall be entitled to refuse to conclude a contract with a carrier in case a carrier has a debt to the infrastructure operator for the provided of infrastructure services, as well as in other cases provided for by the legislation of the Member State of location of the infrastructure.

X. Additional applications

35. An additional application shall be drawn up in accordance with the requirements stipulated in paragraphs 17-19 of these Rules.

36. An additional application shall be registered by the infrastructure operator with the issuance to the carrier of a document stating the serial registration number, date of receipt of the additional application and a list of documents submitted.

37. An additional application shall be filed no later than 2 months prior to the start of the calendar month of effecting transportations.

38. Additional applications shall be reviewed for compliance with the requirements established by these Rules within 1 month from the date of receipt. Following consideration of an additional application, a contract or addenda to existing contracts may be concluded.

39. The infrastructure operator may consider allocation of additional train schedule paths under additional applications of carriers.

40. Applications received after the expiration of the deadline specified in paragraph 16 of these Rules shall not be regarded in the formation of the standard train schedule and shall be considered as additional applications.

41. Train schedule paths under additional applications shall be allocated in accordance with the procedure provided for by the legislation of the Member State of location of the infrastructure.

42. All risks of partial granting or rejection of additional applications shall be borne by the carriers.

XI. Procedure for Presentation of Information

43. The infrastructure operator shall post on its official website on the Internet the technical specification of infrastructure sections, the list of regulatory legal acts and acts of the infrastructure operator governing the procedure of access to infrastructure, taking into account the requirements of the legislation of the Member State of location of infrastructure.

44. The infrastructure operators and all carriers shall comply with the legislation of the Member State of location of the infrastructure, including the requirements of national security, subject to the restrictions on the dissemination of information containing data classified as State secret (State secrets) or classified information.

XII. Procedure for Settlement of Disputes

45. All disputes and disagreements between a carrier and the infrastructure operator arising out of or in connection with the application of these Rules shall be resolved through negotiations.

46. If, in the course of the negotiations, the carrier and the infrastructure operator fail to reach an agreement, all disputes and disagreements shall be resolved in accordance with the procedure determined by the legislation of the Member State of location of the infrastructure.

Annex
to the Access Rules to the Rail
Transport Infrastructure within the
Eurasian Economic Union

Form

Application
for Access to Rail Transport Infrastructure within the Eurasian Economic Union

dated _____ ___ No._____

for the period of_____ to _____
Infrastructure operator _____
_____
(name, legal address, postal address)
Carrier_____
(name, legal address, postal address)
The number and date of the contract for the provision of services of the rail transport infrastructure within the Eurasian Economic Union (if available)
_____
I hereby confirm the completeness and accuracy of the following documents (information)* attached to the application on _____ pages in __ copies:
1) _____;
2) _____;
) _____.

_____ _____
Signature of the Carrier Stamp here

*Note: documents (information) are attached as provided for by paragraph 17 of the Access Rules to the Rail Transport Infrastructure within the Eurasian Economic Union.

Annex 2
to the Procedure for Regulating Access
to Rail Transport Services, including Tariff
Policy Framework

Rules
for the Provision of Rail Infrastructure Services within the Eurasian Economic Union

I. General Provisions

1. These Rules determine the procedure and conditions for the provision of services within the boundaries of rail infrastructure sections of the Member States within the planning and organisation of transportation activities, a list of such services, unified principles of scheduling and allocation of infrastructure capacity, essential conditions of contracts for the provision of crossing infrastructure services, rights, obligations and liabilities of the infrastructure operator and carriers.

II. Definitions

2. The terms used in these Rules shall have the following meanings:

"unscheduled trains" means trains not included in the train schedule (emergency and fire-fighting trains, pilot plows, locomotives without cars, special self-propelled rolling stock) intended to eliminate obstacles to train traffic, perform emergency operations and the relevant relocation of vehicles (their sequencing to be determined by the legislation of the Member State of location of the infrastructure or acts of the infrastructure operator not contradicting the legislation of the Member State of location of the infrastructure);

"scheduling of the transportation process" means the process of traffic control and shunting in the operational environment;

"shunting movements" means changes in the train structure (attachment/uncoupling of the rolling stock), formation (breaking-up) of trains, relocation of trains between yards, movements and setting of locomotives into trains or removal of locomotives from trains, car spotting to or removal from sidings, and other operations;

"emergency situation" means a circumstance that threatens the safety of trains as a result of failure of infrastructure facilities or creates obstacles for the passage of trains;

"infrastructure operator" means a rail transport organisation with its own infrastructure and using the infrastructure lawfully and/or providing infrastructure services in accordance with the legislation of the Member State of location of the infrastructure;

"transportation planning" means development of a transportation plan at infrastructure facilities (sections and stations) for a fixed period of time (year, month, day) in accordance with the concluded contracts for the provision of services;

"daily train traffic plan" means a document drawn up by the infrastructure operator for the purposes of scheduling of the transportation process and organisation of the train traffic in the planned day;

"technical plan" means a document drawn up by the infrastructure operator on the basis of a consolidated transportation plan, technical plans of carriers and information obtained from the Council for Rail Transport of participating states of the Commonwealth of Independent States.

3. Other terms used in these Rules shall have the meanings specified in the Protocol on Coordinated (Agreed) Transport Policy, Procedure for

Regulating Access to Rail Transport Services, including Fundamental Tariff Policy, as well as in the Access Rules to the Rail Transport Infrastructure within the Eurasian Economic Union (hereinafter - "the Access Rules").

III. Services Provided by the Infrastructure Operator

4. A list of services of the rail transport infrastructure (hereinafter "the list of services") shall include the basic services related to the use of the infrastructure for carrying out transportations in accordance with the Annex to these Rules.

5. A list of operations (work) that make up the infrastructure services shall be determined taking into account the technological features of the transportation process and requirements of the legislation of the Member State of location of the infrastructure.

6. Infrastructure services listed in the Annex to these Rules shall be provided in compliance with the requirements of the legislation of the Member State of location of the infrastructure, including as regards the national security.

7. Upon agreement with the carrier, the infrastructure operator shall be entitled to provide other services that are not listed in the Annex to these Rules in accordance with the legislation of the Member State of location of the infrastructure.

IV. Procedure for the Provision of Infrastructure Services

8. The provision of infrastructure services involves interaction between the infrastructure operator and the carrier in the following processes of the organisation and carrying out of transportations:

1) technology planning and norming of transportations;

2) monthly and operational planning of transportations;

3) transportations under a contract for the provision of the rail transport infrastructure services (hereinafter "the contract");

4) information exchange between the infrastructure operator and carrier.

9. Planning and norming of transportations and adjustments of the volume of the transportation and the train schedule shall be carried out in the procedure determined in accordance with these Rules, the Access Rules, the legislation of the Member State of location of the infrastructure, as well as the acts of the infrastructure operator that are not contrary to the legislation of the Member State of location of the infrastructure.

10. In operational planning, the infrastructure operator and carriers shall implement the approved daily train traffic plan (the train schedule and the approved technical plan, including a plan for the exchange of trains and cars at interstate junctions as identified by decision of the Council for Rail Transport of participating states of the Commonwealth of Independent States).

11. Transportations shall involve a set of organisationally and technologically interrelated operations of the infrastructure operator and carriers and shall be carried out in accordance with these Rules, the legislation of the Member State of location of the infrastructure, and acts of the infrastructure operator acts that do not contradict the legislation of the Member State of location of the infrastructure.

12. The infrastructure shall be used in accordance with these Rules and in compliance with the standards established by the legislation of the Member State of location of the infrastructure, including in accordance with the requirements for traffic safety, as well as acts of the infrastructure

operator that are not contrary to the legislation of the Member State of location of the infrastructure.

13. The infrastructure shall be maintained in accordance with the legislation of the Member State of location of the infrastructure.

14. The unified principles of scheduling of the transportation process and capacity allocation shall be as follows:

1) train traffic control in infrastructure sections served by a single operator;

2) compliance with all process-related norms and standards contained in the train schedule, as well as processes and technical standards of operation;

3) ensuring train movement safety and occupational health and safety;

4) allocation of traffic priorities by the operator.

15. Scheduling of the transportation process shall be carried out by the infrastructure operator or its authorised representative with a view to ensure the safe passage of trains in the infrastructure.

Scheduling of the transportation process shall be carried out in accordance with the train schedule and the approved daily train traffic plan and in the procedure determined by the operating rules, instructions on train movement and shunting operations at the stations, signalling and communications approved by the legislation of the Member State of location of the infrastructure, and/or acts of the infrastructure operator that are not contrary to the legislation of the Member State of location of the infrastructure.

16. The processes of reception, dispatch and transit of trains, shunting movements of any vehicles (rolling stock) or self-propelled machinery used in an infrastructure section shall be regulated by the infrastructure operator.

Dispositions (instructions) of the infrastructure operator regarding these processes, including those to ensure compliance with train safety requirements, train schedule standards and operating processes of linear units of the infrastructure, shall be binding on all participants in the transportation process.

17. For the purposes of effecting the transportation process, the infrastructure operator and carriers shall use information systems of the infrastructure operator for the exchange of information (data) to the extent provided for by the legislation of the Member State of location of the infrastructure.

18. Additional information with respect to the basic information shall be provided by the infrastructure operator to a carrier on the basis of individual contracts.

19. The infrastructure operator may refuse to provide infrastructure services to a carrier under a concluded contract in the event of:

1) termination or restriction of transportations, including restrictions on the import and/or export of goods, luggage and cargo-luggage in accordance with the legislation of the Member State of location of the infrastructure;

2) inability to provide infrastructure services following emergency situations;

3) carrying out transportations by unscheduled trains;

4) a threat to national security or emergency situations, force majeure, hostilities, blockades, epidemics or other circumstances beyond the control of the infrastructure operator and carriers preventing the fulfilment of obligations under the contract;

5) establishment of different procedure for the provision of infrastructure services by an authorised authority following a governmental decision of the Member State of location of the infrastructure;

6) in other cases provided for by the legislation of the Member State of location of the infrastructure.

20. In case of refusal of infrastructure services to a carrier in the cases stipulated in paragraph 19 of these Rules, the infrastructure operator shall notify the carrier of the impossibility of fulfilment of its obligations in the procedure provided for by the contract.

21. The infrastructure operator shall take the necessary steps to organise the passage of trains moving with a deviation from the train schedule or not stipulated in this schedule.

22. The actual provision of infrastructure services by the infrastructure operator and their actual volume separately for each service according to the list of services shall be confirmed by the documents, drawn up as per the forms approved in accordance with the legislation of the Member State of location of the infrastructure, and/or acts of the infrastructure operator that are not contrary to the legislation of the Member State of location of the infrastructure.

V. Contracts for the Provision of Infrastructure Services and their Essential Terms and Conditions

23. Infrastructure services shall be provided under a contract concluded in writing between the infrastructure operator and a carrier.

24. Such a contract shall not contain any provisions contrary to the principles and requirements determined by the Rules of Access and these

Rules, or contrary to the legislation of the Member State of location of the infrastructure.

25. If, during the term of a contract, it is found that invalid information has been provided by the carrier (except for the forecast figures) specified in paragraph 17 of the Rules of Access and provided for by the contract, the infrastructure operator shall be entitled to terminate the contract in accordance with the legislation of the Member State of location of the infrastructure.

26. It shall be prohibited to assign the right of claim of the carrier under the contract, except as provided for in paragraph 27 of these Rules.

27. In the case of impossibility to use the rights arising from the contract, the carrier may, with the consent of the infrastructure operator, transfer this right to another carrier if the latter has available a contract concluded under the terms and conditions provided for by the contract.

28. The contract shall contain the following essential terms and conditions:

1) the subject of the contract (the volume of services, the share of the infrastructure capacity (number of schedule paths), infrastructure sections);

2) the time and conditions of infrastructure services provision;

3) the cost of services (tariffs, prices, fee rates) or its determination procedure;

4) the procedure and terms of payment for the services (the settlement procedure, methods of payment, the currency of payment);

5) responsibility of the parties under the contract for damages, non-fulfilment or improper fulfilment of their obligations under the contract (penalties, fines, reimbursement of damages);

6) force majeure (extraordinary event or circumstance beyond the control of the parties);

7) validity, grounds and procedure for termination (cancellation) of the contract, including terms and conditions of termination (cancellation) of the contract.

29. A one-time contract may be concluded between the infrastructure operator and the carrier in case of availability of an effective contract (or an addendum to the contract) upon submission of an additional application for additional transportations.

VI. Rights and Obligations of the Infrastructure Operator and the Carrier

30. The carrier shall be entitled to:

1) send to the infrastructure operator proposals for the organisation of transportations;

2) obtain information to the volume of required for the organisation of transportations in accordance with these Rules and the Access Rules with mandatory compliance with the requirements of the legislation of the Member State of location of the infrastructure, including the requirements of national security, subject to the restrictions on the dissemination of information that contain information constituting State secret (State secrets) or classified information;

3) obtain access to infrastructure services and infrastructure services for transportation activities, including for trains on route, in accordance with the terms of the contract;

4) exercise other rights determined by the legislation of the Member State of location of the infrastructure and/or the concluded contracts.

31. The carrier shall:

1) provide to the infrastructure operator information and documents required for the provision of infrastructure services;

2) ensure compliance with the requirements for railway safety determined by the legislation of the Member State of location of the infrastructure or by the acts of the infrastructure operator not contradicting the legislation of the Member State of location of the infrastructure;

3) inform the infrastructure operator of any incidents and circumstances that lead (may lead) to violations of the safety requirements in the field of rail transport determined by the legislation of the Member State of location of the infrastructure and take measures for elimination (prevention) of such violations;

4) ensure compliance with requirements for the traffic and operation safety of rail transport determined by the legislation of the Member State of location of the infrastructure and by acts of the infrastructure operator not contradicting the legislation of the Member State of location of the infrastructure;

5) ensure the protection of information constituting commercial (official) secret of the infrastructure operator that becomes known to the carrier;

6) pay for infrastructure services at the rates set in accordance with the legislation of the Member State of location of the infrastructure, as well as make other payments due to the infrastructure operator in the volume and on the terms and conditions provided for by the contract;

7) reimburse the costs not covered by individual contracts incurred by the infrastructure operator in connection with the relocation (moving) of cars (trains) and/or the holding of the rolling stock of the carrier at stations;

8) notify the infrastructure operator in writing of its refusal from the services to be provided under the contract within the terms determined by the legislation of the Member State of location of the infrastructure;

9) ensure agreement and adherence to the conditionals of railway transportation of cargo on special conditions and oversized cargo in accordance with the legislation of the Member State of location of the infrastructure;

10) ensure transportations within the agreed scope and compliance of other parameters (conditions) of railway transportations with the carrying capacity of rail transport infrastructure sections and/or processing capacity of train stations located along the route;

11) indemnify the infrastructure operator and/or third persons against any damage;

12) fulfil other obligations determined by the contract and the legislation of the Member State of location of the infrastructure.

32. The infrastructure operator shall be entitled to:

1) take measures to ensure traffic safety, including:

set temporary and permanent speed limits for trains in infrastructure sections;

stop a train at a station or stretch when the means of automatic and visual inspection detect any technical faults or if commercial drawbacks are identified in the rolling stock of the train, jeopardising the traffic safety;

use resources (rolling stock, staff) of the carrier in situations preventing the movement of trains in order to restore operation of the infrastructure;

issue dispositions (orders, prescriptive, instructions, warnings, etc.) to the carrier required to ensure compliance with train traffic safety

requirements, train schedule standards , train make-up plan and procedure, and operating processes at infrastructure stations (linear units);

2) at the stage of contract conclusion , request from the carrier a safety certificate for rail transport and a license for all types of activities subject to licensing in transportations;

3) at the stage of implementation of the contract, request from the carrier all documents confirming compliance with the safety requirements for rail transport;

4) make unilateral amendments and additions to the contract, adjusting the share in the capacity (traffic paths) allocated to a carrier in the case of incomplete use of the allocated share of the capacity by the carrier in an infrastructure section as compared to the share established in the train schedule;

5) adopt decisions on relocation (movement) and holding of the rolling stock of carriers at a station with available holding capacities or in its local infrastructure in the case of use of the infrastructure by the carrier with a breach of the contract;

6) refuse to the carrier access to the infrastructure for reasons beyond the control of the infrastructure operator (when caused by third persons, including neighbouring (adjacent) railway administrations and/or owners of local infrastructures) without recognition thereof as a breach of the contract;

7) take unilateral decisions to temporary suspend the provision of services related to transportations in certain rail service directions or to provide the services partially in the event of emergency situations, such as natural and man-made disasters, as well as upon introduction of a state of emergency or under other circumstances impeding the traffic;

8) restrict access to the infrastructure in case of emergency situations with the cancellation of allocated train schedule paths for the time required to restore the infrastructure;

9) exercise other rights determined by the legislation of the Member State of location of the infrastructure and/or by the concluding contracts.

33. The infrastructure operator shall:

1) receive and consider proposals from carriers regarding the organisation of transportations, as well as information and documents required for the provision of infrastructure services;

2) timely provide to carriers the information to in volume of required for the organisation of transportations in accordance with these Rules and the Access Rules with mandatory compliance with the requirements of the legislation of the Member State of location of the infrastructure, including the requirements of national security, subject to the restrictions on the dissemination of information that contain information constituting State secret (State secrets) or classified information;

3) allocate infrastructure crossing capacities within the technical and technological infrastructure capacity in accordance with the Rules of Access;

4) inform the carrier of any changes in the train movement schedule that lead to changes in the agreed the time and conditions of the provision of services, within the time and procedure provided for by the contract;

5) notify the carrier, under the conditions specified in the contract, of any accidents, damage to the infrastructure and other circumstances that may hinder the performance by the carrier of its activities with the use of the infrastructure;

6) ensure the protection of information constituting commercial (official) secrets of carriers that becomes known to the infrastructure operator in the provision of infrastructure services;

7) maintain the required technical equipment in good condition and take measures to prevent and eliminate interruptions in the movement of trains caused by natural or man-made emergencies;

8) fulfil other obligations determined by the contract and the legislation of the Member State of location of the infrastructure.

VII. Procedure for Settlement of Disputes

34. All disputes and disagreements between a carrier and the infrastructure operator arising out of or in connection with the application of these Rules or in the course of provision of services shall be resolved through negotiations.

35. If, in the course of the negotiations, the carrier and the infrastructure operator fail to reach an agreement, all disputes and disagreements shall be resolved in the procedure determined by the legislation of the Member State of location of the infrastructure.

Annex

to the Rules for the Provision of Rail Infrastructure Services within the Eurasian Economic Union

List of Rail Infrastructure Services

Item No.	The Republic of Belarus	The Republic of Kazakhstan*	Russian Federation**
1.	Provision of the infrastructure and carrying out activities required for the movement (passage) of trains, including power supply of the traction equipment of the carrier	Provision of the infrastructure and carrying out activities required for the movement (passage) of trains	Provision of the infrastructure and carrying out activities required for the movement (passage) of trains, including power supply of the traction equipment of the carrier
2.	Provision of the infrastructure and carrying out activities required to ensure shunting movements of trains, including power supply of the traction equipment of the carrier	Provision of the infrastructure and carrying out activities required to ensure shunting movements of trains	Provision of the infrastructure and carrying out activities required to ensure shunting movements of trains, including power supply of the traction equipment of the carrier
3.	Services for the technical and commercial control aimed at ensuring the safety of train movement and transported cargo , luggage and cargo-luggage	—	Services for technical and commercial control aimed at ensuring the safety of train movement

*Including for the infrastructure sections owned by the Republic of Kazakhstan on the territory of the Russian Federation;

*Including for the infrastructure sections owned by the Russian Federation on the territory of the Republic of Kazakhstan.

ANNEX 25
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Procedure for Regulating Procurement

I. General Provisions

1. This Protocol has been developed in accordance with Section XXII of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and determines the procedure for procurement regulation.

2. The terms used in Section XXII of the Treaty and this Procedure shall have the following meanings:

"web portal" means a single official website of a Member State on the Internet providing a single point of access to information on procurement;

"customer" means a state authority, a local authority, a budget organisation (including state (municipal) institutions), as well as other persons in cases provided for by the procurement legislation of a Member State, conducting procurement in accordance with this legislation. The procurement legislation of a Member State may provide for the establishment (functioning) of a procurement organiser to act in accordance with this legislation. At that, it shall not be permitted to transfer to the procurement organiser the functions of the customer on the conclusion of procurement agreements (contracts);

"procurement" means public (municipal) procurement, referring to the purchase of goods, work, services and other procurement by the customer using budgetary and other funds in the cases provided for by the procurement

legislation of the Member State, as well as the relations related to the implementation of procurement agreements (contracts);

"information on procurement" means a notice of holding procurement, procurement documentation (including the draft procurement agreement (contract)), changes to such notices and documentation, clarifications of the procurement documentation, protocols drawn up in the procurement process, information on procurement results, details of procurement agreements (contracts) and addenda to such agreements, information on the results of implementation of procurement agreements (contracts), information on the receipt of claims by the authorised regulatory and/or controlling government authorities of the Member State in the sphere of procurement, their content and the action taken on the results of examination of such claims and regulations issued by such authorities. All information on procurement shall be subject to mandatory posting on the web portal;

"national treatment" means treatment providing for that, for the purposes of procurement, each Member State shall provide to goods, works and services originating from the territories of the Member States, to potential suppliers of the Member States and suppliers of the Member States offering the goods, performing works and providing services, a treatment no less favourable than that accorded to goods, works and services originating from the territory of their state, as well as to potential suppliers and suppliers of their state, offering the goods, performing works and providing services. The country of origin of goods shall be determined in accordance with the rules of determining the origin of goods effective on the customs territory of the Union;

"operator of an electronic trading platform (e-platform)" means a juridical person or a natural person carrying out business activities that is in

possession of an electronic trading platform (e-platform), in accordance with the legislation of the Member State, with the soft hardware required for its functioning, and/or ensures its functioning;

"supplier" means a person that is a supplier, executor or contractor under a procurement agreement (contract);

"potential supplier" means any juridical person or any natural person (including an individual entrepreneur);

"electronic trading platform (e-platform)" means an Internet site selected in accordance with the procurement legislation of a Member State for conducting procurement operations in electronic format. In this case, in accordance with the procurement legislation of a Member State may be determined that an electronic trading platform (e-platform) is represented by a web portal, with indication of a limited number of electronic trading platforms (e-platforms);

"electronic format of procurement" means the procedure for organising and conducting procurement using the Internet, a web portal and/or an electronic trading platform (e-platform), as well as soft hardware.

3. In the application of this Protocol, unless otherwise implied in the provisions of the legislation of a Member State, it shall not be required to bring the legislation of the Member State in compliance with this Protocol.

II. Requirements in the Sphere of Procurement

4. Procurement in the Member States shall be conducted using the following:

an open tender, which, among other things, may provide for two-stage procedures and pre qualification of bidders (hereinafter "the tender");

request for pricing (request for quotations);

request for proposals (if provided for by the procurement legislation of the Member State);

open electronic auction (hereinafter "the auction");

exchange trading (if provided for by the procurement legislation of the Member State);

procurement from a single source or a single supplier (executor, contractor).

The Member States shall ensure that tenders and auctions are held only in the electronic format and tend to convert to the electronic format in the implementation of other methods of procurement.

5. Tender-based procurement shall be conducted taking into account the requirements in paragraphs 1-4 of Annex 1 to this Protocol.

6. Procurement based on request for pricing (quotations) process shall be conducted subject to the requirements provided for by paragraph 5 of Annex 1 to this Protocol.

7. Procurement based on requests for proposals shall be conducted taking into account the requirements provided for by paragraph 6 of Annex 1 to this Protocol in cases provided for by Annex 2 to this Protocol, as well as in cases provided for in paragraphs 10, 42, 44, 47, 59 and 63 of Annex 3 to this Protocol if it is determined by the procurement legislation of the Member State.

8. Auction-based procurement shall be conducted taking into account the requirements provided for in paragraphs 7 and 8 of Annex 1 to this Protocol, in accordance with Annex 4 to this Protocol.

A Member State shall be entitled to determine in its procurement legislation a wider range of goods, works and services to be procured through the auction procedure.

9. The commodity exchange may be used for procuring exchange commodities (including goods provided for by Annex 4 of this Protocol).

A Member State shall have the right to specify in its legislation the commodity exchanges allowed for procurement purposes.

10. Procurement from a single source or a single supplier (executor, contractor) shall be carried out taking into account the requirements specified in paragraph 10 of Annex 1 to this Protocol, in the cases provided for by Annex 3 to this Protocol.

A Member State may reduce in its procurement legislation the list of goods, works and services provided for by Annex 3 to this Protocol.

11. A Member State may unilaterally determine in its procurement legislation any specific features of the procurement procedure related to the need to maintain confidentiality of information on potential suppliers before the end of the procurement process, as well as, in exceptional cases, for a period not exceeding 2 years, specific features of procurement of certain goods, works and services.

Decisions and actions relating to determining such specific features shall be taken in the procedure stipulated in paragraphs 32 and 33 of this Protocol.

12. Procurement shall be performed by the customer independently or with the participation of the procurement organiser (if the procurement legislation of the Member State provides for the functioning of a procurement organiser).

13. Procurement legislation of a Member State shall provide for the formation and maintenance of a registry of mala fide suppliers, including information on:

potential suppliers avoiding the conclusion of procurement agreements (contracts);

suppliers non-performing or improperly fulfilling their obligations under procurement agreements (contracts);

suppliers with which the customers have unilaterally terminated the procurement agreements (contracts), when in the course of their implementation it was found out that the suppliers did not meet the documented requirements for potential suppliers and suppliers or provided false information about their compliance with such requirements, allowing them to become the successful bidders in the procurement procedure resulting in the conclusion of such agreement.

Procurement legislation of a Member State may provide for inclusion in its registry of mala fide suppliers of the Member State any information on the founders, members of collegial executive authorities and persons performing the functions of the sole executive authority of the person included in such registry.

Mala fide suppliers shall be included in the registry for 2 years upon confirmation of the information (determining the facts) provided for by indents two to four of this paragraph, based on a court decision and/or decision of an authorised regulatory and/or controlling authority of the Member State in the sphere of procurement.

A person included into the registry of mala fide suppliers may appeal against inclusion in the registry in a judicial procedure.

The procurement legislation of a Member State may provide for exceptions regarding inclusion in the register of mala fide suppliers of the potential suppliers and suppliers specified in paragraphs 1 and 6 of Annex 3 to the this Protocol.

14. The procurement legislation of a Member State may provide for the right or obligation of the customer to perform admission to participation in procurement on the basis of information contained in the registry of mala fide suppliers of this Member State and/or in registries of mala fide suppliers of other Member States.

15. The Member States shall limit the participation in procurement:

1) by determining, in accordance with their procurement legislation, any additional requirements to potential suppliers and suppliers in the procurement of certain types of goods, works and services;

2) in other cases determined by this Protocol.

16. Procurement legislation of a Member State shall impose a ban on:

1) inclusion in the procurement conditions of any unquantifiable and/or unmanageable requirements to potential suppliers and suppliers;

2) admission to participation in the procurement of potential suppliers that do not meet the requirements of the procurement documentation;

3) refusal of admission of potential suppliers to participation in the procurement on the grounds not stipulated in a procurement notice and/or procurement documentation.

17. It shall not be allowed to levy from potential suppliers and suppliers any fee for the participation in procurement, except in cases provided for by the procurement legislation of the Member State.

18. Procurement legislation of a Member State may determine requirements to potential suppliers and suppliers regarding the provision of tender security and security for the implementation of the procurement agreement (contract).

Procurement legislation of the Member State shall determine the amount and form of the tender security and security for the implementation

of the procurement agreement (contract). The amount of tender security for participation in the procurement shall not exceed 5 percent of the initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement), and the security for the implementation of the procurement agreement (contract) shall not exceed 30 percent of the initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement), except when the procurement agreement (contract) stipulates an advance payment. In the latter case, the amount of the security for the implementation of the procurement agreement (contract) shall be equal to at least 50 percent of the amount of the advance payment.

The supplier shall be entitled to refuse a procurement agreement (contract) containing a requirement for the provision of an advance payment to the supplier.

Procurement legislation of a Member State shall determine at least 2 ways (types) of tender security and security for the implementation of the procurement agreement (contract).

The tender security and security for the implementation of the procurement agreement (contract) may be represented, in particular, by the following:

a guarantee monetary contribution made to the bank account of the customer or, if it is determined by the procurement legislation of the Member State, to the bank account of the procurement organiser or operator of an electronic trading platform (e-platform);

a bank guarantee.

Requirements for bank guarantees for the procurement purposes shall be determined by the legislation of the Member State.

Procurement legislation of a Member State shall determine a requirement for the timely repayment of the tender security and security for the implementation of the procurement agreement (contract) to potential suppliers and suppliers in the cases provided for by this legislation.

19. The procurement documentation and other documents in the procurement procedure shall not include any requirements or instructions as to any trademarks, service marks, trade names, patents, utility models, industrial designs, appellations of origin of goods, names of manufacturers or suppliers, except in cases when no other method of precise specification of the object of procurement is available (in such cases the customer shall include in the procurement documentation the words "or their equivalent (analogue)"). This provision shall not apply to the cases of incompatibility of goods procured with any goods used by the customer when it is required to ensure the compatibility of such goods (including resupply, upgrades and retrofitting of the main (fixed) equipment).

The customer shall be entitled to determine standard features, requirements, symbols and terminology relating to the technical and qualitative characteristics of the object of procurement as defined in accordance with the technical regulations, standards and other requirements provided for by international treaties and acts constituting the law of the Union and/or the legislation of the Member State.

20. Members of the committee (including tender, auction and bidding committees) may not be represented by natural persons personally interested in the results of the procurement (including natural persons having submitted applications for participation in the tender, auction, request for pricing (requests for quotation) or requests for proposals), employees of potential suppliers having applied for participation in the tender, auction, request for

pricing (request for quotations) or request for proposals, or natural persons who may be influenced by potential suppliers (including natural persons who are participants (shareholders) of the potential suppliers, employees of their management authorities and creditors of the potential suppliers), as well as officials of authorised regulatory and/or controlling authorities of the Member State in the sphere of procurement directly controlling the procurement process.

21. A procurement agreement (contract) shall contain the following mandatory conditions:

1) liability of the parties for non-fulfilment or improper fulfilment of their obligations under the procurement agreement (contract);

2) the payment procedure, as well as the procedure for acceptance of the results of procurement by the customer for assessing their compliance (including with regard to the quantity (volume), completeness, and quality) with the requirements determined by the procurement agreement (contract).

22. Procurement legislation of a Member State shall provide for a ban on:

1) determining any terms and conditions of the procurement agreement (contract) entailing any limitation of the number of potential suppliers and suppliers in cases not covered by this legislation;

2) unilateral waiver of any contractual obligations by the customers and suppliers in case of proper fulfilment by the other party of its obligations under the procurement agreement (contract) and in cases not covered by this legislation;

3) changes in the terms of contractual obligations, including changes in the price of the procurement agreement (contract), except as provided for in this legislation. It shall not be allowed to reduce the quantity of goods, the

volume of works and services without a proportional reduction in the price of the procurement agreement (contract).

23. It shall be permitted to conclude procurement agreements (contracts) with several suppliers in cases provided for by the legislation of a Member State.

24. Procurement legislation of a Member State may require conclusion of a procurement agreement (contract) providing for procurement of goods or works, subsequent maintenance, operation within service lifetime, repairs and disposal of goods supplied or an object created as a result of work performance (a life cycle agreement (contract)).

25. Procurement legislation of a Member State may provide for a particular procurement process the requirement to include in the draft procurement agreement (contract), forming an integral part of the respective procurement documentation, any additional terms of its implementation (including those not related to the object of procurement).

26. Procurement legislation of a Member State may provide for mandatory presentation by the potential supplier and/or supplier to the customer of information on all co-contractors and subcontractors under the procurement agreement (contract).

27. Procurement legislation of a Member State may provide for banking support of procurement agreement (contract).

28. The Member States shall seek to have fully converted to the conclusion of procurement agreements (contracts) in electronic format by 2016.

29. The Member States shall ensure information openness and transparency of procurement, including by:

1) the creation of a web portal by each Member State;

2) publications (posting) on the web portal of procurement-related information and the registry of mala fide suppliers (including in the Russian language);

3) publication (posting) on the web portal of regulatory legal acts of the Member State in the sphere of procurement (including in the Russian language);

4) identification of a limited number of electronic trading platforms (e-platforms) and/or a web portal as a single point of access to information on procurement in electronic format and electronic services related to such procurement, if provided for by the procurement legislation of the Member State;

5) organising free of charge and unhindered access to procurement-related information, the registry of mala fide suppliers and regulatory legal acts of the Member State in the sphere of procurement published (posted) on its website, as well as ensuring the widest possible search possibilities for such information, registry and acts.

III. National Treatment and Specific Features of its Provision

30. Each Member State shall ensure in respect of goods, works and services originating from the territories of other Member States, as well as for potential suppliers and suppliers of other Member States offering such goods, works and services, the national treatment in the sphere of procurement.

31. In exceptional cases and as determined in its procurement legislation, a Member State may unilaterally introduce exemptions from such national treatment for a period not exceeding 2 years.

32. The authorised regulatory and/or controlling authority of the Member State in the sphere of procurement shall, in advance, but not later than 15 calendar days prior to the date of adoption of the act on the introduction of exemptions under paragraph 31 of this Protocol, notify the Commission and each Member State in writing about adoption of such act, providing a rationale for its adoption.

A Member State having received such a notice may apply to the notifying authority with a proposal to hold respective consultations.

A Member State having sent the aforementioned notice may not refuse to hold such consultations.

33. The Commission shall be entitled to decide on the need to cancel the act establishing any exemptions adopted by the Member State under paragraph 31 of this Protocol within 1 year from the date of its adoption.

If the Commission decides to cancel the above act, the Member State having adopted the act shall ensure the introduction of respective changes into the act (its invalidation) within 2 months.

The Commission shall consider notices on adoption of acts in accordance with paragraph 31 of this Protocol and applications of the Member States regarding their cancellation and shall make decisions as to the cancellation of such acts in the procedure determined by the Commission.

If, within 2 months from the date of entry into force of the Commission's decision on the cancellation of an act adopted in accordance with paragraph 31 of this Protocol, the Member State in respect of which the above decision was delivered fails to enforce it, every other Member State shall be entitled to unilaterally waive national treatment to the Member State. The notice thereof shall be immediately forwarded to the Commission and to each of the Member States.

34. If a Member State fails to fulfil its obligations under Section XXII of the Treaty and this Protocol, other Member States may be entitled to appeal to the Commission. Upon review of the application, the Commission shall take one of the following decisions:

on the absence of a violation;

on recognition of a violation and the need for its elimination by the Member State.

If, within 2 months from the date of the decision on the elimination of such a violation, the Member State in respect of which the above decision was delivered fails to enforce it, every other Member State shall be entitled to unilaterally waive national treatment to that Member State.

The notice thereof shall be immediately forwarded to the Commission and to each of the Member States.

IV. Ensuring the Rights and Legitimate Interests of Persons Participating in Procurement

35. Each Member State shall take measures to prevent, detect and stop violations of its procurement legislation.

36. The amount of the rights and legitimate interests of persons in the sphere of procurement to be ensured shall be determined by Section XXII of the Treaty, this Protocol and the procurement legislation of the Member State.

37. In order to ensure the legitimate rights and interests of persons in the sphere of procurement, as well as to exercise control over compliance with the procurement legislation of the Member State, each of the Member States, in accordance with its legislation, shall ensure the availability of authorised regulatory and/or controlling authorities in the sphere of

procurement. In this case, these functions may be performed by a single authority having the following powers:

1) control in the sphere of procurement (including through inspections);

2) examination of claims and applications against decisions and actions (omission) of customers, procurement organisers, operators of electronic trading platforms (e-platforms), operators of web portals, commodity exchanges, commissions and other persons in procurement, violating the procurement legislation of the Member State. In this case, the decisions and actions (omission) of customers, procurement organisers, operators of electronic trading platforms (e-platforms), operators of web portals, commodity exchanges, commissions and other persons in procurement adopted (committed) before the deadline for the submission of applications for participation in the procurement may be appealed against not only by any potential supplier, but also by any other person in accordance with the procurement legislation of the Member State;

3) prevention and detection of violations of the procurement legislation of the Member State, as well as taking measures to remedy the said violations (including by issuing a binding order to remedy such violations and bringing perpetrators to liability for such violations);

4) establishing and maintaining the registry of mala fide suppliers.

V. Ensuring Measures to Improve the Efficiency of Procurement and Aimed at the Fulfilment of Social Functions

38. Procurement legislation of a Member State shall establish a requirement for procurement planning.

39. Procurement legislation of a Member State may provide for the following rules increasing the efficiency of procurement:

1) standardisation of procurement by determining requirements for goods, works and services procured (including for the limit price of goods, works and services) and/or standard costs of ensuring customer functions;

2) public control and public discussion of procurement;

3) application of anti-dumping measures;

4) involvement of experts and expert organisations.

40. In the cases and procedure provided for by the procurement legislation of a Member State, benefits in procurement may be determined for institutions and enterprises of the penal enforcement system, disabled people's organisations, small and medium-sized businesses, as well as socially-oriented non-profit organisations.

Information about such benefits shall be specified by the customer in the notice of procurement and procurement documentation.

41. For the purposes of discussing the most pressing issues of law enforcement, information sharing, improving and harmonising the legislation, and joint development of guidance materials in the sphere of procurement, the Commission shall, jointly with the relevant regulatory and/or controlling authorities of the Member States in the sphere of procurement, hold meetings at the level of managers and experts at least 3 times a year.

Annex 1
to the Protocol on the
Procedure for Regulating
Procurement

Requirements to the Organisation and Conduct of Tenders, Request for Pricing (Request for Quotations), Request for Proposals, Auctions and Procurement from a Single Source or a Single Supplier (Executor, Contractor)

1. A tender shall be held in electronic format, which provides for, among other things, submission of bids in the form of an electronic document.

The successful bidder shall be the potential supplier offering the best terms for the implementation of the procurement agreement (contract).

It shall not be allowed to determine evaluation criteria and the procedure for the evaluation and comparison of bids entailing any biased and/or unmanageable selection of the supplier, contrary to the procurement legislation of the Member State.

2. A tender shall be held subject to the following requirements:

1) approval of the tender documentation;

2) approval of the composition of the tender committee;

3) publication (posting) on the web portal of the tender notice and tender documentation within the periods provided for by the procurement legislation of the Member State, but not less than 15 calendar days before the deadline for the submission of tender bids. In case of changes in the tender notice and/or tender documentation, the deadline for the submission of bids shall be extended so as to ensure that the period between the date of publication (posting) of the changes on the web portal and the end date for

bid submission is not less than 10 calendar days. It shall not be allowed to change the subject of the procurement agreement (contract);

4) clarifications for provisions of the tender documentation and publication (posting) of such clarifications on the web portal not later than 3 calendar days before the deadline for the submission of bids. Clarifications for the provisions of the tender documentation shall be provided if requested not later than 5 calendar days before the deadline for the submission of tender bids;

5) submission of bids in the form of electronic documents into the electronic trading platform (e-platform) and/or the web portal;

6) opening and examination of bids by the tender committee for determining bids that meet the requirements of the tender documentation for the admission of potential suppliers to participate in the tender;

7) publication (posting) on the web portal of reports on the opening and examination of tender bids and admission of potential suppliers to participate in the tender and notification of each potential supplier on the results of the opening, examination and admission not later than on the day following the day of adoption of respective decisions by the tender committee;

8) evaluation and comparison of tender bids submitted by potential suppliers admitted to participation in the tender, as well as selection of the successful bidder and publication (posting) on the web portal of a respective report, informing each potential supplier on the results of such evaluation, comparison and determination of the successful bidder not later than on the day following the day of adoption of respective decisions by the tender committee;

9) conclusion of a procurement agreement (contract) under the terms specified in the tender bid of the potential supplier selected as the successful

bidder and in the tender documentation not earlier than 10 calendar or business days and not later than 30 calendar days from the date of adoption of the decision on the selection of the successful bidder or invalidation of the tender in cases specified by the procurement legislation of the Member State. Procurement legislation of a Member State shall also establish the procedure and priority of conclusion of a procurement agreement (contract) between the customer and a potential supplier based on the need to conclude the procurement agreement (contract) with a potential supplier offering the best terms for the implementation of the procurement agreement (contract), as well as customer procedures in the event of invalidation of the tender;

10) publication (posting) of information on the result of the tender on the electronic trading platform (e-platform) and/or the web portal and informing each potential supplier of the outcome of the tender not later than on the day following the day of adoption of respective decisions by the tender committee.

3. In the course of a tender providing for pre qualification of bidders, the requirements referred to in paragraphs 1 and 2 of this Annex shall apply, taking into account the following specific features:

1) the successful bidder shall be selected from among the potential suppliers having passed the pre qualification;

2) the additional requirements shall apply to potential suppliers and suppliers for the purposes of pre qualification and may not be used as a criterion for the evaluation and comparison of tender bids.

4. In the cases and in the procedure determined by the procurement legislation of the Member State, a tender may be held under two-stage procedures.

The first stage of the tender shall include preparation by an expert (expert committee) of the technical specification for goods, works and services procured on the basis of technical proposals of potential suppliers developed in accordance with the customer's specifications.

The second stage of the two-stage tender procedures shall involve the tender activities provided for conducting a tender subject to the requirements specified in paragraphs 1 and 2 of this Annex.

5. In order to apply the method of request for pricing (request for quotations), the procurement legislation of the Member State shall set a limit initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement), including for the procurement of goods, works and services listed in Annexes 2 and 4 to the Protocol on the Procedure for Regulating Procurement (Annex 25 to the Treaty on the Eurasian Economic Union).

The successful bidder under request for pricing (request for quotations) shall be the potential supplier offering the lowest price of the procurement agreement (contract).

Any Member State shall seek to convert from the request for pricing (request for quotations) to the predominant auction process.

In case of procurement under the request for pricing (request for quotations) a respective notice shall be published (posted) on the web portal within the terms determined by the procurement legislation of the Member State, but not less than 4 business days before the deadline for the submission of applications for participation in request for pricing (request for quotations) process.

Reports of the committee compiled in the course of request for pricing (request for quotations) process shall be published (posted) on the electronic

trading platform (e-platform) and/or web portal; notifications of decisions taken by the quotation committee shall be sent to each potential supplier not later than on the day following the date of their adoption.

6. Procurement under the request for proposals process may only be conducted in respect of goods, works and services provided for by Annex 2 to the Protocol on the Procedure for Regulating Procurement (Annex 25 to the Treaty on the Eurasian Economic Union).

The successful bidder of the request for proposals process shall be the potential supplier offering the best terms and conditions for the implementation of the procurement agreement (contract) in accordance with the procurement legislation of the Member State.

In case of procurement under the request for proposals process, a respective notice shall be published (posted) on the web portal within the terms determined by the procurement legislation of the Member State, but not less than 5 business days before the deadline for the submission of the request for proposals bids.

Reports of the committee compiled in the course of the request for proposals process shall be published (posted) on the web portal; notifications of decisions taken by the committee shall be sent to each potential supplier not later than on the day following the date of their adoption.

7. In order to participate in auctions, potential suppliers shall be subject to mandatory accreditation on the web portal and/or electronic trading platform (e-platform) for a period of at least 3 years, if provided for by the procurement legislation of the Member State.

The successful bidder at an auction shall be the potential supplier offering the lowest price of the procurement agreement (contract) and complying with requirements of the auction documentation.

8. An auction shall be held subject to the following requirements:

1) approval of the auction documentation;

2) approval of the auction committee;

3) publication (posting) on the electronic trading platform (e-platform) and/or the web portal of the respective auction notice and tender documentation within the terms provided for by the procurement legislation of the Member State, but not less than 15 calendar days before the deadline for the submission of auction bids. In case of changes in the auction notice and/or auction documentation, the deadline for the submission of auction bids shall be extended so as to ensure that the period between the date of publication (posting) of the changes on the electronic trading platform (e-platform) and/or the web portal and the end date for bid submission is not less than 7 calendar days. It shall not be allowed to change the scope of the procurement agreement (contract). If the procurement legislation of a Member State provides for the initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement) at which the auction may be held within a shorter period, the procurement legislation of the Member State may determine shorter periods for the submission of auction bids than provided for by this sub-paragraph, but not less than 7 calendar days before the deadline for the submission of auction bids, and in case of changes in the auction documentation, not less than 3 calendar days before the deadline for the submission of auction bids from the date of publication (posting) of such changes on the electronic trading platform (e-platform) and/or the web portal;

4) clarifications for provisions of the auction documentation and publication (posting) of such clarifications on the electronic trading platform (e-platform) and/or on the web portal not later than 3 calendar days before

the deadline for the submission of auction bids. Clarifications for the provisions of the auction documentation shall be provided if requested not later than 5 calendar days before the deadline for the submission of auction bids;

5) submission of auction bids in the form of electronic documents into the electronic trading platform (e-platform) and/or the web portal;

6) opening and examining of bids by the auction committee in order to determine compliance of the bids with the requirements of the auction documentation with regard to admission of the respective potential suppliers to the procedure set forth in sub-paragraph 8 of this paragraph;

7) publication (posting) on the electronic trading platform (e-platform) and/or on the web portal of reports on the opening and examination of auction bids and admission of potential suppliers to participate in the procedure specified in sub-paragraph 8 of this paragraph and notification of each potential supplier on the results of the opening, examination and admission not later than on the day following the day of adoption of respective decisions by the auction committee;

8) holding of a procedure to reduce the initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement) by means of an auction for price reduction. In this case, the procurement legislation of a Member State may provide for that in case of price reduction for the procurement agreement (contract) of up to 0.5 percent of the initial (maximum) price of the procurement agreement (contract) (the estimated cost of procurement) and lower, the auction shall proceed by increasing the price of the procurement agreement (contract) to be paid, in this case, to the customer by the supplier;

9) publication (posting) of the report on the results of the procedure referred to in sub-paragraph 8 of this paragraph on the electronic trading platform (e-platform) and/or the web portal and notification of each potential supplier of the results of this procedure on the day of its completion;

10) examination by the auction committee of the auction bids submitted by potential suppliers participating in the procedure referred to in sub-paragraph 8 of this paragraph in order to identify the potential suppliers that meet the requirements provided for by the auction documentation and determine the successful bidder, as well as publication (posting) of the respective report on the electronic trading platform (e-platform) and/or the web portal and notification of each potential supplier of the results of this examination and identification of the successful bidder of the auction not later than on the day following the date of adoption of the respective decisions by the auction committee;

11) conclusion of the procurement agreement (contract) under the terms conditions specified in the auction bid of the potential supplier selected as the successful bidder and in the auction documentation at the price of the procurement agreement (contract) offered by this potential supplier according to the report on the results of the procedure specified in sub-paragraph 8 of this paragraph, not earlier than 10 calendar or business days or not later than 30 calendar days from the date of the decision on the successful bidder of the auction or invalidation of the auction in cases specified by the procurement legislation of the Member State. The procurement legislation of a Member State shall also determine the procedure and priority of conclusion of a procurement agreement (contract) between the customer and a potential supplier based on the need to conclude the procurement agreement (contract) with a potential supplier offering the lowest price for the execution of the

procurement agreement (contract), as well as customer procedures in the event of invalidation of the auction;

12) publication (posting) of information on the result of the auction on the electronic trading platform (e-platform) and/or the web portal and informing each potential supplier of the outcome of the auction not later than on the day following the day of adoption of respective decisions by the auction committee.

9. If provided for by the procurement legislation of a Member State, procurement may be conducted without application of the rules governing the selection of a supplier and conclusion of the procurement agreement (contract). Such procurement shall be conducted under the civil law of the Member State in the cases provided for by Annex 3 to the Protocol on the Procedure for Regulating Procurement (Annex 25 to the Treaty on the Eurasian Economic Union).

10. Procurement from a single source or a single supplier (contractor, executor) shall be carried out upon completion of the respective calculation and justification of the price of the procurement agreement (contract).

Requirements for the publication of information on procurement from a single source or a single supplier (contractor, executor) shall be specified in the procurement legislation of the Member State.

Annex 2
to the Protocol on the
Procedure for Regulating
Procurement

List of
Cases Requiring Procurement under the Request for Proposals Process

1. Procurement of goods, works or services that are the subject of a procurement agreement (contract) terminated by the customer subject to the requirements of paragraph 22 of the Protocol on the Procedure for Regulating Procurement (Annex 25 to the Treaty on the Eurasian Economic Union). In such case, if prior to the termination of the procurement agreement (contract), the supplier has partially fulfilled its obligations provided for by the procurement agreement (contract), at the conclusion of a new procurement agreement (contract) on the basis of this paragraph, the quantity of goods supplied, the volume of works performed or services provided shall be reduced taking into account the quantity of goods supplied, the volume of works performed or services provided under the terminated procurement agreement (contract), and the price of the procurement agreement (contract) shall be reduced in proportion to the quantity of goods supplied, the volume of works performed or services provided.

2. Procurement of medicines required for administration to a patient on medical indications (idiosyncrasy, for life-saving reasons) by decision of a medical commission to be recorded in the medical records of the patient and the journal of the medical commission. In this case the amount of medicines procured shall not exceed the amount of medicines required by the patient

within the period of treatment. Moreover, in case of procurement under this paragraph, the scope of the respective procurement agreement (contract) may not include medicines required for administration to two or more patients.

Annex 3
to the Protocol on the
Procedure for Regulating
Procurement

List of
Cases Requiring Procurement from a Single Source or a Single Supplier (Executor, Contractor)

1. Procurement of services related to the sphere of business of natural monopolies, except for services for the sales of liquefied natural gas and connection (junction) to engineering and technical services under price (tariff) regulation in accordance with the legislation of the Member State, power supply services or purchase and sale of electricity (power) with a guaranteed electricity (power) supplier.

2. Procurement of services for the storage and import (export) of narcotic drugs and psychotropic substances.

3. Acquisition of goods, works and services at prices (tariffs) set by the legislation of the Member State.

4. Supply of cultural property (including museum objects and collections, as well as rare and valuable books, manuscripts, archival documents, including copies of historical, artistic or other cultural significance) intended to supplement public museums, library, archives, cinematographic and photography funds and other similar funds.

5. Performing of work related to mobilisation training.

6. Acquisition of goods, works and services from a particular person specified in legislative acts of the Member State, as well as acquisition of goods, works and services that may be supplied, performed or rendered exclusively by executive authorities in accordance with their powers or by

their subordinate state institutions, state (unitary) enterprises and juridical persons in which 100 percent of the voting shares (ownership interests) belong to the state, the appropriate powers of which are determined by legislative acts of the Member State and acts of the head of the Member State.

7. Acquisition of certain goods, works and services as a result of occurrence of force majeure, including emergencies (emergency containment and/or emergency response), accidents, need of urgent medical intervention, when other, more time-consuming types of procurement are inappropriate.

8. Acquisition of goods, works and services from institutions and enterprises of the penal enforcement system, medical and industrial (labour) dispensaries and medical and industrial (labour) workshops, as well as from organisations established by public associations of persons with disabilities, in which the number of disabled persons in the staff listing is not less than 50 percent.

9. Acquisition by an institution executing punishment of raw materials, supplies and components for the production of goods, works and services for the purposes of employment of convicts on the basis of agreements concluded with juridical persons, subject to the acquisition by the said institution of such raw materials, supplies and components at the expense of funds provided for by these agreements.

10. Procurement based on the results of invalidated procurement procedures (in cases provided for by the procurement legislation of the Member State).

11. Communication services for the purposes of national defence and national security, as well as law enforcement.

12. Determination of the maximum amount of transactions (or quarterly or annual limit volume) that may be set by the legislation of a Member State and that allows procurement from a single source or a single supplier (executor, contractor); in this case the said amount shall not be determined individually (the Member States shall seek to minimise this threshold in order to maximise access to procurement for potential suppliers).

13. Placing an order for the supply of weapons and military equipment from a single supplier in accordance with the legislation of a Member State, as well as acquisition of works and services for the repairs (modernisation) of weapons, military and special equipment.

14. Specific procurement from a potential supplier specified in a decree or disposition of the Head of the Member State, a disposition of the highest executive authority of the Member State or by decision or instruction of the head of the Member State. Decisions and actions regarding the adoption of such acts shall be implemented in the procedure stipulated in paragraphs 32 and 33 of the Protocol on the Procedure for Regulating Procurement (Annex 25 to the Treaty on the Eurasian Economic Union).

15. Acquisition of works of art and literature of certain authors (except for the acquisition of film projects for distribution), performances of specific performers, phonograms of specific producers in cases when a single person holds the exclusive rights to such works, performances or phonograms.

16. Subscription to certain periodic printed and electronic publications, as well as procurement of printed and electronic publications of certain authors, rendering of services to provide access to electronic publications for the activities of state and municipal educational institutions, state and municipal libraries, public research organisations, publishers of printed and

electronic publications if the specified publishers hold exclusive rights to the use of such publications.

17. Placing an order for a visit to a zoo, theatre, cinema, concert, circus, museum, exhibition and sporting event, as well as conclusion of a procurement agreement (contract) for the provision of services for the sale of tickets and season tickets to visit theatres, cultural, educational and entertainment activities, excursion tickets and sightseeing tours.

18. Acquisition of materials of exhibitions, seminars, conferences, meetings, forums, workshops, trainings and payment for participation in these activities, as well as conclusion of a procurement agreement (contract) for the services to participate in an event held as required by multiple customers with a supplier (contractor, executor) selected by the customer that is the organiser of the event, in the procedure determined by the legislation of the Member State.

19. Procurement of teaching services and the services of a guide from natural persons.

20. Placing an order by a theatre or entertainment organisation, museum, club, cinematographic organisation or any other cultural organisation, educational institution in the sphere of culture, or a broadcasting organisations with a specific natural person or specific natural persons, such as screenplay writers, actors, performers, choreographers, hosts of television or radio programmes, designers, conductors, playwrights, animal trainers, composers, accompanists, libretto authors, film operators, video and sound operators, writers, poets, directors, tutors, sculptors, choreographers, chorus masters, painters and other artists to create or perform works of literature or art, as well as from a specific natural person, including an individual entrepreneur, or a juridical person for the manufacture and

supply of scenery, stage furniture, stage costumes (including hats and footwear) and materials required to create scenery and costumes, as well as theatrical props, make-up, wigs and puppets required for the creation and/or performance of works by organisations referred to in this paragraph.

21. Procurement of services for the designer control over the development of design documentation for capital construction, designer supervision of construction, reconstruction and overhaul of capital construction by respective designers.

22. Placing an order to carry out technical and architectural supervision over the preservation of cultural heritage (monuments of history and culture) of the peoples of the Member States.

23. Procurement of services related to business trips of employees, trips of students and post-graduate students to participate in creative contests (contests, competitions, festivals, games), exhibitions, open-airs, conferences, forums, workshops, internships, educational practical workshops, including their delivery to the venue of these events and back, rent of accommodations, transportation services, meals, as well as goods, works and services related to hospitality expenditures.

24. Placing an order for the provision of services related to support of the visits of heads of foreign states, heads of foreign governments, international organisations, parliamentary delegations, government delegations, and foreign delegations (hotel services, transportations, maintenance of computer equipment, meals).

25. Acquisition of goods, works and services required to ensure the safety and security of a head of a Member State and other protected persons and objects intended for the stay of protected persons (household services, hotel services, transportations, maintenance of computer equipment, sanitary

and epidemiological well-being, safe meals) as well as services for the creation of a video archive and information support of activities of the head of the Member State.

26. Procurement of tangible assets sold from state and mobilisation material reserves.

27. When the customer, having procured goods from a particular supplier, requires an additional quantity of the respective goods, if the quantity of additionally procured goods does not exceed 10 percent of the quantity of goods procured under the procurement agreement (contract) (unit price of additional goods to be supplied shall be determined by dividing the original price of the contract by the quantity of such goods provided for by the contract).

28. Procurement of management services for an apartment building at the option of the owners of premises in the apartment building or of the local authority in accordance with the housing legislation of the management organisation, if premises in the apartment building are privately owned or represent state or municipal property.

29. Conclusion of a procurement agreement (contract) to acquire a non-residential building, structure or premises specified in act in accordance with the legislation of the Member State, as well as lease of a non-residential building, structure or premises, procurement of services for technical maintenance, security and management of the leased premises, procurement of services for technical maintenance, security and management of one or more non-residential premises handed over for the free use to a state or municipal customer, if these services are provided to another person or persons using the non-residential premises located in a building including the premises handed over for the free use and/or operational management.

30. Required procurement to cover daily and/or weekly requirements for the period before the results of procurement and entry into force of the procurement agreement (contract), if such procurement is conducted within the first month of the year as per the list determined by the legislation of the Member State. In this case, the volume of procurement may not exceed the quantity of goods, the volume of works and services required to meet the demands of the customer during the term of the procurement, but not more than 2 months.

31. Acquisition of goods, works and services for the implementation of operational investigative activities, investigative actions by duly authorised authorities in order to ensure the safety of persons subject to state protection, in accordance with the legislation of the Member State, as well as services of officials and experts with the required scientific and technical or other specialised knowledge.

32. Acquisition of the rights of management of natural resources.

33. Acquisition of training, retraining and advanced training services for employees abroad.

34. Acquisition of services of rating agencies and financial services.

35. Acquisition of services of specialised libraries for blind and visually impaired individuals.

36. Acquisition of securities and shares in the authorised capital (authorised fund) of juridical persons.

37. Acquisition of goods, works and services required for holding elections and referendums in a Member State according to the list provided by the legislation of the Member State.

38. Acquisition of goods, works and services under international treaties of the Member States according to the list approved by the supreme

executive authority of the Member State, as well as within the implementation of investment projects financed by international organisations acceded to by the Member State.

39. Conclusion of an agreement (contract) for the procurement of geodetic, cartographic, topographic and hydrographic support for delimitation, demarcation and checking the state border, as well as maritime delimitation, in order to fulfil international obligations of the Member State.

40. Acquisition of goods, works and services related to the use of monetary grants provided to the supreme executive authorities of the Member State free of charge by states, governments, international and national organisations, foreign non-governmental organisations and foundations operating on a charitable and international basis, as well as of monetary funds allocated to co-finance these grants in cases where respective agreements provide for other procedures for the acquisition of goods, works and services.

41. Acquisition of services under a state educational order for natural persons (if the natural person has independently selected the educational organisation).

42. Acquisition of services for the medical treatment of nationals of the Member States abroad, as well as services for their transportation and support.

43. Acquisition of goods and services that are objects of intellectual property from a person holding the exclusive rights in respect of the goods and services procured.

44. Acquisition of goods, works and services by foreign establishments of the Member States and separate subdivisions of customers acting on their behalf for the purposes of their activities on the territory of a foreign state, as well as for peacekeeping operations.

45. Acquisition of services for the provision of information by international news organisations.

46. Acquisition of goods, works and services required for the implementation of monetary activities, as well as activities to manage the national fund of the Member State and pension assets.

47. Acquisition of consulting and legal services to protect and represent the interests of the state or customers in international arbitration, international commercial arbitration and international courts.

48. Acquisition of trust management services for property from a person determined under the legislation of the Member State.

49. Acquisition of statistical data processing services.

50. Acquisition of property (assets) sold at auctions by bailiffs in accordance with the legislation of the Member State on enforcement proceedings conducted in accordance with the legislation of the Member State on bankruptcy, land and state property privatisation.

51. Acquisition of services rendered by lawyers to persons entitled to receive such services free of charge in accordance with the legislation of the Member State.

52. Acquisition of goods into the state material reserve in order to exert a regulatory impact on the market in the events determined by the legislation of the Member State.

53. Acquisition of services for the storage of material values of the state material reserve.

54. Acquisition of services for the preparation of astronauts and organisation of space missions of astronauts in cases determined by the legislation of the Member State, as well as services for the design, assembly and testing of spacecraft.

55. Acquisition of services for the repairs of aviation equipment at specialised maintenance enterprises.

56. Acquisition of services for the manufacture of state and departmental awards and departmental supporting documents thereto, badges of deputies of the legislative authority of the Member State and supporting documents thereto, state verification marks, passports (including official and diplomatic passports), identity cards of nationals of the Member State, residence permits for foreigners in the Member State, identity cards for stateless persons, certificates of registration of civil status, as well as purchase from suppliers selected by the supreme executive authority of the Member State of printed materials requiring a special degree of protection, according to the list approved by the supreme executive authority of the Member State.

57. Procurement of precious metals and precious stones to supplement the state funds of precious metals and precious stones.

58. Acquisition of services for compulsory medical examinations of employees engaged in heavy works or works under harmful (particularly harmful) and/or dangerous working conditions, as well as works associated with increased risk and the use of machinery and equipment.

59. Acquisition of sports gear and equipment, sports outfits required for the participation in and/or preparation of national sports teams of the Member State, as well as for the national sport teams of the Member State to attend the Olympic, Paralympic, Deaflympic Games and other international sports events on the basis of the calendar plan approved by the authority of state administration governing this sphere.

60. Acquisition of goods, works and services using the funds allocated from the reserve of the heads of the Member State or head of the government

of the Member State for immediate expenses in situations that threaten the political, economic and social stability of the Member State or its administrative-territorial entity.

61. Acquisition of goods, works and services required for the operation of special forces of law enforcement and special state authorities related to detection and neutralisation of explosives and explosive devices, conducting anti-terrorist operations, as well as special operations for the release of hostages, detention and neutralisation of armed criminals, extremist terrorists and members of organised criminal groups, perpetrators of serious and particularly serious crimes.

62. Acquisition of special social services stipulated by the guaranteed scope of social services provided to persons (families consisting of persons) with permanent disabilities caused by physical and/or mental disabilities and/or persons of no fixed abode, as well as persons (families consisting of persons) unable to look after themselves due to old age, as well as services for assessing and determining the requirement for such special social services.

63. Acquisition of products of folk arts and crafts in cases specified by the legislation of the Member State.

Annex 4
to the Protocol on the
Procedure for Regulating
Procurement

List of
Goods, Works and Services Procured using the Auction Process

1. Agricultural products, hunting products, agricultural and hunting services, except for live animals, products and services related to hunting, fishing and game propagation, as well as hunting products.*

2. Products of forestry and logging, forestry and logging services.

3. Fishing products, products of fish hatcheries and fish farms, fishing-related services. *

4. Coal, lignite and peat.

5. Crude oil and natural gas, their mining services, except for surveying.

6. Metal ores.

7. Stone, clay, sand and other types of mineral raw materials.

8. Food products and beverages.*

9. Textiles and textile products.

10. Clothing, furs and fur products, with the exception of children's clothing.

11. Leather and leather goods, saddlery and footwear.

12. Wood, wood products, cork, straw and plaiting products, except furniture.

13. Pulp, paper, paperboard and products manufactured thereof.

14. Printing and publishing products, except for promotional materials, drawings, draftings, printed photos, souvenir and gift sets (pads and notebooks), voting ballots for elections and referendums.

15. Coke oven products.

16. Organic and inorganic synthesis products.

17. Rubber and plastic products.

18. Other non-metallic mineral products, except for household glass, products for interiors, as well as non-construction non-flameproof ceramic products.

19. Metal industry products.

20. Metal products, except for machinery, equipment, nuclear reactors and parts of nuclear reactors, accelerators of charged particles.

21. Machinery and equipment not included in other categories, except for weapons, ammunition and parts thereof, explosives and explosives used for national economic purposes.

22. Office appliances and computer equipment.

23. Electric motors and electrical equipment (including electrical devices) not included in any other categories.

24. Equipment and instruments for radio, television and communications.

25. Medical equipment and instruments, measuring instruments, photographic and video equipment (except for the medical equipment and medical devices specified in the procurement legislation of the Member State).

26. Motor vehicles, trailers and semi-trailers, car bodies, parts and accessories for motor vehicles, garage equipment.

27. Vehicles other than commercial and passenger vessels, warships, aircraft and space vehicles, aircraft equipment and parts.

28. Finished products, except for jewellery and related goods, musical instruments, games and toys, equipment for training in labour processes, teaching aids and equipment for schools, products of arts and crafts, works of art and collectibles, exposed film, human hair, animal hair, synthetic hair and articles thereof.

29. Waste and scrap metal in a form suitable for use as new raw materials.

30. Trade, maintenance and repairs of motor vehicles and motorcycles services .

31. Wholesale and commission trade services, except for motor vehicles and motorcycles services.

32. Overland transportation services, except for rail transportation, subway transportation and pipeline transmission services.

33. Water transportation services.

34 Auxiliary and additional transportation services, services in the field of tourism and sightseeing, except for the services of travel agencies and other services to assist tourists.

35. Communication services, except for courier services, except for the services of the national mail, telecommunications services.

36. Financial intermediation services, except for insurance and pension services, services for the arrangement of bonds.

37. Auxiliary services to financial intermediation, except for valuation services.

38. Maintenance and repair services for office equipment, computers and related peripheral devices.

39. Cleaning services in buildings.

40. Packaging services.

41. Waste disposal services, sanitary processing and similar services.

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*Except for procurement by children's educational organisations, health care organisations, social service establishments and children's recreation organisations, and catering services for these establishments and organisations.

ANNEX 26
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Protection and Enforcement of Intellectual Property Rights

I. General Provisions

1. This Protocol has been developed in accordance with Section XXIII of the Treaty on the Eurasian Economic Union and governs relations in the sphere of protection and enforcement of intellectual property rights.

2. For the purposes of this Protocol the intellectual property shall refer to works of science, literature and art, programmes for electronic computers (computer programmes), phonograms, performances,, trademarks and service marks, geographical indications, appellations of origin of goods, inventions, utility models,, industrial designs, selection achievements, integrated circuit topologies, production secrets (know-how), as well as other intellectual property entitled to legal protection in accordance with international treaties, international treaties and acts constituting the law of the Union and the legislation of the Member States.

II. Copyright and Related Rights

3. Copyright shall apply to works of science, literature and art. The author of a work shall hold, in particular, the following rights:

1) the exclusive right to the work;

2) the right of authorship;

3) the right to the name;

4) the right to inviolability of the work;

5) the right to disclosure of the work;

6) other rights determined by the legislation of the Member States.

4. The Member States shall ensure compliance with the periods of protection of the exclusive rights to works of an author, the exclusive rights to works of joint authorship, and the exclusive rights to works published after the author's death, which shall not be less than the deadlines set by the Berne Convention for the Protection of Literary and Artistic Works of September 9, 1886 (as amended in 1971) and the World Trade Organisation Agreement on Trade-Related Aspects of Intellectual Property Rights of April 15, 1994. The legislation of the Member States may determine longer periods for the protection of these rights.

Programmes for electronic computers (computer programmes), including the source code and object code, shall be protected similarly to literary works under the Berne Convention for the Protection of Literary and Artistic Works of September 9, 1886 (as amended in 1971).

Composite works (encyclopaedias, compilations and other works) representing creative products by selection or arrangement of content shall be protected without prejudice to the rights of authors of each work forming part of the composite work. The author of a composite work shall hold the copyright for the compilation thereof (selection and arrangement of the material). Composite works shall be protected by copyright, regardless of whether the items they are based on or composed of are subject to the copyright protection.

Derivative works (translations, adaptations, arrangements of music and other alterations of a literary or artistic works) shall be protected similarly to

the original works without prejudice to the rights of the authors of the original works. The author of a derivative work shall hold the copyright to the effected translation and other adaptation of the other (original) work.

5. The Member States shall grant the holders of rights in respect to cinematographic works the right to authorise or prohibit the commercial rental to the public of the originals or copies of their copyrighted works on the territory of other Member States.

6. Property and personal non-property rights to the results of performing activities (performances), phonograms and other rights determined by the legislation of the Member States shall be related to the copyright (related rights).

Performers shall refer to natural persons having created a performance as a result of their creative work, including artistic performers (actors, singers, musicians, dancers or other persons performing a role, reading, reciting, singing, playing a musical instrument or otherwise involved in the execution of works of literature, art or folk art, including variety, circus or puppet shows), as well as directors of plays (persons having directed a theatre performance, a circus show, a puppet show, a variety show or another type of dramatic or entertaining performance) and conductors.

The Member States shall, on a reciprocal basis, grant to performers of the Member States the following rights:

the exclusive right to the performance;

the right to the name, implying the right to put own name or nickname on copies of phonograms and in other cases of use of the performance, the right to specify the name of a group of performers, except when the use of the performance prevents specification of the name of the performer or a group of performers;

other rights determined by the legislation of the Member States.

7. Performers shall exercise their rights respecting the rights of the authors of pieces performed. The rights of a performer shall be recognised and shall be valid independently of the presence and effect of the copyright to the pieces performed.

8. The producer (manufacturer) of a phonogram shall be a person having taken the initiative and responsibility for the first recording of the sounds of a performance or other sounds, or representations of the sounds. In the absence of proof to the contrary, the producer (manufacturer) of a phonogram shall be the person the name or designation of which is indicated in the usual manner on a copy of the phonogram and/or on its packaging.

The Member States shall grant to the producers (manufacturers) of phonograms of the Member States the following rights:

the exclusive right to the phonogram;

other rights determined by the legislation of the Member States.

9. The Member States shall ensure compliance with the period of protection of the exclusive rights for performances and phonograms, which shall not be less than the deadlines set by the World Trade Organisation Agreement on Trade-Related Aspects of Intellectual Property Rights of April 15, 1994 and the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations of October 26, 1961. The legislation of the Member States may determine longer periods for the protection of these rights.

10. An organisation for collective management of rights shall be an organisation acting on the basis of the powers obtained from authors, performers, producers (manufacturers) of phonograms and other holders of copyright and related rights, unless otherwise provided for by the legislation

of the Member States, as well as the powers obtained from other organisations for collective management of rights, in the management of the relevant rights on a collective basis, in order to ensure that authors and other rightholders obtain remunerations for the use of objects of copyright and related rights.

All relations arising in connection with the activities of organisations for collective management of rights in order to enable the fair use of copyright and related rights shall be governed by an international treaty within the Union.

III. Trademarks and Service Marks

11. A trademark and service mark (hereinafter - "a trademark") shall refer to a designation protected in accordance with the legislation of the Member State and international treaties acceded to by the Member States and serving for individualisation of goods and/or services of participants in civil circulation of goods and/or services from goods and/or services of other participants in civil commerce.

in accordance with the legislation of the Member States, a trademark may be registered as a verbal, visual, three-dimensional and other designations or combinations thereof. A trademark may be registered in any colour or a combination of colours.

12. The right holder of a trademark shall have the exclusive right to use the trademark in accordance with the legislation of the Member State, shall be entitled to dispose of this exclusive right, and shall have the right to prevent other persons from using the trademark or a designation similar to the point of confusion in relation to homogeneous goods and/or services.

13. The period of validity of the initial registration of a trademark shall be 10 years. This period may be extended an unlimited number of times upon request of the right holder, each time for a period of at least 10 years.

Legal protection of a trademark may be terminated early on the territory of a Member State in respect of all goods and/or services or part thereof, for the individualisation of which the trademark is registered on the territory of the Member State, as a result of non-use of the trademark continuously for any period of 3 years after its registration in the manner provided for by the legislation of the Member State, except in cases of non-use of the trademark for reasons beyond the control of the right holder.

Legal protection of a trademark may be challenged and invalidated in the procedure and on the grounds provided for by the legislation of the Member State of registration of the trademark.

IV. Trademarks of the Eurasian Economic Union and Service Marks of the Eurasian Economic Union

14. The Member States shall register the trademark of the Eurasian Economic Union and the service mark of the Eurasian Economic Union (hereinafter - "the trademark of the Union"). The trademark of the Union shall enjoy legal protection simultaneously on the territories of all Member States.

Only a designation presented in graphical form may be registered as the trademark of the Union.

The rightholder of the trademark of the Union shall have the exclusive right to use the trademark of the Union in accordance with the legislation of the Member States, and shall be entitled to dispose of this exclusive right, as well as shall be entitled to prevent other persons from using the trademark of

the Union or a designation similar to it to the point of confusion in relation to homogeneous goods and/or services.

15. The relations arising in connection with the registration, legal protection and use of the trademark of the Union on the territories of the Member States shall be governed by an international treaty within the Union.

V. Principle of Exhaustion of the Exclusive Right for a Trademark and the Trademark of the Union

16. The principle of exhaustion of the exclusive right to a trademark and the trademark of the Union shall be applied on the territories of the Member States, in accordance with which the use of a trademark or the trademark of the Union in relation to goods lawfully put into civil circulation on the territory of any Member State directly by the right holder of the trademark and/or the trademark of the Union or other persons with its consent shall not be regarded as a violation of the exclusive rights to the trademark or the trademark of the Union.

VI. Geographical Indications

17. A geographical indication shall refer to a designation identifying goods as originating from the territory of a Member State, region or locality in that territory, if the quality, reputation or other characteristics of the goods are largely due to its geographical origin.

18. Geographical indication may be granted legal protection on the territory of a Member State, if such legal protection is provided for by the legislation of that Member State or international treaties to which it is a participant.

VII. Appellation of Origin of Goods

19. A legally protected appellation of origin of goods shall refer to a designation representing or containing contemporary or historical, formal or informal, full or abbreviated name of a country, urban or rural settlement, locality or other geographical object as well as a designation representing a derivative thereof that has become known as a result of its use in relation to goods the special properties of which are exclusively or mainly determined by any natural conditions and/or human factors specific to such a geographical area.

These provisions shall apply to a designation allowing the identification of goods as originating from a particular geographical object does not contain the name of this object, but has become known as a result of the use of the designation in respect of goods the special properties of which meet the requirements specified in the first indent of this paragraph.

20. Designations representing or containing the name of a geographical object, but have come into general use as designations of goods of a certain kind, not related to the place of their manufacture, shall not be regarded as appellations of origin of goods.

Legal protection of an appellation of origin of goods may be challenged and invalidated in the procedure and on the grounds provided for by the legislation of the Member States.

21. With regard to appellations of origin of goods, the Member States shall provide for legal remedies allowing the interested parties to prevent:

1) the use of any means in the designation or presentation of goods indicating or suggesting that the goods originate from a geographical area other than their true place of origin to the extent misleading for the consumers as to the place of origin and special properties of the goods;

2) any use thereof constituting an act of unfair competition within the meaning of Article 10-bis of the Paris Convention for the Protection of Industrial Property of March 20, 1883.

VIII. Appellation of Origin of Goods of the Eurasian Economic Union

22. The Member States shall register the appellation of origin of goods of the Eurasian Economic Union (hereinafter - "the appellation of origin of the goods of the Union"). The appellation of origin of goods of the Union shall enjoy legal protection simultaneously on the territories of all Member States.

23. All relations arising in connection with the registration, legal protection and use of the appellation of origin of goods of the Union on the territories of the Member States shall be governed by an international treaty within the Union.

IX. Patent Rights

24. The right to an invention, utility model or industrial design shall be protected in accordance with the legislation of the Member States and confirmed by a patent certifying the priority, authorship and exclusive right to the invention, utility model or industrial design.

25. The author of an invention, utility model or industrial design shall have the following rights:

1) the exclusive right to the invention, utility model, industrial design;

2) the right of authorship;

26. In the cases provided by the legislation of the Member States, the author of an invention, utility model or industrial design shall own such other

rights, including the right to obtain a patent, the right to remuneration for the use of the official invention, utility model or industrial design.

27. The period of validity of the exclusive right to an invention, utility model, industrial design shall be:

1) at least 20 years for inventions;

2) at least 5 years for utility models;

3) at least 5 years for industrial designs.

28. A patent for an invention, utility model or industrial design shall grant the patent holder the exclusive right to use the invention, utility model or industrial design in any manner not contrary to the legislation of the Member States, as well as the right to prohibit the use thereof by any other persons.

29. The Member States may provide for a restriction of the rights conferred by a patent, provided that such exceptions do not unreasonably prejudice the normal use of inventions, utility models and industrial designs and do not unreasonably prejudice the legitimate interests of the patent holder, taking into account the legitimate interests of third persons.

X. Selection Achievements

30. The rights to plant varieties and animal breeds (selection achievements) shall be protected in the cases and in the procedure determined by the legislation of the Member States.

31. The author of a selection achievement shall have the following rights:

1) the exclusive right to the selection achievement;

2) the right of authorship;

32. In cases provided for by the legislation of the Member States, the author of a selection achievement shall enjoy other rights, including the right to obtain a patent, the right to the name of the selection achievement, the right to remuneration for the use of the official selection achievement.

33. The period validity of the exclusive right to a selection achievement shall be at least 25 years for plant varieties and animal breeds.

XI. Topologies of Integrated Circuits

34. Integrated circuit topology shall refer to a spatial geometric arrangement of a set of elements of an integrated circuit and connections between them recorded on a tangible medium.

35. Intellectual property rights for integrated circuit topologies shall be protected in accordance with the legislation of the Member States.

36. The author of an integrated circuit topology shall be granted the following rights:

1) the exclusive right to the integrated circuit topology;

2) the right of authorship;

37. In the cases provided for by the legislation of the Member States, the author of an integrated circuit topology shall enjoy other rights, including the right to remuneration for the use of the official topology.

38. The period of validity of the exclusive right to an integrated circuit topology shall be 10 years.

XII. Production Secrets (Know-How)

39. Production secrets (know-how) shall refer to information of any kind (industrial, technical, economic, organisational data, etc.), including information on the results of intellectual activities in the scientific and

technical sphere, as well as information on the method of conducting professional activities having an actual or potential commercial value due to being unknown to third persons and legally inaccessible to third persons, with regard to which the holder of such information has defined the treatment of trade secret.

40. Legal protection of production secrets (know-how) shall be exercised in accordance with the legislation of the Member States.

XIII. Law Enforcement Measures for Protection of Intellectual Property Rights

41. Actions of the Member States to protect the rights of intellectual property within the Union shall be coordinated under an international treaty within the Union.

ANNEX 27
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Industrial Cooperation

1. The terms used in this Protocol shall have the following meanings:

"priority economic activities" means activities determined by all Member States as priorities for the implementation in the main directions of industrial cooperation;

"industrial cooperation" means strong and mutually beneficial cooperation between economic entities of the Member States in the field of industry;

"industrial policy within the Union" means activities of the Member States in the main directions of industrial cooperation conducted by the Member States both independently and in consultation and coordination of the Commission;

"industry" means a set of economic activities relating to the mining and manufacturing industries, except for food processing, in accordance with the national classifications of economic activities. Other industry types shall be governed by the relevant Sections of the Treaty on the Eurasian Economic Union;

"industrial cluster" means a group of interrelated industrial and related organisations complementing each other and thereby enhancing their competitive advantages;

"technology platform" means an object of the innovation infrastructure enabling efficient communication and the creation of advanced commercial

technologies, high-tech, innovative and competitive products based on the participation of all stakeholders (business, science, state and public organisations).

2. The Commission shall have the following powers when providing consultations and coordinating the activities of the Member States in the main directions of industrial cooperation within the Union:

1) assistance in:

exchange of information, holding of consultations, formation of joint platforms for discussion of issues related to the development of the main directions of industrial cooperation, including the promising areas of innovative activities;

development of proposals aimed at deepening cooperation between the Member States in the implementation of industrial policy within the Union;

exchange of experiences on issues related to the implementation of reforms and structural changes in the industry, encouraging innovation and industrial development;

development and implementation of joint programmes and projects;

development of exchange programmes for industrial complexes of the Member States;

involvement into industrial cooperation of small and medium-sized enterprises of the Member States;

information exchange;

development and implementation by the Member States of joint measures to counter the global economic crisis in the industry;

provision of recommendations on the formation of the Eurasian technology platforms.

2) implementation of:

submission to the Member States of recommendations on further development of industrial cooperation in the interests of each participant thereof;

monitoring and analysis of implementation of the Main Directions of Industrial Cooperation within the Union;

review of the international experience in industrial development in order to identify industrial development methods relevant for the Member States;

3) by decision of the Intergovernmental Council:

preparation of draft provisions on the development, financing and implementation of joint programmes and projects;

identification of administrative and other barriers to the development of industrial cooperation within the Union and development of proposals for their subsequent elimination;

preparation of proposals for the formation of cooperative manufacturing chains for joint manufacture of products;

monitoring of the market of industrial products within the Union, as well as of export markets of third countries;

analysis of the industrial development of the Member States;

joint development with the Member States of other (additional) documents, such as rules, orders and implementation mechanisms for the industrial policy within the Union in the main directions of industrial cooperation, as well as framework agreements on cooperation.

The above list of functions is not exhaustive and may be extended by decision of the Intergovernmental Council.

ANNEX 28

to the Treaty on the Eurasian Economic Union

PROTOCOL
on the Common Rules for granting of Industrial Subsidies

I. General Provisions

1. This Protocol has been developed in accordance with Article 93 of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") and shall determine the common rules governing the granting of subsidies for industrial goods, including in the provision or receipt of services that are directly related to the manufacture, sale (including storage and exportation from the territory of a Member State and transportation) and/or consumption of industrial goods.

2. The terms used in this Protocol shall have the following meanings:

"administrative-territorial entities" means constituent entities of the Russian Federation (including local self-governing authorities) and regions of the Republic of Belarus and the Republic of Kazakhstan (including the cities of Minsk, Astana and Almaty);

"like products" means – a goods that are entirely identical to the goods manufactured, exported from the territory of a Member State or transported under a specific subsidy or, in the absence of –such goods, any other goods with characteristics similar to goods manufactured, exported from the territory of a Member State or transported under a specific subsidy;

"compensatory measure" means a measure to neutralise the negative impact of a specific subsidy of a subsidising Member State on an economic sector of the Member State applying for the introduction of this measure;

"competent authority" means a state government authority of a Member State in charge of conducting investigations;

"material injury to a sector of the national economy" means deterioration, confirmed by evidence, of the situation in a national economic sector as a result of importation of industrial goods from the territory of the Member State that has provided a subsidy in the manufacture, transportation or storage of such goods, and expressed in the reduction in the volume of manufacture and sales of like products on the territory of a Member State, reduced profitability of the manufacture of such goods, a negative impact on inventories, employment, wages and the level of investment in such sector;

"national manufacturers of like products" means manufacturers of like products in the Member State conducting the investigation;

"sector of the national economy" means all manufacturers of like products in a Member State or those of them having a share in the total volume of manufacture of like products in the Member State of at least 25 percent;

"recipient of a subsidy" means a manufacturer of industrial goods that is the beneficiary of the subsidy;

"manufacturers of subsidised goods" means manufacturers of subsidised goods of the Member State that has provided a specific subsidy;

"industrial goods" means goods classified as group 25-97 goods in CN of FEA EAEU, as well as fish and fish products, except goods classified under CN of FEA EAEU as sub-items 2905 43 000 0 and 2905 44, items

3301, 3501 – 3505, sub-items 3809 10 and 3824 60, items 4101 – 4103, 4301, 5001 00 000 0 – 5003 00 000 0, 5101 – 5103, 5201 00 – 5203 00 000 0, 5301 and 5302 (sub-item 2905 43 000 0, mannitol; sub-item 2905 44, sorbite; item 3301, essential oils; items 3501 – 3505, albuminoid substances, modified starches, glues; sub-item 3809 10, surface treatments, sub-item 3824 60, sorbitol, other products, items 4101 – 4103, raw hides and skins; item 4301, undressed furs; items 5001 00 000 0 – 5003 00 000 0, raw silk and silk waste; items 5101 – 5103, wool and animal hair; sub-items 5201 00 – 5203 00 000 0, raw cotton, cotton waste, brushed cotton fibre; item 5301, raw flax; item 5302, raw hemp). The above goods description is not necessarily exhaustive.

Any changes to the list of CN of FEA EAEU codes shall be made by the Council of the Commission;

"subsidised goods" means industrial goods manufactured, transported, stored or exported from the territory of the subsidising Member State using a specific subsidy;

"subsidising Member State" means the Member State the subsidising authority of which provides a subsidy;

"subsidising authority" means one or more state authorities or local self-governing authorities of the Member States making decisions on the provision of subsidies;

"subsidy" means:

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:

a direct transfer of funds (for example, in the form of impaired and other loans), acquisition of a share in the authorised capital or its increase, 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 revenue 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 or 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;

"threat of material injury to a sector of the national economy" means inevitability, confirmed by evidence, of material injury to a sector of the national economy;

"damage to a sector of the national economy" means material injury to a sector of the national economy, a threat of material injury to a sector of the national economy or a significant slowdown in the creation of a sector of the national economy.

II. Specific Subsidies

3. In order to determine whether a subsidy is specific for an industrial enterprise or an industrial sector or for a group of industrial enterprises or industrial sectors (hereinafter "certain enterprises") within the territory of operation of a subsidising authority, the following principles shall apply:

1) if the subsidising authority or a legal act regulating the functioning of the subsidising authority limits access to a subsidy only to certain enterprises, such subsidy shall be deemed specific if the group of industrial enterprises or group of industrial sectors does not include all industrial enterprises or industrial sectors on the territory of the subsidising Member State;

2) if the subsidising authority or a legal act regulating the functioning of the subsidising authority establishes objective criteria or conditions (criteria which are neutral, do not create advantages for some enterprises as compared to other enterprises, are economic in nature and horizontal by the method of application, for example, in terms of the number of employees or the sizes of enterprises) determining the right to obtain a subsidy and its amount, such subsidy shall not be deemed specific, provided that the right to obtain the subsidy is automatic and that the above criteria and conditions are strictly adhered to. The criteria and conditions shall be specified in laws, regulations, legal acts or other official documents and shall be verifiable;

3) if there is reason to believe that a subsidy that seems non-specific based on the application of the principles set forth in sub-paragraphs 1 and 2 of this paragraph may in fact be specific, the following factors may be taken into account (subject to taking into consideration the degree of diversification

of economic activities within the territory of operation of the subsidising authority, as well as the effective period of such subsidy):

the use of the subsidy by a limited number of certain enterprises;

the predominant use of the subsidy by certain enterprises;

the provision of disproportionately large amounts of subsidies to some enterprises;

the method of discretisation applied by the subsidising authority when deciding on providing the subsidy (in this respect, in particular, information on the frequency of rejections or approvals of applications for subsidies and reasons for respective decisions shall be taken into account).

4. A subsidy, the use of which is limited to certain enterprises located within a designated geographical region forming a part of the territory of operation of the subsidising authority, shall be deemed specific. Introduction or modification by a state authority of a Member State of tax rates in force within the entire territory of its operation shall not be regarded as a specific subsidy.

5. Any subsidy falling under the provisions of Section III of this Protocol shall be deemed specific.

The specific nature of a subsidy shall be confirmed based on the evidence of the specificity of the subsidy in accordance with this section.

6. A Member State shall be entitled to apply to the Commission in order to agree on its provision of a specific subsidy.

The Member States shall not apply compensatory measures to subsidies that are provided for the period, on the terms and in the amounts approved by the Commission.

The Member States shall, on a mandatory basis, communicate to the Commission the regulatory legal acts providing for the provision of specific subsidies within the period determined under an international treaty within the Union and stipulated in paragraph 7 of this Protocol.

If a Member State has grounds to believe that provision of a specific subsidy by another Member State may damage a sector of the national economy, such Member State shall be entitled to initiate respective proceedings by the Commission.

If the results of the proceedings confirm the presence of damage to the sector of the national economy, the Commission shall decide that the Member State that provides such specific subsidy is obliged to eliminate the conditions leading to the damage, unless the Member States involved in the proceedings have agreed otherwise within the time limit determined under an international treaty within the Union and stipulated in paragraph 7 of this Protocol.

The Commission shall determine a reasonable time for the execution of such decision.

If a Member State in respect of which the above decision is adopted, fails to execute the decision of the Commission within the determined time limit, other Member States may apply to the Court of the Union.

The provisions of this paragraph shall be applied subject to the transitional provisions stipulated in paragraph 1 of Article 105 of the Treaty.

7. The Member States shall determine under an international treaty within the Union:

the procedure for the voluntary agreement with the Commission of specific subsidies and adoption by the Commission of relevant decisions;

the procedure for the Commission to hold the proceedings (including with regard to violations of the conditions, procedure for the provision and use of specific subsidies determined by this Protocol);

the criteria for the Commission to adopt decisions on admissibility or inadmissibility of specific subsidies (including taking into account the development of existing and new cooperative ties between manufactures of the Member States);

the procedure and terms for the Commission to request information on subsidies provided.

The date of entry into force of the international treaty is stipulated in paragraph 1 of Article 105 of the Treaty.

8. If a Member State has determined a requirement for the recipient of a subsidy (manufacturer) to perform certain technological operations in the manufacture of certain goods in order to obtain a specific subsidy, the implementation of such operations by a manufacturer of another Member State in other Member States shall be regarded as the proper discharge of such requirement in accordance with the procedure determined by the Supreme Council.

III. Prohibited Subsidies

9. The following types of subsidies shall be prohibited:

an export subsidy, that is, a subsidy contingent, as the sole or one of several conditions for its provision, with the results of the exportation of industrial goods from the territory of the Member State providing this subsidy to the territory of another Member State;

a replacement subsidy, that is, a subsidy contingent, as the sole or one of several conditions for its provision, with the use of industrial goods originating from the territory of the Member State providing this subsidy;

A subsidy shall be deemed contingent with an activity, in particular, if there is evidence of the fact that the provision of this subsidy that is not legally bound to the results of the exportation of industrial goods from the territory of the subsidising Member State or the use of industrial goods originating from the territory of such Member State is, in fact, associated with the actual or expected export (exportation) or export income (exportation income), or with the requirement for the use of industrial goods originating from the territory of the subsidising Member State.

The mere fact that a subsidy is provided to an economic entity effecting exportation may not serve as a grounds for its consideration as an export subsidy.

10. If provision of a specific subsidy by a Member State results in damage to a sector of the national economy of another Member State, such subsidy shall be prohibited.

Any damage to a sector of the national economy must be proved in accordance with section V of this Protocol.

11. The Member States shall not retain or introduce measures applied on the basis of a regulatory legal act or a legal act of a subsidising authority the observance of which is required in order to obtain specific subsidies and which comply with one of the following conditions:

1) shall contain requirements of:

procurement or use by an economic entity of industrial goods originating from the territory of the Member State introducing the measure or

from any local source specified by the subsidising authority (regardless of whether specific goods, their volume or value or the proportion of the volume or value of their local manufacture are specified);

restrictions on the procurement or use by an economic entity of industrial goods imported from the territory of any Member State in an amount related to the volumes or value of industrial goods exported by this economic entity and originating from the territory of the Member State introducing the measure;

2) shall restrict:

importation by an economic entity from the territory of any Member State of industrial goods used in local manufacture or related to such manufacture (including depending on the volume or value of goods originating from the territory of the Member State introducing the measure and exported by an economic entity to the territory of another Member State);

importation by an economic entity from the territory of any Member State of industrial goods used in local manufacture or related to such manufacture by restricting access of the economic entity to the currency of any Member State in the amount of such currency earnings due to the enterprise;

exportation by a economic entity of industrial goods into the territory of any Member State or sales by an economic entity of industrial goods on the territory of any Member State (depending on the specification of goods, their volume or value or proportion of the volume or value of their local manufacture by this economic entity).

12. Specific subsidies shall be prohibited if their provision leads to a serious infringement of the interests of any Member State. A serious

infringement of the interests of a Member State shall occur when a specific subsidy provided by another Member State results in:

1) displacement of like products from the market of the subsidising Member State or restraining of the increase in the importation of like products originating from the territory of any of the Member States into the market of the subsidising Member State;

2) displacement of like products originating from the territory of any Member State from the market of a third Member State or restraint of the increase in the import of such like products to the territory of a third Member State;

3) significant underpricing of industrial goods manufactured, transported or exported from the territory of the subsidising Member State using a specific subsidy as compared to the price of like products originating from the territory of another Member State on the same market of any of the Member States or a significant regulation of price increases, price reductions or lost sales in the same market.

13. A serious infringement of the interests referred to in paragraph 12 of this Protocol shall be determined in accordance with this Section and proved in accordance with section V of this Protocol.

14. The measures specified in paragraph 11 of this Protocol, as well as prohibited subsidies, including the following, shall not be provided or retained on the territories of the Member States (in this case, the export of goods shall refer to the exportation of goods from the territory of the subsidising Member State to the territory of another Member State):

1) programmes exempting an exporter from the mandatory sale to the Member State of part of foreign exchange revenues or permitting the use of

multiple exchange rates through partial depreciation of the national currency resulting in benefits for the exporter due to the exchange rate differences;

2) internal transport and freight tariffs for export shipments imposed or collected by the Member State on more favourable terms as compared to those applied to transportations in the domestic market;

3) provision of goods and services used in the manufacture of exported goods on more favourable terms as compared to those applied in the manufacture of like products sold in the domestic market;

4) full or partial exemption, deferral or reduction of taxes or any other fees paid or payable by economic entities and contingent with the results of export or the use of goods originating from the territory of the Member State providing these benefits. A deferral, in this case, shall not represent a prohibited subsidy if penalties subject to payment are levied for the non-payment of taxes. Charging the value-added tax at a zero rate from exported goods shall not indicate a prohibited subsidy;

5) special deductions contingent with the results of export and reducing the tax base of goods to a greater extent as compared to like products sold in the domestic market;

6) exemption, reduction, deferral of taxes or special deductions applicable to calculate the tax base of goods and services used in the manufacture of exported goods to a greater extent as compared to the exemption, reduction, deferral of taxes or special deductions applicable to calculate the tax base for goods and services used in the manufacture of like products sold in the domestic market;

7) collection of customs duties for raw materials and other materials used in the manufacture of exported products at lower rates as compared to

the same raw materials and other materials used in the manufacture of like products for domestic consumption, or refund of customs duties for raw materials and materials used in the manufacture of exported products to a greater extent as compared to the same raw materials and other materials used in the manufacture of like products sold in the domestic market;

8) reduction or refund of import duties collected on imported raw materials and other materials used in the manufacture of products if the content of domestic raw materials or other materials in the manufactured products is mandatory (regardless of whether specific goods, their volume or value or proportion of the volume or value in their local manufacture are specified);

9) charging premiums insufficient to cover long-term operating costs and losses under export credit guarantee or insurance programmes, insurance or guarantee programmes against increase in the value of exported goods or currency risks;

10) granting export credits at rates below the rates the recipients of these credits would actually have to pay for the use of comparable credits (subject to the same period and currency of the credit, etc.) under the market conditions or repayment of all or part of the costs incurred by exporters or financial institutions in connection with obtaining the credits. Export credit practices complying with the provisions on interest rates of the Arrangement on Officially Supported Export Credits of the Organisation for Economic Cooperation and Development shall not be regarded as prohibited subsidies;

11) reduction in tariffs for electricity or energy sources sold to an enterprise, provided that such subsidies are contingent with the results of export or the use of domestic goods instead of imported goods.

15. The Commission, as guided by this Protocol, shall not approve any prohibited subsidies as permissible.

The provisions of this paragraph shall be applied subject to the transitional provisions stipulated in paragraph 1 of Article 105 of the Treaty.

16. If a Member State has a reason to believe that the subsidising authority of another Member State provides a prohibited subsidy and/or introduces measures required to obtain specific subsidies in accordance with this Protocol, the first Member State shall be entitled to apply to that other Member State requesting consultations on the cancellation of prohibited subsidies or measures.

17. If, within 2 months from the date of receipt over the official diplomatic channels of the notice of consultations specified in paragraph 16 of this Protocol, the Member States fail to reach a mutual agreement, the existing disagreements shall be resolved in accordance with Article 93 of the Treaty.

If, based on the results of dispute resolution, it is decided that one of the Member States provides a prohibited subsidy specified in paragraphs 9 and 12 of this Protocol and/or applies the measures referred to in paragraph 11 of this Protocol, this Member State shall cancel such prohibited subsidies or measures immediately, regardless of whether such prohibited subsidies or measures result in a damage to the national economy of other Member States, and shall introduce a compensatory measure in relation to such prohibited subsidies in accordance with paragraphs 89-94 of this Protocol.

18. Within a specified transition period, subsidising authorities shall be entitled to provide subsidies through application of measures in accordance with the Annex to this Protocol.

IV. Permissible Subsidies

19. Subsidies that are not prohibited and do not represent specific subsidies according to the this Protocol shall be recognised as permissible subsidies, the provision of which does not distort the mutual trade between the Member States.

The Member States may provide such subsidies without limitation and the provisions of this Protocol regarding the use of countervailing and response measures or prohibiting the provision of subsidies shall not apply in respect of such subsidies.

20. The Member States shall be entitled to provide subsidies provided for by this Section without the consent of the Commission.

The provisions of this paragraph shall be applied subject to the transitional provisions stipulated in paragraph 1 of Article 105 of the Treaty.

21. The subsidies specified in section VII of this Protocol that are specific under section II of this Protocol, but are recognised by the Member States as subsidies that do distort the mutual trade, shall not give grounds for the adoption of compensatory measures under Section VIII of this Protocol.

V. Investigation Procedure

22. Investigations aimed to analyse the conformity of subsidies provided on the territory of a Member State to the provisions of this Protocol, as well as to determine the existence of damage to a sector of the national economy as a result of importation of subsidised goods from the territory of the Member State that has provided the specific subsidy or displacement of

like products from the market of the subsidising Member State, shall be conducted by the competent authority following a written application filed in accordance with this Protocol by the national manufacturers of like products registered on the territory of that Member State or by the competent authority on its own initiative (hereinafter "the application").

23. The application shall be filed by the national manufacturer of like products or by an association of such manufacturers, including manufacturers comprising a sector of the national economy, as well as representatives of these persons duly authorised under the legislation of the Member State of registration of these representatives (hereinafter "the applicants").

24. The application shall include:

1) information on the applicant;

2) description of the goods (indicating the country of origin and the CN of FEA EAEU code);

3) information on the existence, nature and extent of the specific subsidy;

4) information on the manufacturers of subsidised goods;

5) information on the national manufacturers of like products;

6) information on changes in the volume of importation of subsidised goods into the territory of the Member State with the competent authority of which the application is filed 3 calendar years before the date of filing the application;

7) information on changes in the volume of exportation of like products from the territory of the Member State with the competent authority of which the application is filed to the territory of other Member States;

8) evidence of damage to a sector of the national economy as a result of the importation of subsidised goods or displacement of like products from the market of the subsidising Member State. Evidence of damage to a sector of the national economy as a result of the importation of subsidised goods or displacement of like products from the market of the subsidising Member State shall be based on objective factors describing the economic situation in the sector of the national economy and may be expressed in quantitative terms (including the volume of manufacture and volume of sales of the goods, the share of the goods in the market of the Member State, the cost of production of the goods, the price of the goods, the data on the production capacity utilisation, productivity, profit margins, profitability of the manufacture and sales of the goods, and the level of investment in the sector of the national economy);

9) information on changes in the volume of importation of like products (in quantitative and value terms) into the customs territory of the Union for the 3 calendar years preceding the date of the application;

10) information on changes in the volume of exportation of like products (in quantitative and value terms) from the customs territory of the Union for the 3 calendar years preceding the date of the application;

11) analysis of other factors that might affect the sector of the national economy in the period under consideration.

25. For purposes of comparability, the cost parameters shall be specified in the application using monetary units determined by the Commission for the maintenance of foreign trade statistics.

26. The application, together with its non-confidential version (if the application contains confidential information), shall be filed with the

competent authority and shall be subject to registration on the day of its receipt by this authority.

27. The application may be rejected on the following grounds:

non-compliance of the applicant with the requirements determined in paragraph 23 of this Protocol;

non-presentation of the information specified in paragraph 24 of this Protocol;

submission of inaccurate information by the applicant.

An application may not be rejected on any other grounds.

28. Prior to the adoption of a decision on initiation of an investigation, the competent authority shall send a written notification of the receipt of the application to the authorised authority of the Member State on the territory of which the specific subsidy under consideration is provided.

29. In order to decide on the initiation of an investigation, the competent authority shall, within 30 calendar days from the date of registration of the application, examine the adequacy and reliability of the evidence and information contained in this application in accordance with paragraph 24 of this Protocol. Should the competent authority require any additional information from the applicant, this period may be extended, but must not exceed 40 calendar days from the date of registration of the application.

30. The application may be revoked by the applicant before the commencement of the investigation or during its conduct.

If the application is withdrawn before the commencement of the investigation, such application shall be deemed not filed.

If the application is withdrawn during the investigation, the investigation shall be terminated or continued based on the decision of a competent authority.

31. Following acceptance of the application for consideration and prior to the decision to commence an investigation, the competent authority shall offer the authorised authority of the Member State that has provided the specific subsidy to hold consultations in order to clarify the availability, amount and use, as well as the consequences of the provision of the specific subsidy in order to achieve a mutually acceptable solution. Such consultations may be held in the course of the investigation.

32. Holding consultations in order to clarify the availability, amount and consequences of the provision of the specific subsidy shall not preclude the competent authority from deciding to commence an investigation and to prepare, based on the results of such investigation, a report on compliance of the specific subsidy provided on the territory of another Member State with the provisions of this Protocol and/or on damage caused to a sector of the national economy as a result of the importation of subsidised goods from the territory of the Member State that has provided the specific subsidy, as well as on the transfer to the Member State on the territory of which the specific subsidy is provided of a notice of application of compensatory measure.

33. The competent authority shall decide to commence or refuse an investigation before the expiry of the period referred to in paragraph 29 of this Protocol.

Having decided to refuse to conduct an investigation, the competent authority shall within no more than 10 calendar days from the date of such

decision notify the applicant in writing of the grounds for the refusal to conduct the investigation.

Having decided to commence an investigation, the competent authority shall notify in writing the authorised authority of the Member State which has provided the specific subsidy, as well as other interested persons known to it, of the decision, made and, within not more than 5 working days from the date of making the decision, shall publish a notice of commencement of the investigation. The date of publication of the notice of commencement of the investigation shall be deemed the commencement date of the investigation.

34. The competent authority may decide to commence an investigation (including on its own initiative) if it has evidence of violations of this Protocol and/or the existence of damage to a sector of the national economy as a result of the importation of subsidised goods into the territory of this Member State or displacement of a like products by subsidised goods from the market of the Member State that has provided the specific subsidy or any other Member State.

No investigation may be commenced in case of insufficient evidence.

35. Following a decision to commence an investigation, the competent authority shall send a list of questions to all national manufacturers of like products known to it and manufacturers of subsidised goods under investigation to be answered by them for the purposes of the investigation.

The list of questions shall be deemed received on the date of its transfer directly to the representative of a national manufacturer of like products or a manufacturer of subsidised goods or within 7 calendar days from the date of dispatch of the list by mail.

National manufacturers of like products and manufacturers of subsidised goods under investigation to whom the list of questions was sent shall submit their answers to the competent authority within 30 calendar days from the date of their receipt of such list. Upon a reasoned request executed made in writing by the national manufacturers of like products and manufacturers of subsidised goods under investigation, this period may be extended by the competent authority, but not more than by 10 calendar days.

36. In order to verify the information submitted during the investigation or to obtain any additional information associated with the investigation, the competent authority may conduct the investigation on the territory of the Member State which has provided the specific subsidy, subject to the consent of the respective manufacturer of subsidised goods under investigation, as well as subject to prior notification to the representatives of the government of the respective Member State and in the absence of objections of this Member State as to the conduct of the investigation on its territory.

In order to verify the information submitted during the investigation or to obtain any additional information associated with the investigation, the competent authority shall have the right to send its representatives to the location of national manufacturers of like products, hold consultations and negotiations with interested persons, examine samples of the subsidised goods under investigation, and take all other actions required for the investigation that do not contradict the legislation of the Member State conducting the investigation.

37. In the course of the investigation, the competent authority may send requests for information relating to the ongoing investigation to authorised

authorities of the Member State providing or having provided the subsidy under consideration, as well as to other interested persons.

38. Interested persons may submit any information required for the investigation (including confidential information), indicating its source, no later than on the date specified in the notice of the commencement of the investigation. The competent authority shall have the right to request additional information from interested persons.

39. Evidence and information related to the investigation shall be submitted to the competent authority in the state language of the Member State conducting the investigation and the original documents in a foreign language shall be accompanied by a translation duly certified in accordance with the established procedure.

40. In the course of the investigation, the competent authority, taking into account the need to protect confidential information in accordance with this Protocol, shall provide to the interested persons, upon their written requests, an opportunity to examine the information submitted in writing by any interested person as the evidence relating to the investigation. The competent authority shall enable participants of the investigation to examine all other information relevant to the investigation and used in the course of the investigation, except for confidential information, in accordance with this Protocol.

41. State government (administration) authorities of the Member States authorised in the field of customs procedures and maintenance of state statistics, other state government (administration) authorities of the Member States and territorial (local) state government (administration) authorities shall assist in the investigation and provide, upon request from the competent

authority, all information required to conduct the investigation (including confidential information).

42. The duration of an investigation shall not exceed 6 months from its commencement date.

An investigation shall be deemed completed on the date of dispatch by the competent authority of the results of the investigation for consideration to the government of its state.

43. Following an investigation, the competent authority shall prepare a report on the conformity of the subsidy provided on the territory of another Member State to the provisions of this Protocol.

44. If the results of an investigation confirm a violation of this Protocol and/or damage caused to a sector of the national economy, the Member State the competent authority of which has conducted the investigation shall deliver to the Member State on the territory of which the specific subsidy under consideration is provided a statement on the introduction of a compensatory measure.

45. When determining the sector of the national economy, the territory of the Member State the competent authority of which is conducting the investigation may be regarded as a territory having two or more competitive markets, and national manufacturers of like products within one of these markets may be regarded as a separate sector of the national economy if such manufacturers sell in this market at least 80 percent of the like products manufactured by them and the demand for the like products in this market is not satisfied to a considerable extent by the manufacturers of these products located on the rest of the territory of the Member State conducting the investigation. In such cases, the existence of damage to a sector of the

national economy may be determined even if the main part of the sector of the national economy has not suffered any damage, provided that the sales of subsidised goods are concentrated in one of the competing markets and the importation of subsidised goods causes damage to at least 80 percent of national manufacturers of like products within one of such markets.

46. The amount of a specific subsidy shall be determined based on the amount of benefits generated by the recipient of the subsidy. When calculating the amount of benefits, the competent authority shall consider the following:

1) participation of the subsidising authority in the capital of the organisation shall not be regarded as provision of a specific subsidy if such participation may not be regarded as non-complying with the common investment practices (including the provision of risk capital) effective on the territory of the respective Member State;

2) a loan provided by the subsidising authority shall not be regarded as a specific subsidy, if there is no difference between the amount the borrowing organization pays for the state loan and the amount that it would have paid for a comparable commercial loan that such organisation may obtain in the credit market of the respective Member State. Otherwise, the difference between these amounts shall be regarded as benefits;

3) a loan guarantee provided by the subsidising authority shall not be regarded as provision of a specific subsidy, if there is no difference between the amount the organization receiving the guarantee pays for the loan guaranteed by the subsidising authority and the amount it would have paid for a comparable commercial loan without the state guarantee. Otherwise, the

difference between these amounts, adjusted for the differences in fees, shall be regarded as benefits;

4) any supply of goods, provision of services or purchase of goods performed by the subsidising authority shall not be regarded as provision of a specific subsidy if such goods or services are supplied for a less than adequate remuneration or the goods are not purchased a for more than adequate remuneration. The adequacy of remuneration shall be determined on the basis of prevailing market conditions of purchase and sale of such goods and services in the market of the respective Member State (including their price, quality, availability, liquidity, transportation and other conditions of purchase or sale of goods).

47. The amount of the subsidy shall be calculated per unit of goods (ton, cubic meter, piece, etc.) imported into the territory of the Member State the competent authority of which is conducting the investigation, or sold in the market of the Member State on the territory of which the specific subsidy is provided or in the market of another Member State.

48. When calculating the amount of the subsidy, inflation indicators in the respective Member State shall be taken into account if the inflation rate is high enough to distort the obtained results.

49. The amount of the subsidy per unit of goods shall be determined on the basis of the expenditures of the Member State having provided the specific subsidy for these purposes.

50. When calculating the amount of the subsidy per unit of such goods, the cost of the goods shall be calculated as the total value of sales of the recipient of the subsidy in the 12 months preceding the provision of the subsidy, for which the required data are available.

51. When calculating the amount of the subsidy, the amounts of any registration fees or other expenses incurred to obtain the subsidy shall be deducted from the total amount of the subsidy.

52. If the subsidy is not provided in respect of a certain amount of industrial goods produced, exported or transported, the amount of the subsidy per unit of goods shall be calculated by dividing the total amount of the subsidy by the amount of the volume of manufacture, sales or exports of such goods in the period of the provision of the subsidy taking into account, if necessary, the share of imported subsidised goods in the total volume of manufacture, sales or exports of the goods.

53. If the subsidy is provided in connection with the development or acquisition of fixed assets, the amount of the subsidy shall be calculated by distributing the subsidy along the average depreciation period of such fixed assets in the given sector of the economy of the Member State having provided the specific subsidy. The amount of the subsidy per unit of goods shall also be calculated taking into account the subsidies provided for the purchase of fixed assets prior to the period covered by the investigation, the depreciation period for which has not yet expired.

54. When calculating the amount of the subsidy, if the value of the subsidy is different at different times or for different purposes for the same goods, the weighted average indicators shall be applied for the amounts of the subsidy based on the volume of manufacture, sales and exports of goods.

55. If the subsidy is provided in the form of tax exemptions, the cost of the goods shall be determined by calculating the total amount of their sales in the last 12 months of the application of the tax exemptions.

56. Subsidies provided during the calendar year by different subsidising authorities and/or for the implementation of different programmes shall be summarised.

57. The fact of displacement of like products from the market of the subsidising Member State or from the market of another Member State or restraining the increase in the importation of like products into the territory of the subsidising Member State, or restraining the increase in the exportation of the goods into the territory of another Member State shall be determined if it is confirmed that there has been an adverse change in the share of like products in the market of the subsidising Member State or in the market of another Member State with respect to subsidised goods. This fact shall be determined for a period sufficient to prove the evident trends in the development of the market of the respective goods, which under normal conditions shall not be less than 1 year.

58. Adverse changes in the share of like products in the market of the subsidising Member State or in the market of another Member State shall include one of the following situations:

1) an increase in the market share of subsidised goods;

2) the market share of the subsidised goods remains unchanged in circumstances when, in the absence of the specific subsidy, it would have reduced;

3) the market share of subsidised goods reduces, but at a slower rate than it would have been reducing in the absence of the specific subsidy.

59. Underpricing shall be established by comparing the prices of the subsidised goods in the relevant market with the prices of the goods manufactured, transported or exported to the territory of any Member State

without the use of the specific subsidy. The comparison shall be made at the same level of trade and in comparable time periods. In the comparison, all factors affecting the comparability of prices shall be taken into consideration. If the above comparison cannot be performed, underpricing may be established based on the average export prices.

60. If, in accordance with Article 93 of the Treaty, two Member States lead a dispute on the existence of a serious infringement of interests, under paragraphs 12, 57-59, 61 and 62 of this Protocol, in the market of a third Member State, such Member State shall provide to the disputing Member States all statistical information at its disposal related to the subject matter of the dispute and changes of the shares of goods originating from the territories of the disputing Member States in the market of such third Member State, as well as statistical information on the prices of relevant goods. In this case, this Member State shall be entitled not to conduct any special analysis of the market and prices and not to provide any information regarded as a trade secret or State secret.

61. The fact of a serious infringement of interests may not be established upon existence of the following circumstances in the corresponding period:

1) existence of bans or restrictions on the exportation of goods from the territory of the Member State determining the fact of a serious infringement of interests or bans or restrictions on the importation of goods from the territory of that Member State into the market of another Member State;

2) adoption by an authorised authority of a Member State importing like products and practising monopoly in trade or state trading in these products of a decision to reorient the importation from the Member State

determining the fact of a serious infringement of interests to the importation from another Member State for non-commercial reasons;

3) natural disasters, strikes, transport disruptions or other force majeure circumstances producing a serious negative impact on the manufacture, quality, quantity or price of the goods intended for exportation from the Member State determining the fact of a serious infringement of interests;

4) existence of agreements restricting the exportation from the Member State determining the fact of a serious infringement of interests;

5) a voluntary reduction of the possibility of exportation of industrial goods from the Member State determining the fact of a serious infringement of interests (including when economic entities of this Member State have autonomously reoriented the export of these like products to new markets);

6) non-compliance with standards and/or other administrative requirements in the Member State onto the territory of which the goods are imported.

62. In the absence of circumstances referred to in paragraph 61 of this Protocol, the existence of a serious infringement of interests shall be determined on the basis of the information provided to the Court of the Union or independently obtained by the Court of the Union.

63. Any damage to a sector of the national economy as a result of the importation of subsidised goods shall be determined on the basis of analysis of the volume of importation of subsidised goods and the impact of such importation on the prices of like products in the market of the Member State the competent authority of which is conducting the investigation and on national manufacturers of like products.

64. In the analysis of the volume of importation of subsidised goods, the competent authority shall determine whether there has been an increase in the importation of subsidised goods (in absolute terms or relative to the manufacture or consumption of like products in the Member State the competent authority of which is conducting the investigation).

65. When analysing the impact of the importation of subsidised goods on the prices of like products in the market of the Member State the competent authority of which is conducting the investigation, the competent authority shall determine:

1) whether the prices of subsidised goods were lower than the prices of like products in the market of that Member State;

2) whether the importation of subsidised goods resulted in a reduction of prices of like products in the market of that Member State;

3) whether the importation of subsidised goods prevented the increase in prices of like products in the market of that Member States, which would have occurred in the absence of such importation.

66. The analysis of the impact of the subsidised importation of goods on the sector of the national economy shall represent an assessment of economic factors relevant to the state of the sector of the national economy, including:

1) previous or possible future reduction in the manufacture or sales of like products, its share in the market of the Member State the competent authority of which is conducting the investigation, profits, productivity, income from attracted investment or production capacity utilisation;

2) factors that affect the prices of like products in the market of the Member State the competent authority of which is conducting the investigation;

3) previous or possible future negative impact on cash flows, the stock of like products, employment, wages, manufacture growth rates and the ability to attract investment.

67. The impact of the importation of subsidised goods on the sector of the national economy shall be evaluated with regard to the manufacture of like products in the Member State the competent authority of which is conducting the investigation, if the available data allow allocating the manufacture of like products on the basis of such criteria as the production process, sales of the products by their manufacturers and profits. If the available data do not allow identifying the manufacture of like products, the impact of the importation of subsidised goods on the sector of the national economy shall be evaluated with regard to the manufacture of the narrowest group or range of goods comprising the like products and for which the required data are available.

68. The existence of any damage to the sector of the national economy as a result of the importation of subsidised goods shall be determined based on an analysis of all relevant evidence and information available at the disposal of the competent authority. The competent authority shall analyse, among other things, the dynamics and impact of import supplies of like products into the customs territory of the Union and supplies from other Member States. Neither one nor several factors determined in the course of the analysis of the volume of the importation of subsidised goods and of the impact of such importation on the sector of the national economy shall be

critical for determining the damage to the sector of the national economy as a result of the importation of subsidised goods. In addition to the importation of subsidised goods, the competent authority shall analyse other known factors causing damage to the sector of the national economy during the same period. The aforementioned damage shall not be regarded by the competent authority as the damage to the sector of the national economy as a result of the importation of subsidised goods.

69. When determining the existence of a threat of material injury to a sector of the national economy as a result of importation of subsidised goods, the competent authority shall take into account all available factors, including the following:

1) the nature and amount of a subsidy or subsidies and their possible impact on trade;

2) the growth rate of importation of subsidised goods indicating a real opportunity of further increase in such importation;

3) whether the manufacturers of subsidised goods in the subsidising Member State have sufficient opportunities to increase the import of subsidised goods or whether an increase in such opportunities is apparently inevitable;

4) the level of prices of subsidised goods, if this price level may lead to a reduction or regulation of the price of like products in the market of the Member State the competent authority of which is conducting the investigation and to further growth in demand for subsidised goods;

5) stocks of subsidised goods available to the manufacturer.

70. Neither one nor several factors specified in paragraph 69 of this Protocol shall be critical for determining a threat of a material injury to the

sector of the national economy caused by the importation of subsidised goods.

71. The decision on the existence of a threat of material injury to a sector of the national economy shall be adopted if, during the investigation based on the analysis of the factors referred to in paragraph 69 of this Protocol, the competent authority determines the inevitability of the continuation of the importation of subsidised goods and material injury caused by such importation to the sector of the national economy in the absence of a compensatory measure.

72. Interested persons in the investigation shall include:

1) the national manufacturer of like products, the national association of manufacturers most of the participants of which are manufacturers of like products;

2) the manufacturer of the subsidised goods under investigation, the association of manufacturers of such subsidised goods the majority of the participants of which are the manufacturers of such goods;

3) the subsidising Member State and/or the authorised authority of the subsidising Member State;

4) public consumer associations (if the subsidised goods under investigation are consumed mainly by natural persons);

5) consumers of the subsidised goods under investigation (using the products in the manufacturing process) and associations of such consumers.

73. The interested persons referred to in paragraph 72 of this Protocol shall operate during the investigation either independently or through their representatives duly authorised under the legislation of the Member State the competent authority of which is conducting the investigation.

If in the course of the investigation an interested person acts through an authorised representative, the competent authority shall submit all information on the subject matter of the investigation to the interested person only through this representative.

74. Information provided by an interested person to the competent authority shall be deemed confidential if such person indicates the reasons confirming that disclosure of such information will provide a competitive advantage to a third person or entail adverse consequences for the person submitting such information or to the person from whom the information was obtained. Confidential information shall not be disclosed without the permission of the submitting interested person, except in cases provided for by the legislation of the Member States.

The competent authority shall be entitled to request from each interested person having submitted confidential information its non-confidential version. The non-confidential version shall be sufficiently detailed for understanding the essence of the confidential information submitted. If in response to the above request an interested person claims that confidential information may not be presented in a non-confidential form, this person shall have to provide appropriate reasons.

If the competent authority establishes that the reasons provided by the interested person are insufficient for regarding the information as confidential or if the interested person that failed to submit a non-confidential version of the confidential information does not submit the appropriate reasons or submits information that does not constitute such a reasons, the competent authority may disregard this information.

75. The competent authority shall be bear liability for the disclosure of confidential information provided for by the legislation of its Member State.

VI. General Exceptions

76. Nothing in this Protocol 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:

actions in relation to fissionable materials or their source materials;

actions for the development, manufacture and trade in weapons, ammunition and military materials, as well as other goods and materials, carried out, directly or indirectly, for the purpose of supplying a military establishment;

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

3) preventing any Member State from taking any action in pursuance of its obligations under the Charter of the United Nations to preserve the world peace and international security.

77. The provisions of this Protocol shall not prevent the Member States from using specific subsidies that distort trade if such subsidies are introduced in exceptional circumstances (provided that the purpose of these measures is not to limit the importation of goods from the territory of other

Member States and such measures are non-discriminatory) and if their introduction is required to protect:

1) public morality, public law and order and national security;

2) life or health of people, animals and plants;

3) national treasures of artistic, historic or archaeological value;

4) intellectual property rights;

5) exhaustible natural resources (if such measures are taken in conjunction with restrictions on domestic production or consumption).

VII . Specific subsidies the provision of which does not constitute grounds for adopting compensatory measures

78. The provision of such a specific subsidy as support for research activities carried out by economic entities, as well as universities and research institutions on a contractual basis with economic entities, shall not be regarded as the grounds for the introduction of any compensatory measures, provided that such support covers not more than 75 percent of the cost of industrial research or 50 percent of the cost of developments at the pre-competitive stage and that it is provided solely to cover:

1) personnel costs (for researchers, technicians and other support personnel engaged solely in the research activities);

2) the cost of tools, equipment, land and buildings used exclusively and permanently for the research activities (except for sale on a commercial basis);

3) the cost of advisory and equivalent services used exclusively for the research activities (including the purchase of research results, technical knowledge, patents, etc.);

4) additional overhead costs incurred directly as a result of the research activities;

5) other current expenses (for materials, software, etc.) incurred directly as a result of the research activities.

79. For the purposes of this Section, industrial research activities shall refer to any planned research or critical studies aimed at discovery of new knowledge in the hope that such knowledge may be useful in developing new goods, processes or services, as well as for the significant improvement of existing goods, processes or services.

Developments at the pre-competitive stage shall refer to conversion of the results of industrial research into a plan, drawing or layout of new, modified or improved goods, processes or services intended for the sale or use (including the creation of the first prototype unsuitable for commercial use). These developments may also include the formulation of the concept and design of alternative goods, methods or services, as well as initial pilot or demonstration designs, provided that they may not be adapted or applied for industrial or commercial use. These developments shall not include current and periodic changes to existing goods, production lines, treatment processes, services, and other common operations, even if such changes lead to improvements.

80. The acceptable level of support specified in paragraph 78 of this Protocol that does not constitute grounds for the adoption of compensatory measures shall be determined in relation to the total relevant costs incurred over the period of implementation of the respective specific project.

In the case of implementation of programmes combining industrial research and pre-competitive stage developments, the permissible level of

support that does not constitute grounds for the adoption of measures shall not be higher than the arithmetic mean value of the permissible levels for these two categories calculated taking into account all costs referred to in paragraph 78 of this Protocol.

81. The provisions of this Protocol shall not apply to fundamental scientific research conducted by higher educational institutions or research institutions independently. Fundamental scientific research shall refer to the expansion of common scientific and technical knowledge not associated with any industrial or commercial purposes.

82. Support to disadvantaged regions on the territory of a Member State provided as part of the general regional development shall be non-specific (subject to the provisions of section II of this Protocol) and shall be distributed between the respective regions, provided that:

1) each disadvantaged area represents a clearly demarcated and compact administrative and economic zone;

2) such region is deemed disadvantaged based on neutral and objective criteria indicating that the region's difficulties arise not only due to temporary circumstances (such criteria shall be clearly specified in the laws, regulations or other official documents so that they can be verified);

3) the criteria referred to in sub-paragraph 2 of this paragraph shall include the measurement of economic development based on at least one of the following parameters measured for a 3-year period (such measurement may be complex and may take into account other factors):

income per capita or per household or the gross domestic product per capita, which shall not exceed 85 percent of the average rate for the territory concerned;

the unemployment rate, which shall be at least 110 percent of the average rate for this area.

83. The general regional development shall refer to regional subsidy programmes forming part of an internally consistent and universally applicable regional development policy, implying non-provision of regional development subsidies to individual geographical locations which produce no or almost no impact on the development of the region.

The neutral and objective criteria shall refer to criteria that do not provide benefits to certain regions beyond those required to eliminate or reduce the differences between regions within the regional development policy. In this regard, regional subsidy programmes shall include the maximum amounts of support that may be provided under each subsidised project. These maximum amounts shall be differentiated according to the level of development of the regions supported and shall be expressed in the form of spending on investment or job creation. Within these amounts, the support shall be distributed widely enough to avoid pre-emptive use of subsidies or provision of disproportionately large amounts to certain enterprises in accordance with Section II of this Protocol.

84. The support of adaptation of existing production capacities (representing production capacities in operation for at least 2 years prior to the introduction of new requirements for environmental protection) to the new requirements for environmental protection imposed by the legislation and/or regulations and entailing additional restrictions and increased financial burden for economic entities shall not be regarded as grounds for any compensatory measures, provided that such support:

1) is a one-time, non-recurring measure;

2) amounts to no more than 20 percent of the costs of adaptation;

3) does not cover the cost of replacement and operation of subsidised equipment to be borne by the enterprise;

4) is directly related and proportionate to the pollution reduction planned by an economic entity and does not cover the production costs savings that may be achieved;

5) is available for all economic entities that may convert to new equipment and/or production processes.

VIII. Introduction and Application of compensatory Measures and Response Measures

85. The competent authority of a Member State shall be entitled to conduct an investigation with regard to the compliance of subsidies provided on the territories of other Member States with the provisions of this Protocol or an investigation into the use by other Member States of the measures referred to in paragraph 11 of this Protocol, in accordance with the procedure determined by section V of this Protocol. The competent authority having initiated an investigation shall inform the Member States of the commencement of the investigation. The competent authorities shall have the right to request the necessary information on the progress of the investigation.

86. If, as a result of an investigation, the competent authority of a Member State establishes that the subsidising authority of another Member State provides a specific subsidy and this specific subsidy causes damage to a sector of the national economy of the Member State the competent authority of which is conducting the investigation, such competent authority may send

to the subsidising Member State an application for the adoption of compensatory measures. This application shall contain evidence of non-compliance of the subsidy with the provisions of this Protocol.

87. If, at the end of the proceedings conducted in accordance with paragraph 6 of this Protocol, the Commission confirms the existence of damage to a sector of the national economy of one of the Member States, the competent authority of the Member State shall be entitled to send to the subsidising Member State an application for the adoption of a compensatory measure. This application shall contain evidence of non-compliance of the subsidy in accordance with sub-paragraph 3 of paragraph 6 of Article 93 of the Treaty.

The Member States shall not apply compensatory measures to subsidies approved by the Commission in accordance with paragraph 6 of this Protocol.

The provisions of this paragraph shall be applied subject to the transitional provisions stipulated in paragraph 1 of Article 105 of the Treaty.

88. An application for countervailing measures may be voluntarily granted by a Member State that has received such application within a period not exceeding 2 months or based on the results of the settlement of disputes.

89. A Member State having received an application for the adoption of countervailing measures, the validity of which has been recognised voluntarily by the Member State or based on the results of the settlement of disputes in accordance with Article 93 of the Treaty, shall introduce the countervailing measure stated in the application within 30 calendar days.

90. The countervailing measure introduced under paragraph 89 of this Protocol shall represent a sum of the subsidy provided and interest accrued

on the amount of the subsidy for the entire period of use of these funds (assets), as specified in the application for the adoption of the countervailing measure.

The amount of the subsidy shall be calculated in accordance with this Protocol.

The interest rate shall be equal to one and a half refinancing rate prevailing on the date of provision of the subsidy and set by the national (central) bank of the subsidising Member State. The interest rate shall be calculated by applying the compound interest for the entire period from the date of provision of the subsidy to the date of implementation of the countervailing measure.

The compound interest is interest charged each year with regard to an amount including the interest accrued in the previous year.

91. A countervailing measure shall be deemed implemented after the amount of the subsidy, including all relevant interest amounts, has been withdrawn from the recipient of the subsidy and transferred to the budget of the subsidising Member State.

92. A countervailing measure shall be deemed non-implemented if it is charged from any sources other than those specified in paragraph 91 of this Protocol.

By mutual agreement of the claimant state and the respondent state and solely in order to avoid circumvention of payment by the recipient of the subsidy of the funds constituting a countervailing measure, the sources of levying the countervailing measure may be changed.

93. Implementation of a countervailing measure shall constitute sufficient grounds for the grantedapplication for the adoption of

countervailing measures to be deemed executed. In this case, the Member State shall execute such application within a period not exceeding 1 calendar year from the date of accepting such application.

94. If the Member State fails to execute the granted application for the adoption of a countervailing measure within the determined time limit, the applying Member State shall be entitled to take response measures, which shall be approximately proportional to the countervailing measure.

For the purposes of this Protocol, a response measure shall refer to temporary suspension by the Member State introducing such response measure of its obligations in respect of the Member State against which the response measure is introduced under any existing trade and economic treaties (except for those related to the oil and gas industry).

Response measures shall be temporary and shall be applied by the claimant state only until the measure violating the provisions of the Treaty is cancelled or changed in such a way as to comply with the provisions of the Treaty or until the Member States agree otherwise.

IX. Notices

95. The Member States (authorised authorities of the Member States) shall annually, but not later than December 1, notify each other and the Commission of all subsidies planned for the provision in the next year, at the federal (national) and regional (municipal, local) levels.

The Member States shall not subsume the information on provided subsidies to confidential information, except in cases stipulated in paragraph 76 of this Protocol.

96. The sources of the information for the notices sent pursuant to paragraph 95 of this Protocol shall be cost-related parts of draft federal/national budgets and budgets of administrative-territorial entities.

97. The Member States (authorised authorities of the Member States) shall, on a quarterly basis and no later than on the 30th day of the month following the reporting quarter, send to each other and to the Commission notices in the determined form of all subsidies provided at the federal (national) and regional (municipal, local) levels in the reporting quarter.

The provisions of this paragraph shall be applied subject to the transitional provisions stipulated in paragraph 1 of Article 105 of the Treaty.

98. The Member States (authorised authorities of the Member States) shall, annually and no later than on July, 1 of the year following the reporting year, send to each other and to the Commission notices in the determined form of all subsidies provided at the federal (national) and regional (municipal, local) levels in the reporting year. These notices shall contain sufficient information for the competent authority of another Member State and the Commission to estimate the amount of subsidies provided and their compliance with the provisions of this Protocol.

99. The forms of the notices of subsidies of the Member States (competent authorities of the Member States) provided for by this section, as well as the procedure for their completion, shall be approved by the Commission in consultation with the Member States.

100. The notices on subsidies shall contain the following information:

1) the name of the subsidy programme (if any) and a brief description or identification of the subsidy (for example, "Development of Small Business");

2) the reporting period for the notice;

3) the main purpose and/or purpose of the subsidy (information on the purpose of the subsidy is normally contained in the regulatory legal act under which the subsidy is provided);

4) the basis for the provision of the subsidy (the name of the regulatory legal act under which the subsidy is provided, as well as a brief description of this act);

5) the form of the subsidy (grant, loan, tax exemption, etc.);

6) the subject (manufacturer, exporter or other person) and the method of provision of the subsidy (funds used to provide the subsidy, fixed or variable amount per unit of goods (in the latter case, indicating the mechanism for determining the amount)), as well as the mechanism and conditions for the provision of the subsidy;

7) the amount of the subsidy (the annual or total amount allocated for the subsidy, if possible, the subsidy per unit of products);

8) the duration of the subsidy and/or any other time limit applicable to the subsidy (including the opening (completion) date of the subsidy);

9) the data on the effects on trade (statistical data allowing to assess the trade effects of the subsidy);

101. The information referred to in paragraph 100 of this Protocol shall, to the extent possible, contain statistical data on the manufacture, consumption, import and export of subsidised goods or sectors:

1) for the recent 3 years for which statistical data are available;

2) for the year preceding the introduction of the subsidy or the most recent major change in the subsidy.

Annex
to the Protocol on the Common
Rules for the
Provision of Industrial Subsidies

List of measures not subject to the provisions of the Protocol on the Common Rules for the Provision of Industrial Subsidies

Measure	Transitional period for the measure
I. The Republic of Belarus	
Measures relating to investment agreements concluded in accordance with Presidential Decree No.175 of April 4, 2009 On Measures to Develop the Manufacture of Passenger Cars and the Decision No.130 of the Commission of the Customs Union of November 27, 2009 On Common Customs Tariff Regulation of the Customs Union of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation*	up to December 31, 2020, unless otherwise provided for by the protocol of accession of the Republic of Belarus to the World Trade Organisation
II. The Republic of Kazakhstan	
1. Interest rate subsidies on bank loans in export-oriented industries in accordance with Resolution No.301 of the Government of the Republic of Kazakhstan of April 13, 2010 On approval of the Programme "Business Road Map 2020",	up to July 1, 2016, for loans issued by lending institutions before July 1, 2011
2. Exemption of goods deemed to originate in the Republic of Kazakhstan based on the sufficient processing criteria from customs duties and taxes when exported from the territory of a free warehouse to the rest of the customs territory of the Customs Union in accordance with Code No.99-I of the Republic of Kazakhstan of December 10, 2008 On Taxes and Other Obligatory Payments to the Budget (the Tax Code), Resolution No.1647 of	up to January 1, 2017

Measure	Transitional period for the measure
the Government of the Republic of Kazakhstan of October 22, 2009 On Approval of the Rules of Origin, Compilation and Issuance of the Certificate of Examination of Origin and Compilation, Certification and Issuance of the Certificate of Origin, and the Agreement on Free Warehouses and the Customs Procedure of a Free Warehouse of June 18, 2010	
3. Exemption of goods deemed to originate in the Republic of Kazakhstan based on the sufficient processing criteria from customs duties and taxes when exported from the territory of special economic zones into the rest of the customs territory of the Customs Union in accordance with the Agreement on Free (Special) Economic Zones on the Customs Territory of the Customs Union and the Customs Procedure of a Free Customs Zone of June 18, 2010, Law No.469-IV of the Republic of Kazakhstan of July 21, 2011, On Special Economic Zones in the Republic of Kazakhstan, and Resolution No.1647 of the Government of the Republic of Kazakhstan of October 22, 2009, On Approval of the Rules of Origin, Compilation and Issuance of the Certificate of Examination of Origin and Compilation, Certification and Issuance of the Certificate of Origin	up to January 1, 2017
4. Measures in respect of investment agreements concluded in accordance with Order No.113 of the Ministry of Industry and Trade of the Republic of Kazakhstan of June 11, 2010 On certain issues of conclusion, terms and the standard form of the Agreement on industrial assembly of motor vehicles with juridical persons that are residents of the Republic of Kazakhstan, and Decision No.130 of the Commission of the Customs Union of November 27, 2009 On Common Customs Tariff Regulation of the Customs Union of the Republic of Belarus, the Republic of	up to December 31, 2020, unless otherwise provided for by the protocol of accession of the Republic of Kazakhstan to the World Trade Organisation

Measure	Transitional period for the measure
Kazakhstan and the Russian Federation*	
5. The local content in subsoil use contracts between the Government of the Republic of Kazakhstan and a subsoil user concluded before1 January 2015 pursuant to Law No.291-IV of the Republic of Kazakhstan of June 24, 2010, On Subsoil and Subsoil Use	up to January 1, 2023, unless otherwise provided for by the protocol of accession of the Republic of Kazakhstan to the World Trade Organisation
6. The local content in procurement made by Samruk-Kazyna National Welfare Fund (NWF) and organisations, in which 50 percent or more of the voting shares (participation interests) are directly or indirectly owned by Samruk-Kazyna, as well as companies directly or indirectly owned by the state (with the state share amounting to 50 percent or more), in accordance with Law No.550-IV of the Republic of Kazakhstan of February 1, 2012 On the National Welfare Fund, and Resolution No.787 of the Government of the Republic of Kazakhstan of May 28, 2009,On Approval of Model Regulations on procurement of goods, works and services provided by the national management holding, national holdings, national companies and organisations in which fifty and more percent of shares (participation interests) or more are directly or indirectly owned by the national management holding, national holdings or national companies.	up to January 1, 2016, unless otherwise provided for by the protocol of accession of the Republic of Kazakhstan to the World Trade Organisation
III. The Russian Federation	
1. Measures regarding investment agreements concluded before February 28, 2011, including provisions of Presidential Decree No.135 of the Russian Federation of February 5, 1998, On Additional Measures to Attract Investment for the Development of the Domestic Automotive Industry, Resolution No.166 of the Government of the Russian Federation of March 29, 2005, On Amendments to the Customs Tariff of the Russian Federation in respect of Automotive Components Imported for Industrial Assembly, Decision No.130 of	the transitional period shall correspond to the term of the agreements specified at their signature and may be extended for a period provided for by the Protocol of December 16, 2011 on Accession of the Russian Federation to the Marrakesh Agreement Establishing the World Trade Organisation of April 15, 1994, but may not exceed 2 calendar years

Measure	Transitional period for the measure
the Commission of the Customs Union of November 27, 2009 On Common Customs Tariff Regulation of the Customs Union of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation*	
2. Measures applied in accordance with Federal Law No.16-FZ of January 10, 2006 On the Special Economic Zone in the Kaliningrad Region and on Amendments to Certain Legislative Acts of the Russian Federation	up to April 1, 2016

*To be applied subject to the conditions for the application of concept of 'industrial assembly of motor vehicles' approved by the Supreme Council on the territories of the Member States.

ANNEX 29
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Agricultural State Support Measures

1. This Protocol has been developed in accordance with Articles 94 and 95 of the Treaty on the Eurasian Economic Union and shall apply to the goods specified in section II of this Protocol (hereinafter "agricultural goods").

2. The terms used in this Protocol shall have the following meanings:

"administrative-territorial entities" means administrative-territorial entities and regions of the Republic of Belarus and the Republic of Kazakhstan (including the cities of Minsk, Astana and Almaty), constituent entities and municipalities of the Russian Federation;

"state support for agriculture" means financial contribution provided by the government or other state or local authority of a Member State in the interests of manufacturers of agricultural goods, either directly or through their authorised agent;

"subsidising authority" means one or more state or local authorities of the Member State adopting decisions on the provision of state support for agriculture; In accordance with the legislation of a Member State, its subsidising authority may designate or instruct an authorised agent (any organisation) to perform one or more of its functions relating to the provision of measures of state support for agriculture. Actions of such authorised agent (any organisation) shall be regarded as actions of the subsidising authority.

Acts of the head of a Member State aimed at the provision of measures of state support for agriculture shall be regarded as actions of its subsidising authority.

I. Measures of State Support for Agriculture

3. Measures of state support for agriculture shall include:

1) measures not producing distorting effects on mutual trade in agricultural goods between the Member States (hereinafter "measures with no trade-distorting effect");

2) measures producing the most distorting effect on mutual trade in agricultural goods between the Member States (hereinafter "measures with the most trade-distorting effect");

3) measures producing distorting effects on mutual trade in agricultural goods between the Member States (hereinafter "measures with trade-distorting effect").

4. Measures with no trade-distorting effect shall include the measures specified in section III of this Protocol. Measures with no trade-distorting effect may be applied by the Member States without restrictions.

5. Measures with the most trade-distorting effect shall include:

measures of state support for agriculture, the provision of which is associated as the sole or one of several conditions with the results of previous or possible future exportation of agricultural goods from the territory of the Member State providing the measure of state support to the territory of any other Member State;

measures of state support for agriculture, the provision of which is associated as the sole or one of several conditions to the acquisition or use of

agricultural goods originating exclusively from the territory of the Member State providing this measure of state support in the manufacture of agricultural goods on the territory of that Member State, regardless of indication of specific goods, their amounts, value, proportion of the amount or value of the output or use of domestic goods, and the level of localisation of production of domestic goods used.

A list of measures with the most trade-distorting effect is specified in Section IV of this Protocol.

6. The Member States shall not apply measures with the most trade-distorting effect.

7. Measures with trade-distorting effect shall include measures that may not be identified as the measures specified in paragraphs 4 and 5 of this Protocol.

8. The level of measures with trade-distorting effect, calculated as a percentage of the amount of state support for agriculture to the total gross value of agricultural goods manufactured, determined as the permitted amount, shall not exceed 10 percent prior to the entry into force of the obligations under the third indent of this paragraph.

The methodology for calculating the permitted level of measures with trade-distorting effect shall be developed by the Member States taking into account the international experience and approved by the Council of the Commission.

Obligations of the Member States regarding measures with trade-distorting effect shall be determined in accordance with the above methodology and approved by the Supreme Council.

The provisions of this paragraph shall be applied taking into account the transitional provisions provided for by Article 106 of the Treaty on the Eurasian Economic Union.

9. Upon accession of a Member State to the World Trade Organisation, obligations of the Member State regarding measures with trade-distorting effect undertaken as a condition for accession to the WTO shall become its obligations within the Union.

10. The amount of state support for agriculture shall be calculated in accordance with Section V of this Protocol taking into account the methodology for calculating the permitted level of measures with trade-distorting effect provided for by paragraph 8 of this Protocol.

II. Goods Subject to Common Rules of State Support for Agriculture

11. The common rules of state support for agriculture shall apply in respect of the following goods in CN of FEA EAEU:

1) CN of FEA EAEU groups 01 - 24, except for group 03 (fish and crustaceans, molluscs and other aquatic invertebrates), items 1604 (prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs) and 1605 (prepared or preserved crustaceans, molluscs and other aquatic invertebrates);

2) CN of FEA EAEU sub-item 2905 43 000 0 (mannitol);

3) CN of FEA EAEU sub-item 2905 44 (D-glucitol (sorbitol));

4) CN of FEA EAEU item 3301 (essential oils (with or without terpenes), including concretes and absolutes; resinoids; extracted essential oils; concentrates of essential oils in fats, fixed oils, waxes or similar products obtained by enfleurage or maceration; terpenic by-products of

deterpenation of essential oils; aqueous distillates and aqueous solutions of essential oils);

5) CN of FEA EAEU items 3501 - 3505 (casein, caseinates and other casein derivatives; casein glues; albumins (including concentrates of two or more whey proteins containing over 80 wt. percent of whey protein based on dry matter), albuminates and other albumin derivatives; gelatin (including rectangular (including square) sheets, surface treated or untreated, coloured or uncoloured) and gelatin derivatives; fish glue; other glues of animal origin (excluding casein glues included in item 3501); peptones and their derivatives; other protein substances and their derivatives not specified or included elsewhere; hide or offal powder, chromed or non-chromed; dextrines and other modified starches (e.g., pregelatinised or esterified starches); glues based on starches or dextrins or other modified starches), except sub-items 3503 00 800 1 (dry fish glue) and 3503 00 800 2 (liquid fish glue));

6) CN of FEA EAEU sub-item 3809 10 (finishing agents, substances to accelerate dyeing or fix dyestuffs and other products and preparations (e.g., dressings and mordants) used in the textile, paper, leather or similar industries, not specified or included elsewhere, based on starchy substances);

7) CN of FEA EAEU sub-item 3824 60 (sorbitol, except sorbitol in sub-item 2905 44);

8) CN of FEA EAEU items 4101 - 4103 (raw hides of cattle (including buffalo) or equine animals (fresh, salted, dried, limed, pickled or otherwise preserved, except for tanned, parchment-dressed or without additional treatment), with or without hair, double or non-double; raw skins of sheep or lambs (fresh, salted, dried, limed, pickled or otherwise preserved, except for tanned, parchment-dressed or without additional treatment), with or without

hair, double or non-double, other than those excluded by Note 1c to this group; other raw hides and skins (fresh, salted, dried, limed, pickled or otherwise preserved, except for tanned, parchment-dressed or without additional treatment), with or without hair, double or non-double, other than those excluded by Note 1b or 1c to this group);

9) CN of FEA EAEU item 4301 (raw furskins (including heads, tails, paws and other pieces or cuttings suitable for the manufacture of fur products), other than raw hides and skins specified in CN of FEA EAEU items 4101, 4102 or 4103);

10) CN of FEA EAEU items 5001 00 000 0 - 5003 00 000 0 (silk cocoons suitable for reeling; raw silk (untwisted); silk waste (including cocoons unsuitable for reeling, waste cocoon filament and loose raw material));

11) CN of FEA EAEU items 5101 - 5103 (wool, not carded or combed; animal hair, fine or coarse, not carded or combed; waste wool, of fine or coarse animal hair, including yarn waste, but excluding garnetted raw materials);

12) CN of FEA EAEU items 5201 00 - 5203 00 000 0 (cotton, not carded or combed; cotton waste (including yarn waste and garnetted raw materials); cotton fibre, carded or combed);

13) CN of FEA EAEU item 5301 (raw flax or linen processed, but not spun; flax tow and waste (including yarn waste and garnetted raw materials));

14) CN of FEA EAEU item 5302 (hemp (cannabis sativa L.), raw or processed, but not spun; hemp tow and waste (including yarn waste and garnetted raw materials)).

III. Measures with no Trade-Distorting Effect

12. Measures with no trade-distorting effect implemented in the interests of manufacturers of agricultural goods (hereinafter "the manufacturers") shall meet the following basic criteria:

1) the support shall be provided from the budget (unclaimed revenues), including under state programmes, but not at the expense of consumers' funds. Unclaimed revenues shall refer to the amount of mandatory payments rejected by the Member State permanently or temporarily;

2) the support shall not result in the maintenance of manufacturers' prices.

13. In addition to the criteria specified in paragraph 12 of this Protocol, measures with no trade-distorting effect shall meet the specific criteria and conditions stipulated in paragraphs 14 to 26 of this Protocol.

14. State programmes for the provision of general services shall provide for allocation of budget funding (the use of unclaimed revenues) for the provision of services or benefits to the agriculture or rural population, with the exception of direct payments to persons engaged in the manufacture or processing of agricultural goods.

15. State programmes for the provision of general services may be carried out in the following areas:

1) scientific research, including general research, in connection with environmental programmes and research programmes for specific products;

2) pest and disease control, including general measures to combat pests and diseases, as well as measures relating to a particular product, such as early warning, quarantine and elimination systems;

3) general and special staff training;

4) dissemination of information, consultancy services, including the provision of means to facilitate the transfer of information and results of research to manufacturers and consumers;

5) inspection services, including general inspection services and inspections of individual agricultural goods for the purposes of healthcare, safety, standardisation and quality sorting;

6) services for marketing and promotion of agricultural goods, including market information, consultations and promotion of specific agricultural goods (excluding the cost of non-specific tasks that may be used by sellers to reduce selling prices of agricultural goods or provide direct economic benefits to customers);

7) infrastructure services, including electricity supply, roads and other means of communication, market and port facilities, water supply, dams and drainage systems, infrastructure developments in conjunction with environmental protection programmes. In all cases, the funds shall only be allocated for equipment or construction of capital and public infrastructure facilities intended for general use, with the exception of funds allocated to cover operating costs or lost profits from servicing customers with benefits.

16. State reserves to ensure food security shall be created using funds (unclaimed revenues) budgeted for the purpose of accumulation and storage of food stocks and allocated within the programme provided for by the legislation of the Member State to ensure food security and shall meet the following requirements:

1) the amount and accumulation of state reserves to ensure food security shall comply with the predetermined targets related solely to food security;

2) the process of formation and distribution of reserves shall be financially transparent;

3) food products shall be procured at current market prices; sales from the food reserves shall be conducted at prices not lower than the current domestic market prices for particular products of appropriate quality.

17. Domestic food aid shall be provided to the part of the population in need at the expense of budget funds (unclaimed revenues).

Domestic food aid provided shall meet the following requirements:

the right to receive domestic food aid shall be determined by the legislation of the Member State;

domestic food aid shall be provided in the form of direct food supplies to interested persons or the provision of funds for the purchase of food at market or subsidised prices by these persons;

within the framework of provision of domestic food aid, food products shall be procured at current market prices; the funding and distribution of funds shall be transparent.

18. State support measures implemented in the form of direct payments to manufacturers (the use of unclaimed revenues and payments in kind) shall comply with the criteria specified in paragraph 12 of this Protocol, as well as other criteria applicable to individual types of direct payments specified in paragraphs 19 - 26 of this Protocol. Direct payments, except for those specified in paragraphs 19 - 26 of this Protocol, shall comply with the requirements specified in sub-paragraphs 2 and 3 of paragraph 19 of this Protocol, in addition to the general criteria specified in paragraph 12 of this Protocol.

19. "Unrelated" support of manufacturers' income shall meet the following requirements:

1) eligibility for payments shall be determined by the legislation of the Member State depending on the level of income, status of the manufacturer, the use of production factors or the level of output in a specific fixed base period;

2) the amount payable shall not depend on the type or volume of products (including livestock), domestic or world prices for manufactured products and production factors;

3) manufacture of products shall not be required to receive payments.

20. Financial participation of authorised state government authorities in insurance and income security programmes shall meet the following requirements:

1) eligibility for payments shall depend on the losses in income (taking into account only the income derived from agricultural activities) exceeding 30 percent of the average gross income or the equivalent in the form of net income (excluding any payments received under these or similar programmes) in the previous 3-year period or of the average value for 3 years calculated on the basis of the previous 5-year period, excluding the highest and the lowest annual rates. Any manufacturer that meets this condition shall be entitled to receive payments;

2) the amount of compensation may not exceed 70 percent of the losses in income of a manufacturer for the year in which the manufacturer is eligible to receive the support;

3) the amount payable shall not depend on the type or volume of products (including livestock), domestic or world prices for manufactured products and production factors;

4) upon receipt by a manufacturer of agricultural products of state support within 1 calendar year in accordance with this paragraph and

paragraph 21 of this Protocol, the total amount of compensation may not exceed 100 percent of the total losses of the manufacturer.

21. Support payments in cases of natural and other disasters, exercised either directly or through the financial participation of authorised state government authorities (their authorised organisations) in insurance programmes for crops and animals shall meet the following requirements:

1) eligibility for payments shall arise after the official recognition by authorised state government authorities of the actual occurrence of a natural or other disaster (including disease outbreaks, pest infestation, invasion of locusts, wildfires, droughts, floods and other severe weather events, man-made events, nuclear accidents and military operations on the territory of the Member State, etc.);

2) the amount of payments shall be determined based on the amount of production losses exceeding 30 percent of the average output in the preceding 3-year period or the average output for 3 years calculated on the basis of the previous 5-year period, excluding the highest and the lowest annual rates;

3) the payments shall be made in respect of losses of income, livestock (including payments related to veterinary services for animals), retirement of agricultural land and other production factors caused by the natural or other disaster;

4) the amount of payments shall not exceed the total amount of the loss of the manufacturer caused by the natural or other disaster, regardless of the type or quantity of future products;

5) the amount of payments shall not exceed the level required to prevent or mitigate further losses as specified in sub-paragraph 3 of this paragraph;

6) upon receipt by a manufacturer of state support within 1 calendar year in accordance with this paragraph and paragraph 20 of this Protocol, the total amount of compensation may not exceed 100 percent of the total losses of the manufacturer.

22. Fostering structural changes through programmes encouraging manufacturers to cease their activities shall provide for the following:

1) eligibility for payments shall be based on clearly defined criteria under programmes designed to facilitate the termination of activities by persons engaged in manufacture of marketable agricultural products or their relocation to other sectors of the economy;

2) payments shall depend on termination of manufacture of marketable agricultural products by the recipient of the support in full and on an ongoing basis.

23. Fostering structural changes through programmes to eliminate the use of resources shall provide for the following:

1) eligibility for payments shall be based on clearly defined criteria under programmes aimed at cessation of the use of land or other resources, including livestock, for the manufacture of agricultural goods;

2) payments shall depend on the withdrawal of land from the sphere of manufacturing of marketable agricultural products for at least 3 years and, in the case of livestock, slaughtering thereof with further refuse from breeding;

3) payments shall neither require nor specify any alternative use of land and other resources withdrawn from the sphere of manufacturing of marketable agricultural products;

4) payments shall not depend on the type and amount of output, domestic or world prices for products manufactured with the use of land or other resources remaining for production.

24. Fostering structural changes by encouraging investment shall provide for the following:

1) eligibility for payments shall be based on the clearly defined criteria under state programmes designed to assist financial or physical restructuring activities of the manufacturer due to objectively justified structural losses. Eligibility for such payments may also be based on a clearly specified state programme for the denationalisation of agricultural lands;

2) the amount of payments shall not be based and shall not depend on the type or volume of manufactured products (including livestock), except for the requirement stipulated in sub-paragraph 5 of this paragraph;

3) the amount of payments shall not be based on and shall not depend on domestic or world prices of specific goods;

4) payments shall be provided only for the period required to implement the investments for which the payments are intended;

5) when effecting the payments, it shall not be indicated or instructed to the recipient of support which agricultural goods shall be manufactured by it, except for the requirement not to manufacture a particular product;

6) the payments shall be limited to the amount required for compensation of the structural losses.

25. Payments under environmental protection programmes shall be made taking into account the following:

1) eligibility for the payments shall be conditioned by the manufacturer's participation in a state programme for the protection or conservation of the environment and shall depend on the fulfilment of specific conditions provided for by the state programme, including conditions related to production methods or materials required;

2) the amount of payments shall be limited to the extra costs or losses of income related to the implementation of the state programme.

26. Payments under regional support programmes shall be carried out taking into account the following:

1) the right to the payment shall be granted to manufacturers operating in disadvantaged regions. A disadvantaged region shall refer to an administrative and (or) economic territory as determined by the legislation of the Member State;

2) the amount payable shall not be based on and shall not depend on the type or output of agricultural goods (including livestock), but shall be related to the reduction in the output of such goods;

3) the amount of payments shall not be based on and shall not depend on domestic or world prices of specific goods;

4) the payments shall be provided only to manufacturers in the regions eligible for the support and shall be available to all manufacturers operating in such regions;

5) payments related to production factors shall be carried out on a regressive scale in excess of the threshold level for this production factor;

6) the amount of payments shall be limited to the extra costs or losses of income related to the manufacture of agricultural goods on the specified territory.

IV. Measures with the Most Trade-Distorting Effect

27. The following measures shall be recognised as measures with the most trade-distorting effect:

1) effecting direct payments (including payments in kind) to specific manufacturers, a group or association of manufacturers of agricultural goods, depending on the results of export of such goods;

2) sale or offer for export to the territory of another Member State of non-commercial stocks of agricultural goods at prices lower than the prices for similar goods offered to purchasers in the domestic market of the Member State;

3) effecting payments for export to the territory of another Member State of agricultural goods funded with support from the government, at the expense of state funds and other funds, including payments financed from the proceeds of levies on agricultural product or agricultural product used as the basis for the manufacture of product exported to the territory of another Member State;

4) provision of state support to reduce the cost of marketing and promotion of agricultural goods for export to the territory of another Member State (except for prevalent services for the promotion of export and consultancy services), including the costs of handling, improving product quality and other processing costs, as well as costs associated with international shipments;

5) setting domestic tariffs for transportation of agricultural goods intended for export to the territory of another Member State on more favourable terms than determined for the transportation of agricultural goods intended for domestic consumption;

6) provision of state support for agriculture depending on the inclusion of agricultural goods in the list of products intended for export to the territory of another Member State.

V. Calculation of the Volume of State Support for Agriculture

28. When calculating the volume of state support for agriculture, the following shall be taken into account:

1) direct transfer of funds;

2) provision of performance guarantees (e.g., loan guarantees);

3) acquisition by the state of goods, services, securities, companies (property complexes) or a part thereof, stakes in the authorised capital of a company (including the acquisition of shares), other property, intellectual property rights, etc., at prices exceeding the market prices;

4) full or partial waiver of the collection of payments due to the state budget and the budgets of administrative-territorial entities (such as debt relief for payments due to the budget, etc.);

5) preferential or free provision of goods or services;

6) price support combining measures aimed at maintaining the level of market prices.

29. In case of a direct transfer of funds, the amount of state support for the agriculture shall correspond to the amount of funds provided free of charge (e.g., in the form of grants, compensations, etc.). If funds are provided on a repayment basis on more favourable terms than those in the available market (the market of bank loans, bonds, etc.), the amount of the support shall be determined as the difference between the amount that would be required to pay for the use of these funds if received in the market and the actual amount paid.

30. The amount of state support for agriculture under a provided performance guarantee shall be determined as the difference between the amount that would be payable on the basis of the tariff for the insurance risk

for a default of the corresponding obligations on the available insurance market and the amount payable for the provision of the guarantee to the subsidising authority.

Budgetary costs of performance guarantees shall be included into the state support in the amount of excess of the level calculated in accordance with the first indent of this paragraph.

The Member States shall include in the notices provided for in Section VI of this Protocol information allowing to assess the level of state support for the provision of state performance guarantees.

31. In case of acquisition by the state of goods, services, securities, companies (property complexes) or a part thereof, stakes in the authorised capital of a company (including the acquisition of shares), other property, intellectual property rights, etc., at prices exceeding the market prices, the amount of the state support for agriculture shall be calculated as the difference between the amount actually paid for the assets acquired and the amount that would be required to pay for these assets at prices prevailing in the market.

State expenditures for the acquisition of shares, increasing its equity in the authorised capital of the company, etc., meeting the conditions of normal investment practices, shall not be included in state support measures.

32. In case of a full or partial waiver of collection of payments due to the budgets of the Member States and administrative-territorial entities, the amount of state support for agriculture shall correspond to the amount of outstanding financial obligations of the manufacturer to the budget, including liabilities that might arise in the absence of such support. The amount of state support for agriculture in case of deferred fulfilment of an obligation shall be determined as the amount payable in the form of interest for the use of

borrowed funds equal to the amount of deferred liabilities, but obtained in the available credit market.

33. In case of preferential or free of charge provision of goods or services, the amount of state support for agriculture shall be calculated as the difference between the market value and the amount actually paid for the acquisition (provision) of the goods or services.

34. The amount of price support combining measures aimed at maintaining the level of market prices shall be calculated as the product of the amount of a particular type of agricultural goods in respect of which the price regulation was implemented or measures to control prices were applied by the difference between the domestic regulated price and the reference world price adjusted to the quality and the degree of processing of the goods (e.g., basic milk fat). Budget expenditures aimed at maintaining prices (for example, the costs of purchasing and storage of goods) shall not be included in the calculation of the amount of the price support.

VI. Notices of State Support for Agriculture

35. The Member States shall notify each other and the Commission in writing of all programmes of state support for agriculture planned in the current year, at the federal or national levels, as well as at the level of administrative-territorial entities, including information on the amount and procedure for the provision of the state support for agriculture. The notice shall contain sufficient information for the authorised authorities of the Member State and the Commission to assess the amount of state support for agriculture provided by the Member States and its compliance with this Protocol. The Member States shall not subsume to a classified information

category the information on the state support for agriculture provided. The Member States shall send the notices to each other and to the Commission annually, not later than on May 1.

36. The Member States shall send to each other and to the Commission the notices specified in paragraph 35 of this Protocol, containing information on the expenditures in the federal or republican budgets broken down by sections, subsections and types of functional and departmental classifications of expenditures, as well as rules on the procedure and scope of the provision of state support for agriculture. Budget expenditures of administrative-territorial entities of the Member States shall be reflected in the notices in any other way.

37. A list of sources of information on the volumes and areas of state support for agriculture, at the federal or national levels, as well as at the level of administrative-territorial entities, shall be submitted by a Member State or an authorised authority of a Member State at the request of another Member State or the Commission.

38. Authorised authorities of the Member States shall send to each other and to the Commission notices indicating the state support for agriculture provided during the reporting year on the territory of their states before December 1 of the year following the reporting year.

39. The form of notices of the programmes of state support for agriculture planned for the current year and of the state support for agriculture provided in the reporting year shall be developed by the Commission in cooperation with the Member States and approved by the Commission.

VII. Liabilities of the Member States

40. In case of violation of the provisions of paragraphs 6 and 8 of this Protocol by a Member State, the Member State shall, within a reasonable time, cease the provision of measures with the most trade-distorting effect or measures with trade-distorting effect provided in excess of the permitted amount, and shall pay to other Member States a compensation equal to the amount of measures with the most trade-distorting effect or the amount of measures with trade-distorting effect exceeding the permitted amount. The procedure for payment of the compensation shall be determined by the Council of the Commission. In case of a failure by a Member State to pay the above compensation, other Member States shall be entitled to introduce response measures.

ANNEX 30
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on Provision of Medical Treatment of Workers of the Member States and their Family Members

1. This Protocol has been developed in accordance with Section XXVI of the Treaty on the Eurasian Economic Union and governs the provision of medical treatment to workers of the Member States and their family members.

2. The terms used in this Protocol shall have the following meanings:

"state of permanent residence" means a state of which a patient is a national;

"medical (healthcare) organisation" means a juridical person, regardless of its organisational legal form, performing medical activities as its core (statutory) activities under a license issued in accordance with the procedure determined by the legislation of a Member State, or another juridical person, regardless of its organisational legal form, performing medical activities along with its core (statutory) activities, or a natural person registered as an individual entrepreneur engaged in medical activities in accordance with the legislation of a Member State;

"medical evacuation" means transportation of a patient in order to save his/her life and preserve his/her health (including patients in life-threatening conditions who cannot be properly treated in medical (healthcare) organisations, in which they are located, and patients affected by emergencies

and natural disasters, as well as suffering from diseases posing a threat to others);

"patient" means a worker of a Member State or his/her family member receiving or seeking medical care, regardless of their diseases and condition;

"emergency medical care" means a set of medical services provided at unexpected acute diseases and conditions and exacerbation of chronic diseases without any evident signs of threat to the life of the patient;

"rescue emergency care" means a set of medical services provided for acute diseases, accidents, injuries, poisoning and other conditions that threaten the life of a patient.

3. The state of employment shall provide medical treatment to workers of the Member States and members of their families in accordance with the procedure and under the conditions that are determined by the legislation of the state of employment and by international treaties.

4. The Member States shall grant workers of the Member States and their family members the right to receive free emergency medical care and rescue emergency care in their territories in accordance with the same procedure and under the same conditions as to the nationals of the state of employment.

Emergency medical care and rescue emergency care shall be provided to workers of the Member States and their family members by medical (healthcare) organisations of the state and municipal healthcare systems of the state of employment free of charge, regardless of the availability of a health insurance policy.

All costs of medical (healthcare) organisations incurred in the provision of emergency medical care and rescue emergency care to workers of the Member States and their family members shall be reimbursed from the

relevant budgets of the budget system of the state of employment in accordance with the effective system of healthcare funding.

5. In the event of continued treatment of a patient in a medical (healthcare) organisation of the state of employment after the elimination of the immediate threat to his/her life or the health of others, the actual costs of the services rendered shall be paid directly by the patient or from other sources not prohibited by the legislation of the state of employment according to the tariffs or negotiated prices.

6. When medical evacuation of a patient to the state of his/her permanent residence is required, the patient's health records shall be sent by the medical (healthcare) organisation to the embassy and (or) the authorised authority (organisation) of the state of permanent residence.

The possibility of a patient's medical evacuation and the procedure of the medical evacuation shall be determined in accordance with the legislation of the Member States. Medical evacuation shall be performed by mobile ambulance teams providing the required medical care to the patient during the transportation, including with the use of medical equipment.

Costs associated with the medical evacuation of a patient shall be reimbursed from the relevant budget of the budgetary system of the state of permanent residence in accordance with the effective system of healthcare funding or from other sources not prohibited by the legislation of the state of permanent residence.

ANNEX 31
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Functioning of the Eurasian Economic Union within the Multilateral Trading System

Within the Union, all corresponding relations shall be governed by the Treaty on the Functioning of the Customs Union within the Multilateral Trading System of May 19, 2011.

ANNEX 32
to the Treaty on the Eurasian
Economic Union

REGULATION
on Social Guarantees, Privileges and Immunities within the Eurasian Economic Union

I. General provisions

1. The terms used in this Regulation shall have the following meanings:

"host state" means a Member State of location of a Body of the Union;

"premises of the Bodies of the Union" means buildings or parts of buildings used for official purposes as well as for the residence of members of the Board of the Commission, judges of the Court of the Union, officials and employees;

"representatives of the Member States" means heads and members of delegations sent by the Member States to the meetings of the Bodies of the Union and events held within the Union;

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

"family members of members of the Board of the Commission, judges of the Court of the Union, and officials" means spouses, minor children and dependent persons residing permanently with members of the Board of the Commission, judges of the Court of the Union, and officials;

"family members of employees" means spouses and minor children residing permanently with employees.

2. Members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be international public servants. When exercising their powers (in the performance of official (service) duties), they shall not seek or receive instructions from state government authorities or officials of the Member States, as well as from authorities of any states that are not members of the Union. They shall refrain from any action incompatible with their status of international public servants.

3. Each Member State shall be obliged to strictly respect the international nature of powers of members of the Board of the Commission, judges of the Court of the Union, officials and employees, and shall not influence them in the performance of their service duties.

II. Privileges and Immunities of the Union

4. The property and assets of the Bodies of the Union shall enjoy immunity against any form of administrative or judicial intervention, except in cases when the Union waives its immunity.

5. Premises of the Bodies of the Union, as well as its archives and documents, including official correspondence, regardless of their location, shall be immune against searches, requisitions, confiscations or any other form of intervention preventing the normal functioning of these Bodies.

6. Representatives of relevant state government and administration authorities of the host state may not enter the premises of the Bodies of the Union except with the consent of the Chairman of the Board of the Commission, the Chairman of the Court of the Union or their representatives and on the conditions approved by them, except in the case of fire or other circumstances requiring immediate protection measures.

7. Any actions performed by decision of the relevant state government and administration authorities of the host state may be enforced in the premises of the Bodies of the Union only with the consent of the Chairman of the Board of the Commission, the Chairman of the Court of the Union or their substitutes.

8. Premises of the Bodies of the Union may not serve as a refuge for persons persecuted under the laws of any Member State or persons to be released to a Member State or any state that is not a member of the Union.

9. The inviolability of the premises of the Bodies of the Union shall not allow their use for any purposes incompatible with the functions and tasks of the Union or detrimental to the security and interests of natural persons or juridical persons of the Member States.

10. The host state shall take appropriate measures to protect the premises of the Union against any intervention or damage.

11. The Bodies of the Union shall be exempt from taxes, duties, fees and other charges collected in the host state, except for payments for specific services and payments (deductions and contributions) payable under paragraphs 44 and 45 of this Regulation.

12. Objects and other property intended for official use by the Bodies of the Union shall be exempt from customs duties, taxes and customs fees on the territories of the Member States.

13. With regard to their official means of communications, the Bodies of the Union shall apply conditions not less favourable than those provided by the host state to diplomatic missions.

14. The Bodies of the Union may place the flag, emblem or any other symbol of the Union on the premises occupied by them and their vehicles.

15. Subject to compliance with the legislation of the Member States, the Bodies of the Union may, in accordance with their purposes and functions, publish and distribute printed materials the publication of which is provided for by international treaties and acts constituting the law of the Union.

16. The host state shall assist the Union in purchasing or obtaining the premises required for the implementation by the Bodies of the Union of their functions.

17. The Union shall cooperate with the relevant state government and administration authorities of the Member States in order to ensure proper administration of justice and compliance with the directions of law enforcement agencies, as well as to prevent any abuse of the privileges and immunities provided for by this Regulation.

III. Privileges and Immunities of Members of the Board of the Commission, Judges of the Court of the Union, Officials and Employees

18. Members of the Board of the Commission and judges of the Court of the Union, if they are not nationals of the host state, shall enjoy the privileges and immunities to the extent provided for by the Vienna Convention on Diplomatic Relations of April 18, 1961 for a diplomatic agent.

This immunities shall not extend to the following cases:

property claims relating to private immovable property located on the territory of the host state;

claims relating to succession, when a member of the Board of the Commission, a judge of the Court of the Union or a family member acts as a

testamentary executor, a trustee for the inherited property, an heir or a legatee as a private person and not on behalf of a Body of the Union;

claims relating to professional activities extending beyond the powers provided for by the Treaty on the Eurasian Economic Union (hereinafter "the Treaty").

The provisions of sub-paragraph 1 of paragraph 19 of this Regulation shall apply to members of the Board of the Commission and judges of the Court of the Union, who are nationals of the host state.

Family members of members of the Board of the Commission and judges of the Court of the Union residing with them, if these family members are not nationals of the host state, shall be subject to the provisions of sub-paragraphs 3 to 5 of paragraph 19 of this Regulation.

Family members of members of the Board of the Commission and judges of the Court of the Union, if they are nationals of the host state and (or) permanently reside in its territory, shall not enjoy the immunity against civil jurisdiction of the host state under claims for damages in connection with a traffic accident caused by a vehicle belonging to or driven by such a family member.

19. Officials shall:

1) not be subject to criminal, civil and administrative liability for words spoken or written by them and all actions performed by them in their official capacity;

2) be exempt from taxation of salaries and other remuneration paid by the Bodies of the Union;

3) be exempt from national service obligations;

4) be exempt from the restrictions on entry to and departure from the host state, from registration as aliens and from obtaining temporary residence permits;

5) enjoy the same repatriation privileges as diplomatic envoys in the time of an international crisis.

20. Officials, if they are nationals of the host state and (or) permanently reside in its territory, shall not be subject to the provisions of sub-paragraphs 2 to 5 paragraph 19 of this Regulation.

21. Family members of officials residing with them, if they are not nationals of the host state and (or) do not permanently reside in its territory, shall be subject to the provisions of sub-paragraphs 3 to 5 paragraph 19 of this Regulation.

22. Accreditation of members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be governed by international treaties on the conditions of stay of the Bodies of the Union on the territory of the host state.

23. Members of the Board of the Commission, judges of the Court of the Union, officials and employees shall not engage in any entrepreneurial or other business activities for their personal benefit or the benefit of other persons, except for scientific, artistic and teaching activities.

Any income generated from such scientific, artistic or teaching activities shall be taxable in accordance with international treaties and the legislation of the host state.

24. Members of the Board of the Commission, judges of the Court of the Union, officials and their family members shall comply with the legislation of the host state relating to insurance against damage that may be caused to third persons in connection with the use of a vehicle.

25. Employees shall not be subject to the jurisdiction of any judicial or administrative authorities of the host state in respect of actions committed as part of the direct performance of their service duties, except in cases of filing:

1) claims for damages in connection with a traffic accident caused by a vehicle belonging to or driven by an employee;

2) claims for death or personal injury caused by actions of employees.

26. Employees shall be exempt from the restrictions on entry to and departure from the host state, from registration as aliens and from obtaining temporary residence permits.

27. The provisions of paragraphs 25 and 26 of this Regulation shall not apply to the relations between employees and state government and administration authorities of the Member State of their nationality.

28. Privileges and immunities enjoyed by members of the Board of the Commission, judges of the Court of the Union, officials and employees shall not be provided for their personal benefit, but for the efficient and independent exercise of their powers (performance of official (service) duties) in the interests of the Union.

29. Members of the Board of the Commission, judges of the Court of the Union, officials, employees and their family members shall enjoy the privileges and immunities provided for by this Regulation from the time of their entry into the territory of the host state, on the way to their destination, or, if they are already on the territory of the host state, from the time of assumption by members of the Board of the Commission, judges of the Court of the Union, officials and employees of their powers (official (service) duties).

30. Upon termination of the powers (performance of official (service) duties) of members of the Board of the Commission, judges of the Court of

the Union, officials or employees, their privileges and immunities, as well as privileges and immunities of their family members residing with them, shall normally cease at the time of the departure of such persons from the host state or within a reasonable time allocated to depart from the host state, whichever occurs first. Privileges and immunities of family members shall terminate if they cease to be family members of members of the Board of the Commission, judges of the Court of the Union, officials or employees. In this case, if such persons intend to leave the host state within a reasonable time, their privileges and immunities shall remain valid until the time of their departure.

31. In case of death of a member of the Board of the Commission, judge of the Court of the Union, an official or an employee, members of their families having resided with them shall continue to enjoy their privileges and immunities until the time of their departure from the host state or until the expiration of a reasonable time allocated to depart from the host state, whichever comes first.

32. Criminal, civil and administrative jurisdictional immunities of a member of the Board of the Commission, a judge of the Court of the Union or an official in respect of words spoken or written in the framework of their functions and all actions performed in their official capacities shall remain valid after the termination of their powers. This paragraph shall apply without prejudice to cases of liability of members of the Board of the Commission, judges of the Court of the Union or officials provided for by the Treaty or the international treaties within the Union.

33. All persons enjoying privileges and immunities in accordance with this Regulation shall, without prejudice to their privileges and immunities,

respect the legislation of the host state. They shall also not be entitled to interfere with internal affairs of such host state.

34. A member of the Board of the Commission, a judge of the Court of the Union, an official or an employee may be deprived of immunity, if such immunity prevents the administration of justice and the lifting of such immunity does not prejudice the purposes for which it was granted.

35. Immunity may be lifted:

1) in respect of a member of the Board of the Commission and a judge of the Court of the Union, by the Supreme Council;

2) in respect of officials and employees of the Commission, by the Council of the Commission;

3) in respect of officials and employees of the Court of the Union, by the Chairman of the Court of the Union.

36. A waiver of immunity shall be executed in writing and shall be specifically expressed.

IV. Privileges and Immunities of Representative of the Member States

37. In the exercise of their official functions and when travelling to the location of events organised by the Bodies of the Union on the territories of the Member States, representatives of the Member States shall enjoy the following privileges and immunities:

1) immunity from personal arrest or detention and from the jurisdiction of judicial and administrative authorities in respect of all actions that may be committed by them in that capacity;

2) inviolability of dwelling;

3) exemption of accompanied luggage and hand luggage from customs inspections, unless there are serious grounds to believe that they contain articles and other property not intended for official or personal use, or objects and other property the import or export of which is prohibited or restricted by the legislation of the Member State hosting the event;

4) exemption from the restrictions on entry to and exit from the host state and from registration as aliens and from obtaining temporary residence permits.

38. The provisions of paragraph 37 of this Regulation shall not apply to relations between a representative of a Member State and authorities of the Member State of current or previous nationality of such representative.

39. The privileges and immunities enjoyed by representatives of the Member States shall not be provided for their personal benefit but for the efficient and independent exercise of their official functions in the interests of their Member State.

40. Premises occupied by representatives of the Member States, all furnishings and other property, as well as vehicles used by such representatives for official business, shall be immune from search, requisition, arrest or any enforcement process.

41. Archives and documents of the Member States shall be inviolable at any time and regardless of the media used and of their location.

42. If it is not inconsistent with the laws and regulations concerning zones of prohibited or restricted entry for reasons of national security, the host state shall provide all representatives of the Member States freedom of movement and travel throughout its territory to the extent required for the performance of their official functions.

V. Labour Relations and Social Guarantees in the Bodies of the Union

43. Labour relations of members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be governed by the legislation of the host state, taking into account the provisions of this Regulation.

44. Pension benefits of members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be governed by the legislation of the Member State of their nationality.

Mandatory pension contributions of members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be made by the Bodies of the Union, without any deductions from their salaries, from the Budget of the Union to the pension funds of the Member States of their nationality, in accordance with the procedure and in the amounts determined by the legislation the respective Member States. Pensions to members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be paid by the Member State of their nationality.

45. Social security (social insurance), except for pension insurance, and social insurance benefits for members of the Board of the Commission, judges of the Court of the Union, officials and employees shall be provided in accordance with the legislation of the host state under the same conditions and in accordance with the same procedure as applied to all nationals of the host state.

Social security (social insurance) contributions, except for pension insurance contributions, from payments to members of the Board of the Commission, judges of the Court of the Union, officials and employees shall

be paid from the Budget of the Union in accordance with the procedure determined by the legislation of the host state.

Social security (social insurance) benefits shall be paid by the host state without mutual settlements with other Member States.

46. For the purposes of determining pensions or social security (social insurance) benefits, the length of pensionable service or seniority shall include the period of service as a member of the Board of the Commission, judge of the Court of the Union, official or employee in accordance with the legislation of the Member State of their nationality.

The period of service as a member of the Board of the Commission, judge of the Court of the Union, official or employee shall be included in the length of pensionable service or seniority when determining their pensions in accordance with the legislation of the Member State of their nationality and in accordance with the legislation of the host state when determining social security (social insurance) benefits.

47. Earnings received by members of the Board of the Commission, judges of the Court of the Union, officials and employees during the period of their office shall be taken into account when determining the amounts of their pensions in accordance with the legislation of the Member State of their nationality, and in accordance with the legislation of the host state when determining the amounts of social security (social insurance) benefits.

48. During the period of their office, members of the Board of the Commission and judges of the Court of the Union shall be provided with the following social guarantees:

1) a paid annual leave of 45 calendar days;

2) medical care, including for family members, as well as transportation services paid from the Budget of the Union;

3) provision of the Union of official residential premises, paid from the Budget of the Union, to members of the Board of the Commission and judges of the Court of the Union (with their family members) if they do not have residential premises on the territory of the city of location of the respective Body of the Union;

4) inclusion of the period of office for a member of the Board of the Commission in the period of public (civil) service in the provision of social guarantees provided for by the legislation of the Member State of his/her nationality for public servants (federal civil servants), as well as in the period of office of a minister (federal minister) in determining for a minister (federal minister) the amount of (eligibility for) pension (social) security (monthly supplements to pensions) provided for by the legislation of the Member State of nationality of the member of the Board of the Commission;

5) inclusion of the period of office for judges of the Court of the Union in the seniority of the judge in the Member States of nationality of such judges of the Court of the Union.

49. The provision of social guarantees (including medical care and transportation services) to members of the Board of the Commission and judges of the Court of the Union shall be regulated by the competent authority of the host state.

50. Upon retirement from their office (except in cases of early termination of powers provided for by the Regulation on the Eurasian Economic Commission, members of the Board of the Commission who are nationals of the Russian Federation (Annex 1 to the Treaty)) shall be entitled to a monthly supplement to the insured old age (disability) pension. The rate of the monthly supplement to the pension shall be determined in the amounts, in accordance with the procedure and under the conditions provided for by

the legislation of the Russian Federation for federal ministers. Decisions determining monthly supplements to pensions shall be made by the head of the federal executive authority responsible for the formulation and implementation of the state policy and legal regulation in the sphere of pension provision. Monthly supplement to the pension shall be determined from the federal budget.

Upon termination of his/her powers, a judge of the Court of the Union shall be entitled to guarantees and allowances provided for by the legislation of the Member State for the Chairman of the Supreme Court of the Member State that has appointed the judge of the Court of the Union. These guarantees and allowances shall be determined for a judge of the Court of the Union in accordance with the procedure determined by the legislation of the Member State that has appointed the judge.

51. During the period of performance of their official (service) duties, officials, employees and their family members shall be provided with medical care paid from the Budget of the Union, directors of the departments of the Commission and the Head of the Secretariat of the Court of the Union shall also be provided with transportation services paid from the Budget of the Union.

52. During the period of performance of their official (service) duties, officials and employees who do not have residential premises on the territory of the city of location of the respective Body of the Union shall be provided with service residential premises (including for their family members) paid from the Budget of the Union.

53. Officials and employees of the Commission and the Court of the Union who are nationals of the Russian Federation, if they have occupied federal public (civil) service positions prior to the employment at the

Commission and the Court of the Union, have been dismissed from offices held at the Commission and the Court of the Union (except for cases of dismissal due to any wrongful actions), and having served in civil service for at least 15 years, shall be entitled to a longevity pension to be determined in accordance with the procedure provided for by the legislation of the Russian Federation for federal civil servants, if immediately prior to their dismissal from the Commission and the Court of the Union they have occupied their positions for at least 12 months. Recommendations (decisions) determining the longevity pension shall be made by the head of the federal executive authority responsible for the formulation and implementation of the state policy and legal regulation in the sphere of pension provision upon recommendation of the Chairman of the Board of the Commission and the Chairman of the Court of the Union.

The amounts of longevity pensions shall be calculated on the basis of the average monthly salary of an official or employee, the maximum amount of which shall be determined with respect to the basic salaries (monetary remuneration) determined for civil service positions of equal status according to the list of correspondence of positions of officials and employees of the Commission and the Court to the federal civil service positions at the Office of the Government of the Russian Federation and the administration of the Supreme Court of the Russian Federation, as approved by the Government of the Russian Federation.

Longevity pension, under the legislation of the Russian Federation, shall be paid from the federal budget.

54. The period of employment of officials and employees of the Commission and the Court of the Union shall be included in the duration of their public (civil) service in the Member State of their nationality for the

purposes of determining social guarantees for the period of public (civil) service and for granting longevity pension of public servants (federal civil servants).

55. The procedure for the provision of medical care and transportation service to members of the Board of the Commission, judges of the Court of the Union, officials and employees, as well as their family members, shall be determined by the Intergovernmental Council.

ANNEX 33
to the Treaty on the Eurasian
Economic Union

PROTOCOL
on the Termination of the International Treaties Concluded within the Formation of the Customs Union and the Common Economic Space in Connection with the Entry into Force of the Treaty on the Eurasian Economic Union

In connection with the entry into force of the Treaty on the Eurasian Economic Union (hereinafter "the Treaty") the following international treaties concluded within the establishment of the Customs Union and the Common Economic Space shall cease to be effective.

I. International treaties terminating as of the effective date of the Treaty

1. Treaty on the Establishment of a Common Customs Territory and the Formation of the Customs Union of October 6, 2007.

2. Protocol on the Procedure for Bringing into Force International Treaties Aimed at Formation of the Legal Framework of the Customs Union, Withdrawal from and Accession to Such Treaties of October 6, 2007.

3. Agreement on Customs Statistics of Foreign and Mutual Trade in Goods of the Customs Union of January 25, 2008.

4. Agreement on Common Customs and Tariff Regulation of January 25, 2008.

5. Agreement on Common Non-Tariff Regulatory Measures in Relation to Third Countries of January 25, 2008

6. Agreement on Application of Safeguard, Anti-Dumping and Countervailing Measures in Relation to Third Countries of January 25, 2008.

7. Agreement on the Principles of Collection of Indirect Taxes on the Export and Import of Goods, Performance of Works and Provision of Services in the Customs Union of January 25, 2008.

8. Protocol on Granting Tariff Exemptions of December 12, 2008.

9. Protocol on Ensuring Uniform Application of Rules for Determining the Customs Value of Goods Moved Across the Customs Border of the Customs Union of December 12, 2008.

10. Protocol on the Exchange of Information Required to Determine and Control the Customs Value of Goods Between the Customs Authorities of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation of December 12, 2008.

11. Protocol on the Conditions and Procedure for the Application in Exceptional Cases of Import Customs Duties Different from the Rates of the Common Customs Tariff of December 12, 2008.

12. Agreement on the Types of Customs Procedures and Customs Regimes of December 12, 2008.

13. Agreement on the Procedure for Declaring the Customs Value of Goods Moved across the Customs Border of the Customs Union of December 12, 2008.

14. Agreement on the Procedure for Declaring Goods of December 12, 2008.

15. Agreement on the Procedure for Calculation and Payment of Customs Duties in the Member States of the Customs Union of December 12, 2008.

16. Agreement on the Procedure for Exercising Control over Correct Determination of the Customs Value of Goods Moved across the Customs Border of the Customs Union of December 12, 2008.

17. Agreement on the Procedure for Customs Clearance and Customs Control in the Participating States of the Customs Union of December 12, 2008.

18. Agreement on the Secretariat of the Commission of the Customs Union of December 12, 2008.

19. Agreement on the Conditions and Mechanism of Application of Tariff Quotas of December 12, 2008.

20. Agreement on the Procedure for Introduction and Application of Measures Affecting Foreign Trade in Goods on the Common Customs Territory with Regard to Third Countries of June 9, 2009.

21. Agreement on Licensing Rules in the Sphere of Foreign Trade in Goods of June 9, 2009.

22. Protocol on the Procedure for Collection of Indirect Taxes and the Mechanism of Control over their Payment in Export and Import of Goods in the Customs Union of December 11, 2009.

23. Protocol on the Procedure for Collection of Indirect Taxes in Performance of Works and Provision of Services in the Customs Union of December 11, 2009.

24. Protocol on the Procedure for Transfer of Statistics on Foreign Trade and Statistics on Mutual Trade of December 11, 2009.

25. Protocol on the Status of the Centre of Customs Statistics of the Commission of the Customs Union of December 11, 2009.

26. Agreement on Mutual Recognition of Accreditation of Certification (Conformity Assessment (Confirmation)) Authorities and Testing

Laboratories (Centres) Performing Assessment (Confirmation) Activities of December 11, 2009.

27. Agreement on Circulation of Products Subject to Mandatory Conformity Assessment (Confirmation) on the Customs Territory of the Customs Union of December 11, 2009.

28. Agreement of the Customs Union on Veterinary-Sanitary Measures of December 11, 2009.

29. Agreement of the Customs Union on Plant Quarantine of December 11, 2009.

30. Agreement of the Customs Union on Sanitary Measures of December 11, 2009.

31. Protocol of December 11, 2009 on Amendments to the Agreement on the Principles of Indirect Taxation in Export and Import of Goods, Performance of Works and Provision of Services in the Customs Union of January 25, 2008.

32. Agreement on Determination and Application in the Customs Union of the Procedure for Transferring and Distributing Import Customs Duties (other Duties, Taxes and Fees Having Equivalent Effect) of May 20, 2010.

33. Protocol of May 21, 2010 on the Amendments to the Agreement of the Customs Union on Plant Quarantine of December 11, 2009.

34. Protocol of May 21, 2010 on the Amendments to the Agreement of the Customs Union on Veterinary-Sanitary Measures of December 11, 2009.

35. Protocol of May 21, 2010 on the Amendments to the Agreement of the Customs Union on Sanitary Measures of December 11, 2009.

36. Protocol on Certain Temporary Exceptions from the Regime of Functioning of the Common Customs Territory of the Customs Union of July 5, 2010.

37. Agreement on Application of Information Technology in the Exchange of Electronic Documents in Foreign and Mutual Trade on the Common Customs Territory of the Customs Union of September 21, 2010.

38. Agreement on Establishment, Functioning and Development of an Integrated Information System of Foreign and Mutual Trade of the Customs Union of September 21, 2010.

39. Agreement on the Common Principles and Rules of Technical Regulation in the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation of November 18, 2010.

40. Protocol on the Procedure for the Submission of Information Containing Confidential Information to the Investigating Authority for the Purposes of Investigation, prior to the Introduction of Safeguard, Anti-dumping and Countervailing Measures in Relation to Third Countries of November 19, 2010.

41. Agreement on Application of Safeguard, Anti-Dumping and Countervailing Measures in the Transitional Period of November 19, 2010.

42. Agreement on the Legal Status of Migrant Workers and their Family Members of November 19, 2010.

43. Agreement on the Access to Services of Natural Monopoly Entities in the Sphere of Electric Power, including Pricing and Tariff Policy Framework of November 19, 2010.

44. Agreement on State (Municipal) Procurement of December 9, 2010.

45. Agreement on the Common Rules of State Support for Agriculture of December 9, 2010.

46. Agreement on the Common Rules for the Provision of Industrial Subsidies of December 9, 2010.

47. Agreement on the Common Principles and Rules of Competition of December 9, 2010.

48. Agreement on the Common Principles and Rules of Regulation of the Activities of Natural Monopoly Entities of December 9, 2010.

49. Agreement on the Common Principles of Regulation in the Sphere of Protection and Enforcement of Intellectual Property Rights of December 9, 2010.

50. Agreement on the Procedure of Organisation, Management, Functioning and Development of Common Markets of Oil and Petroleum Products in the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation of December 9, 2010.

51. Agreement on the Access Rules for Services of Natural Monopoly Entities in the Sphere of Gas Transportation via Gas Transportation Systems, including Pricing and Tariff Policy Framework of December 9, 2010.

52. Agreement on Regulation of Access to Rail Transport Services, including Tariff Policy Framework of December 9, 2010.

53. Agreement on Agreed Macroeconomic Policy of December 9, 2010.

54. Agreement on Agreed Principles of Monetary Policy of December 9, 2010.

55. Agreement on Establishment of Conditions in the Financial Markets to Ensure Free Movement of Capital of December 9, 2010.

56. Agreement on Trade in Services and Investment in the Member States of the Common Economic Spaceof December 9, 2010.

57. Agreement on Implementation of Transport (Road) Control at the External Border of the Customs Union of June 22, 2011.

58. Protocol of October 18, 2011 on Introduction of Amendments and Additions to the Agreement on the Application of Safeguard, Anti-Dumping

and Countervailing Measures in Relation to Third Countries of January 25, 2008.

59. Protocol on the Procedure for the Exchange of Information Relating to the Payment of Import Customs Duties of October 19, 2011.

60. Treaty on the Eurasian Economic Commission of November 18, 2011.

61. Treaty on Cooperation of the Authorised Authorities of States that are Participants to the Agreement on Agreed Principles of Monetary Policy of December 9, 2010 Carrying out Currency Control of December 15, 2011.

62. Agreement on Information Exchange in the Sphere of Statistics of May 29, 2013.

63. Protocol of August 24, 2012 on Amendments to the Protocol on the Conditions and Procedure for the Application in Exceptional Cases of Import Customs Duties Different from the Rates of the Common Customs Tariff of December 12, 2008.

64. Protocol of June 21, 2013 on Amendments to the Agreement on the Conditions and Mechanism of Application of Tariff Quotas of December 12, 2008.

65. Protocol of September 25, 2013 on Amending the Agreement on the Common Customs Tariff Regulation of January 25, 2008.

II. International treaties terminating on the effective dates of respective decisions of the Commission pursuant to Article 102 of the Treaty

1. Agreement on the Common Rules for Determining the Country of Origin of Goods of January 25, 2008.

2. Protocol on the Common System of Tariff Preferences of the Customs Union of December 12, 2008.

3. Agreement on the Rules for Determining the Origin of Goods from Developing and Least Developed Countries of December 12, 2008.

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