



### GUIDANCE ON THE EURASIAN ECONOMIC UNION TRADE REGULATION



## GUIDANCE ON THE EURASIAN ECONOMIC UNION (EAEU, UNION) TRADE REGULATION

**Eurasian Economic Commission** 

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## 1 | General information about the EAEU

### THE MAIN THINGS ABOUT THE EAEU

### **Member States**











Republic of Armenia

Republic of Belarus

Republic of Kazakhstan

Kyrgyz Republic

Russian Federation



### MISSION

The Eurasian Economic Union was shaped to:

- / create conditions for the stable development of the economy to improve the living standards of citizens;
- / create single markets for goods, services, capital and labor;
- / ensure comprehensive modernization, cooperation and increased competitiveness of the economies.



### **PRINCIPLES**

The Eurasian Economic Union operates under the following principles:

- / respect for the Member States' sovereign equality and their territorial integrity, other universally recognized principles of international law;
- / respect for peculiarities of the Member States' political structure;
- / mutual benefit, equality and respect for national interests of the parties;
- market economy and fair competition;
- / unity of the Eurasian economic space, as a rule, without exceptions and restrictions at the end of transition periods.

### INSTITUTIONS OF EURASIAN INTEGRATIONS

### The Supreme Eurasian Economic Council

The main EAEU body is the Supreme Eurasian Economic Council (SEEC) which includes Heads of the Member States. SEEC meetings are held at least once a year. The Supreme Council determines the strategy, directions and prospects for development and formation of the Union and makes decisions aimed at accomplishing its objectives and goals.

### The Eurasian Intergovernmental Council

The Eurasian Intergovernmental Council (EIC) meets at the level of Heads of Governments at least twice a year. It considers (on the proposal of the Council) issues on which no consensus was reached by the Council during its decision-making.

#### The Eurasian Economic Commission

The Eurasian Economic Commission (the Commission, the EEC) operates as a permanent supranational regulatory body of the EAEU. This is a kind of supranational government headquartered in Moscow that took over certain powers of national authorities. The Commission unites and combines the interests of all the Union countries. The EEC observes the principle of equality of the Member States regardless of their economic power, territory and population.

#### The Board of the Commission

The Board of the Commission consists of 10 members – two members of the Board (Ministers) from each participating country, one of them is the Chairman of the Board of the Commission.

#### The Council of the Commission

The EEC Council carries out general management of the Commission's activities. The EEC Council consists of five representatives - one from each EAEU country. As a rule, meetings of the Council are held once per month. The Council makes decisions by consensus.



### The Court of the EAEU

The mission of the EAEU Court is to ensure uniform application of the Eurasian Economic Union Treaty, other international treaties, concluded with third parties and decisions adopted by the Union's governing bodies.

The EAEU Court is headquartered in Minsk.

### The Eurasian Development Bank (The EDB)

The Eurasian Development Bank is an international financial organization designed to promote the economic growth of the Member States, expanding trade and economic ties between them and develops integration processes in the Eurasian space by implementing investment activities. The initiative to create the Bank belongs to the Presidents of the Russian Federation and the Republic of Kazakhstan. The EDB was established on the basis of an interstate agreement signed on January 12, 2006 by authorized representatives of the Russian Federation and the Republic of Kazakhstan. In 2009 full participants of the EDB became the Republic of Armenia and the Republic of Tajikistan, in 2010 - the Republic of Belarus, and in 2011 - the Kyrgyz Republic.

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### **KEY MILESTONES OF THE EURASIAN** INTEGRATION



1994

2003

2010

1995

2007

2012

Lecture of the First President of Kazakhstan Nursultan Nazarbayev at Moscow State University



Treaty on the Customs Union (Belarus, Kazakhstan and Russia)



Treaty on the Common Economic Space



The Treaty on the Creation of Common Customs Territory and Establishment of the Customs Union



Creation of the Customs Union



The beginning of operation of the **Eurasian Economic Commission** 

The beginning of the functioning of the Common Economic Space

2019

2016





2018

2015

2014

2015

5 - anniversary of the EAEU Treaty and 25 - anniversary of the Eurasian integration idea

Entry into force of the Treaty on the Customs Code of the Eurasian **Economic Union** 

Signing of the Agreement on Trade and Economic Cooperation between the EAEU and the People's Republic of China

Signing of the Interim Agreement leading to the formation of a free trade area between the EAEU and the Islamic Republic of Iran



Entry into force of the Agreement on the Free Trade Area between the EAEU and the Socialist Republic of Vietnam



The Republic of Armenia and Kyrgyz Republic became a full members of the Eurasian Economic Union



The beginning of operation of the **EAEU** 



Signing of the Treaty on the Eurasian **Economic Union** 

EAEU common (single)

Guidance on the Eurasian Economic Union Trade Regulation

### 1.1. The Union history, facts and figures

### **History of Eurasian integration**

The EAEU is an interstate association of regional economic integration which unites five sovereign States within the framework of the single economic space – the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, and the Russian Federation. The Eurasian Economic Union was established under the Treaty on the Eurasian Economic Union, signed in Astana on May 29, 2014, which entered into force on January 1, 2015 (hereinafter – the Treaty on the EAEU).

The Eurasian Economic Union is a legal entity under international law. The Treaty on the EAEU was registered with the Secretariat of the United Nations on November 10, 2015.

The Eurasian Economic Union ensures freedom of movement of goods, services, capital and labor and conducts coordinated (agreed, common) policy in key sectors of the economy defined by the Treaty on the EAEU and international treaties within the framework of the EAEU.

#### MILESTONES:

1994

A new chapter was turned over in the modern history of Eurasian integration. Each chapter of this "book" is significant and valuable in its own unique way, and cannot be torn out without prejudicing its meaning, and its content is ever-expanding. The preface to this great book dates back to 1994, when the leader of the Republic of Kazakhstan, Nursultan Nazarbayev, proposed a truly working union of the States built upon economic interrelations to be created within the Eurasian space.

### 1995

In early 1995, the Republic of Kazakhstan, the Republic of Belarus and the Russian Federation signed the Agreement on the Customs Union (CU) aimed at eliminating the obstacles for free economic interaction between economic entities of the parties to ensure free commodity exchange and fair competition. The Customs Union of the 1990s never got rolling for several reasons. Still, the lessons learned proved critical for subsequent elaboration of an efficient strategy and gradual integration of the neighboring States that were best prepared for integration.

### 1996

In 1996, the Heads of the "troyka", in conjunction with the Head of the Kyrgyz Republic, signed the Treaty on Deepening the Integration in Economic and Humanitarian Areas. Close economic and cultural contacts, shared historical past were reflected in the document. However, the Agreement provisions were a projection into the future – the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation declared intrinsic prospects of common economic development.

### 1998

In 1998, the Republic of Tajikistan acceded to the Agreement. The leaders of these countries created a new integration structure in 2000 – the Eurasian Economic Community (EurAsEC) – with the intent of closer cooperation by harmonizing regulatory framework and coordinating the economic restructuring processes.

### 2003

Since 2003, formation of legal framework of the Common Economic Space (CES) has gained pace. The process was joined by the Ukraine. However, its involvement in the Eurasian integration processes soon began to wither.

EAEU common (single)

Guidance on the Eurasian Economic Union Trade Regulation

### 2006

In 2006, the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation were again leaders in establishing of the Customs Union and the Common Economic Space. The Presidents of these countries adopted the relevant joint decision at the Sochi summit. At the same time, they reached an arrangement that the Kyrgyz Republic and the Republic of Tajikistan would accede to the decision as soon as their economies permit it.

### 2007

Already within a year, in October 2007, the Agreement on the creation of common customs territory and formation of the Customs Union was signed. The participating countries succeeded in determining their joint development in a historically short period. Subsequent acceleration of the integration processes was largely affected by the global financial and economic crisis of 2008. It made the States seek for new cooperation formats for sustainable economic growth and new methods of economic risks mitigation, it promoted approximation of economic strategies. The result was a stepped-up launch of the Customs Union.

### 2010

The Customs Union of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation launched in January 2010, the Common Customs Tariff and the Common Commodity Nomenclature of Foreign Economic Activity were launched, in July 2010 – the CU Customs Code entered into force, and a year later – in July 2011, the Union became fully functional: the customs territories of the "troyka" merged into a common customs territory, and a common legal environment was introduced in the technical regulation sphere.

### 2011

On November 18, 2011, the Presidents Alexander Lukashenko, Nursultan Nazarbayev and Dmitry Medvedev signed the Declaration on Eurasian Economic Integration. After emphasizing the Customs Union's success in this document, the Heads of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation expressed their conviction that subsequent deepening of integration built upon close economic and spiritual ties between the three nations met their respective national interests. In particular, it bolstered the wellbeing and standard of living of the people, and enhanced national competitiveness in the global economy. The Declaration announced the next milestone of integration construction - the Common Economic Space. The Declaration also stipulated that, by January 1, 2015, the parties should aspire to have completed codifying international treaties serving as the legal framework of the Customs Union and the Common Economic Space and to establish the Eurasian Economic Union on this basis.

### 2012

By January 1, 2012, the legal framework of the Common Economic Space – a market of 170 mln consumers, free movement of goods, services, capital and labor had been formed. The CES was based on coordinated actions in the key economic regulation areas: macroeconomics, competition, industrial and agricultural subsidies, transport, energy industry, natural monopoly tariffs, and technical regulation. The CES' benefit for the population and the business community was obvious. Entrepreneurs obtained equal access to the common market of the three countries, were free to choose places for registration and principal place of business. They also could sell goods without excessive restrictions in any participating country, and were also allowed to use transport infrastructure, etc. The creation and step-by-step refinement of the common market became an important step by the CU and the CES participating countries in transition from a resource-based to an innovative economy.

EAEU common (single)

Guidance on the Eurasian Economic Union Trade Regulation

On February 2, 2012, the EEC began its work. For the first time in the twenty years of the Eurasian integration history, a permanent supranational regulatory body was established and vested with actual authority in a number of key economic spheres. The EEC ensures operation and development of the Customs Union and the Common Economic Space and works of proposals for further integration development. The work on codifying contractual and legal framework of the CU and the CES and preparing a draft Treaty on the EAEU has begun.

2013

- The year 2013 became one of the landmarks in the improvement and development of Eurasian integration processes. In particular, the work was in progress on accession of the Kyrgyz Republic to the Eurasian integration project, initiated by the EurAsEC Inter-State Council's decision that was adopted as early as 2011.
- In May 2013, the Memorandum on Deepening Cooperation between the Eurasian Economic Commission and the Kyrgyz Republic was signed. The purpose of the Memorandum is to support and develop cooperation based on mutual respect, ensure a more intensive interaction of the Kyrgyz Republic with the CU and the CES States in various economic spheres.
- On May 29, 2013, the Presidents of the three countries approved the Concept of Agreed (Coordinated) Agricultural Policy of the CU and the CES States.
- In 2012–2014, the Eurasian Economic Commission and authorities of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation, under the instructions of their Presidents, were developing the Treaty on the Eurasian Economic Union. It codified a great part of international treaties constituting the regulatory and legal framework of the Customs Union and the Common Economic Space. Finalizing the Draft Treaty took five rounds of negotiations and was assisted more than 700 experts from the participating countries and the EEC.

The final document containing more than 1,000 pages comprises 4 parts (it includes 28 Sections, 118 Articles) and 33 Annexes.

### 2014

20n May 29, 2014, in Astana, the Presidents Alexander Lukashenko, Nursultan Nazarbayev and Vladimir Putin, at the meeting of the Supreme Eurasian Economic Council, signed the Treaty on the Establishment of the Eurasian Economic Union. According to a number of politicians and experts, this project was most ambitious and, at the same time, truly workable, as it relied on the anticipated economic advantages and mutual benefits. Ample opportunities were opened for the business community of the participating countries. The Treaty raised a curtain for the formation of new fast-growing markets with shared standards and requirements to goods, services, capitals, and labor.

On October 10, 2014, the Treaty on the Accession of the Republic of Armenia to the EAEU was signed in Minsk. The document was adopted at the meeting of the Supreme Eurasian Economic Council attended by the Heads of States. On the same day the Presidents Alexander Lukashenko, Nursultan Nazarbayev and Vladimir Putin approved the "road map" for accession of the Kyrgyz Republic to the Common Economic Space.

On December 23, 2014, in Moscow, the President of Kyrgyzstan signed the Treaty on the Accession of the Kyrgyz Republic to the EAEU at the meeting of the Supreme Eurasian Economic Council.

### 2015

The Eurasian Economic Union commenced its functioning on January 1, 2015. The Republic of Belarus became the first chairman of the association's supreme governing bodies – the Supreme Eurasian Economic Council, at the level of Heads of States, the Eurasian Intergovernmental Council, at the level of Heads of governments and the EEC Council, at the level of Vice Prime Ministers.

GENERAL INFORMATION ABOUT THE UNION

The Union history, facts and figures

EAEU common (single)

Guidance on the Eurasian Economic Union Trade Regulation

At the same time, the single services market was launched on January 1, 2015 in a number of sectors determined by the EAEU States. The total number of service sectors within the common market amounted to 43. It was almost 50% of the total volume of services provided in the Union States in monetary terms. Activities for expanding such sectors were continued.

Since January 2, 2015, after completion of the ratification procedures, the Republic of Armenia became a full member of the Eurasian Economic Union.

- In March 2015, the first out of thirty-five documents necessary for functioning of common markets for medical products and medical devices within the Union were submitted. In October 2015, they were supplemented with the remaining ones to be adopted by the EAEU countries and the Commission.
- On May 29, 2015, the EAEU countries and the Socialist Republic of Vietnam signed the agreement on the formation of free trade area. The document reducing customs rates for 90% of goods to zero will help to increase the goods turnover between the Union States and Vietnam more than twofold by 2020. The Agreement pioneered deeper integration of the EAEU with Asia Pacific countries.
- In May 2015, the Presidents of the Eurasian Economic Union States adopted a decision on commencing negotiations with China on concluding the agreement on trade and economic cooperation. To efficiently manage this activity, the Heads of States adopted an instruction, in October 2015, on coordination of the Union countries actions aimed at integration of the Eurasian Economic Union and the Silk Road Economic Belt. The official negotiations commenced in the first half of 2016.
- On August 12, 2015, after implementing the roadmap and completing the ratification procedures, the Kyrgyz Republic became a full-fledged member of the Union.

In October 2015, at the meeting of the Supreme Eurasian Economic Council, the Presidents of the five Union countries approved the Main Directions of EAEU Economic Development; this document determined the prospective areas of the Union's social and economic development until 2030. This was a crucial document identifying further coordination of the national policies and the ways to improve competitiveness of the Union states' economies. The effect of the EAEU membership is estimated as additional GDP growth up to 13% for the Member States by 2030.

- On February 1, 2016, the new Board of the Eurasian Economic Commission chaired by the representative of the Republic of Armenia Tigran Sargsyan was introduced. The majority of the Board members had held their positions in the previous four-year term of service in the EEC, which ensured a high level of succession in the Commission. The decision to appoint the former Prime Minister of the Republic of Armenia, Tigran Sargsyan as Head of the EEC Board was adopted by the Presidents of the five countries of the Eurasian Economic Union (EAEU) in October 2015, at the meeting of the Supreme Eurasian Economic Council.
- Considering the four-year experience in the Commission as well as regulation spheres referred to the EEC's competence, both currently and in the mid-term, the Heads of the EAEU States changed the number of the Board members. The Union Member States are now represented by ten Members of the Board (Ministers) including the Chairman two Ministers per country.
- In October 2016, the Agreement on the free trade area between the EAEU and Vietnam entered into force. The Agreement mainly pursues mutual abolition of trade duties.
- In December 2016, the Heads of States signed the Declaration on the Union's Digital Agenda, which laid the foundation for the integration development in the digital sphere.

EAEU common (single)

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### 2017

In May 2017, the EAEU saw the introduction of the rules for common markets of medical products and medical devices. Emergence of such markets will ensure availability of more effective and high-quality medicines and medical devices for the Union's citizens and create a stronger competitiveness of pharmaceutical and medical products of the EAEU States in the global market.

In March 2017, the White Paper was published, a manifesto that determined the top priority areas of the Eurasian Economic Commission's work on identifying and eliminating obstacles in the Union's internal market.

On April 11, 2017, the Presidents of the Union States signed the Treaty on the Customs Code of the Eurasian Economic Union.

- In April 2017, plans for services liberalization entered into force, whereby another 20 services sectors are to join the single market format before 2021, including highly dangerous construction works, tourism, assessment, mine surveying, and scientific research.
- In May 2017, the Heads of the EAEU States' governments signed the Agreement on voluntary harmonization of specific subsidies for industrial goods. Pursuant to this document, the Union States are granted the right to voluntary agree on specific subsidies with the EEC. In this case, the party applying to the Commission is insured against the risk of subsequent imposition of compensatory measures from any Member State for the subsidy agreed with the EEC. The Agreement entered into force on April 17, 2018.
- To hold out against the world crisis events, the continuous and successful transformation of the Eurasian space is ongoing based on the market economy principles, while preserving political independence and the shaped cultural originality of the sovereign States. The new chapters are still being added to the Eurasian integration book.

In October 2017, the Presidents of the EAEU States approved the Main Directions for the Implementation of the Digital Agenda of the Eurasian Economic Union until 2025.

In November 2017, the Pharmacopoeia of the Eurasian Economic Union was included into the Register of International Pharmacopeias of the World Health Organization.

#### 2018

On January 1, 2018 the Customs Code of the Eurasian Economic Union was introduced. The new customs code is an up-to-date customs regulation instrument that meets the present-day challenges and introduces a better optimization of foreign economic activity regulation; it also secures the balance of interests between public authorities and business community.

In May 2018, after implementing 9 liberalization plans, the SEEC resolved on amendments to the list of service sectors (subsectors) being part of the common service market operating within the Union. Nine sectors were added to the existing 43, with the 3 of them to become fully functional in the common market environment as early as January 2020. It is about 55% by value of the total services volume provided in the Union States. Intensive efforts are being taken to expand such sectors, in particular, by implementing liberalization plans to enhance the Eurasian integration project.

The Presidents of the EAEU States adopted a decision on granting the EAEU Observer State status to the Republic of Moldova at the same meeting. Such status will vest the state's representatives with the following powers: to be invited to the meetings of the EAEU's governing bodies without the right to participate in decision-making and to obtain the documents adopted by the Union's governing bodies, save for confidential information. The state with the observer status shall restrain from any actions that may prejudice the interests of the EAEU and the participating countries.

EAEU common (single)

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In May 2018, the Interim Agreement leading to the formation of a free trade area was signed between the Eurasian Economic Union and the Islamic Republic of Iran during Astana Economic Forum. The document implies two stages of the free trade area formation. The full-fledged FTA agreement between the EAEU and Iran is expected to be signed within three years.

During the Astana Economic Forum was also signed the Agreement on Trade and Economic Cooperation between the EAEU and the People's Republic of China. The Agreement sets the high regulation standard in various spheres, including the protection and defence of intellectual property rights. At the same time, it is of non-preferential nature and it does not stipulate any abolition of customs duties.

### Facts and figures

The Eurasian integration idea was first put forward by Nursultan Nazarbayev the First President of the Republic of Kazakhstan, in 1994.

> On May 29, 2020, six years have passed since signing the Treaty on the Eurasian Economic Union, and the Customs Union which had laid its grounds, turned 11.

> The Eurasian Economic Union was formed and developed amid structural crisis of the global economy under the influence of new global economic challenges.

> Creating the Union has become a timely decision that helps the EAEL Member States more easily overcome the consequences of the globa economic crisis.

> The six-year functioning of the Union has enabled to expand free movement of goods, services, capital and labor as well as to implement agreed, coordinated and common policies.

The integration has deepened in all directions since the Union's functioning began: a single (common) market of goods is functioning across the EAEU; a required legal base has been developed and is widely applied to enable the functioning of the Union's common system of technical regulation (48 technical regulations of the Union have been adopted); a coordinated policy is being conducted in the sphere of sanitary, veterinary-sanitary and phytosanitary quarantine measures application; a coordinated policy is being conducted in the sphere of consumer rights protection; a systematic work is underway to form a coordinated industrial and agricultural policy; a coordinated transport policy is being conducted; a regulatory legal framework is being formed to regulate the common markets of energy resources; and the internal labor market has been generally formed and is now functioning.

Furthermore, some improvements are very much in evidence in a number of indicators1 of social and economic development of all the EAEU Member States.

The positive GDP dynamics was observed, for instance, in almost all the EAEU Member States over the 2015 to 2019 period, and the aggregate GDP for all the Union Member States (in current prices) increased by more than 20% (from 1.626 tn US dollars to 1.965 tn US dollars).

The industrial output over the 2015 to 2019 period increased by more than 30% across the EAEU (from 927 bln US dollars to 1,216 bln US dollars). The agricultural output increased by 12% during the same period (from 107 bln US dollars to 120 bln US dollars).

Despite the decline in 2014-2016 due to the fallen global prices for a number of key commodities, the Member States' mutual trade has been showing positive dynamics since 2017, with an increase of 34% over the 2015 to 2019 period (from 45.6 bln US dollars to 61 bln US dollars). The commodity structure of mutual trade in 2019 is shown in the diagram below.

21

the 2015 to 2019 period

«The Eurasian Economic Union in Figures», including those given in this section, please follow link.

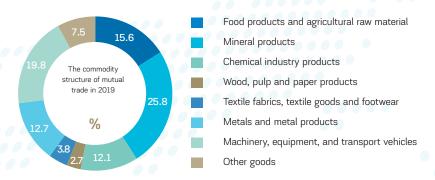
all the Union Member States over the 2015 to 2019 period

The aggregate GDP for

### GENERAL INFORMATION ABOUT THE UNION

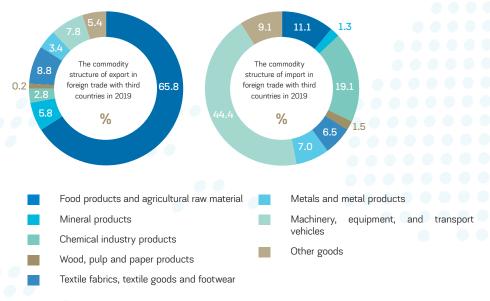
The Union history, facts and figures

EAEU common (single) market



+23%

Export of goods in foreign trade with third countries over the 2015 to 2019 period Export of goods in foreign trade with third countries increased by 23% over the 2015 to 2019 period (from 373 bln US dollars to 459 bln US dollars), and import of goods in foreign trade with third countries increased by 33% over the specified period (from 205 bln US dollars to 274 bln US dollars). The commodity structure of export and import in foreign trade with third countries in 2019 is shown in the diagrams below.



Guidance on the Eurasian Economic Union Trade Regulation

The trend is toward improving the investment environment in the EAEU Member States and increasing the investment attractiveness of the economies, for both third-country investors and internal investors from the Union countries.

By the end of 2019, fixed asset investment in the EAEU increased by 2.5% compared to the previous year. Along with that, the growth of fixed asset investment was observed in all the Union countries.

The growth of the Union's investment attractiveness is also evidenced by improving the positions of the EAEU Member States in international rankings.

For the third year in a row, the EAEU has improved its position in the 'Doing Business' ranking, the EAEU ranks 29 out of 190 economies in the 'Doing Business – 2020' ranking which is by 2 positions better than in the 'Doing Business – 2019' ranking due to the positive dynamics in the ranking of the Union's largest economies: the Republic of Kazakhstan and the Russian Federation.<sup>2</sup>

The Republic of Kazakhstan (25) holds the highest position among the EAEU Member States, followed by the Russian Federation (28), the Republic of Armenia (47), the Republic of Belarus (49), and the Kyrgyz Republic (80).

According to the Global Competitiveness Index, the EAEU ranked 44th in 2019 (it ranked 45th in 2018).

In view of current global trends, a new direction, the digital agenda, has been included in the Union's jurisdiction. A management office has been created to work with digital initiatives which has received a great amount of proposals submitted by businessmen and state authorities.

A number of 'digital era' projects of integration initiatives are already being implemented. These include projects on marking and traceability, introducing a system of electronic accompanying documents and their mutual recognition in the EAEU countries, and digital transport corridors.

The market of services is actively developing. Nowadays, the single market rules are already in effect in 53 subsectors of services within the EAEU (computer, distribution, construction services as well as services in the field of urban design, engineering and a whole range of others).

### **EAEU STATISTICAL DATA**

61.0 bln US dollars

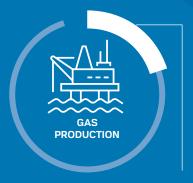
Aggregate mutual commodity trade turnover of the EAEU Member States in 2019 733.1

bln US dollars

Aggregate foreign commodity trade turnover of the EAÉU Member States with third countries .965

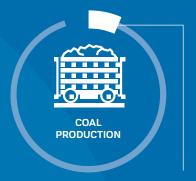
bln US dollars

Aggregate GDP of all EAEU Member States in 2019



**SECOND IN THE WORLD** 19.5<sup>%</sup>

of world share



**FOURTH IN THE WORLD** 

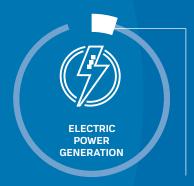
6.5%

of world share



**SECOND IN THE WORLD** 14.7%

of world share



**FOURTH IN THE WORLD** 4.8%

of world share

**EAEU** population

mln people

**EAEU territory** 



CAST IRON - 4.2%

of world share fourth in the world of world share



**POTASSIUM** FERTILIZERS PRODUCTION

of world share first in the world EAEU common (single) market

### 1.2. EAEU common (single) market

According to the Treaty on the EAEU, the internal market of the Union covers the economic space where free movement of goods, persons, services and capital is ensured.

> In their mutual trade the EAEU Member States do not apply import and export customs duties or other duties, taxes and charges having equivalent power, non-tariff measures, special safeguard, anti-dumping and countervailing measures, unless otherwise provided in the Treaty.

> More information on the functioning of internal markets of the Eurasian Economic Union and elimination of barriers to mutual trade between the EAEU Member States is available here.

> Goods imported into the territory of the EAEU from third countries are subject to import customs duties that are common for the entire Union and set in accordance with the Common Customs Tariff of the Eurasian Economic Union and the Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union.

> Along with that, Member States have the right to apply their own duties (higher or lower than the common values) with respect to a limited list of goods.

> Such spheres as common market of medical products, common market of medical devices, common financial market and common oil and gas markets need appropriate regulation due to distinctive features of respective industries.

> Currently, the Union's legal framework governing the mentioned spheres is in the process of its formation and constant elaboration.

### **COMMON (SINGLE) EAEU MARKETS**



### Common (Single) market of goods

- Common customs territory
- Common non-tariff regulation measures
- The Common Customs Tariff of the EAEU (EAEU CCT)
- / The Customs Code of the EAEU
- Customs control no longer applies on the internal borders of the EAEU
- / The Single Commodity Nomenclature of Foreign Economic Activity of the EAEU
- / Technical regulations of the EAEU



### **EAEU** common

- mutual recognition of educational documents
- / social guarantees to labor migrants
- free medical care for labor migrants
- right to study for children of labor migrants



### Common (Single) market for services

- comprehensive national treatment, most favored nation treatment and nonapplication of quantitative restrictions
- / recognition of permits for the provision of services and performance of work
- provision of service in the entire territory of the EAEU if there is registered legal entity or private entrepreneur in any Member State of the EAEU
- / recognition of professional qualification of workers of the service supplier



### Common financial

- / harmonized requirements for regulation and supervision in the field of financial markets of the Member States
- mutual recognition of licences in the banking and insurance sectors, as well as in the security market
- / carrying out of activities for the provision of financial services in the entire territory of the EAEU without incorporation
- administrative cooperation between national authorities of the Member States, including exchange of information

EAEU common (single) market

Guidance on the Eurasian Economic Union Trade Regulation

### Common electric power market of the EAEU

The common electric power market of the Eurasian Economic Union (hereinafter - the EAEU, the Union) is being formed pursuant to the implementation of Articles 81 and 104 of the Treaty on the Eurasian Economic Union dated May 29, 2014.

### ELECTRICAL ENERGY CAPACITY MEASURES IN THE EAEU IN 2018

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Measures	Republic of Armenia	Republic of Belarus	Republic of Kazakhstan	Kyrgyz Republic	Russian Federation	EAEU
Capacity, GW	3.4	10.1	22.9	3.9	252.0	292.3
Generation, bln kWh	7.6	40.3	106.3	14.9	1096.5	1265.6
Consumption bln kWh	6.6	37.9	105.2	14.9	1075.2	1239.2

In accordance with the adopted <a href="Program">Program</a> for the formation of the EAEU Common Electric Power Market (approved by Decision No. 20 of the Supreme Eurasian Economic Council dated December 26, 2016), the EAEU common electric power market shall be formed in stages. The Program is drafted on the basis of the relevant <a href="Concept">Concept</a> (approved by Decision No. 12 of the Supreme Eurasian Economic Council dated May 8, 2015) and includes a set of interrelated organizational, technological and other measures ensuring the formation of the EAEU common electric power market. It also covers a sequence of actions, implementation deadlines, responsible parties, funding sources and elaboration of regulatory acts of the EAEU bodies regulating the Union's common electric power market.

Follow the links below to obtain relevant information on the <u>Concept</u> and the <u>Program</u> for the formation of the Eurasian Economic Union's common electric power market.

On 29 May, 2019 Heads of the EAEU Member States signed International Treaty on the formation of the EAEU Common Electric Power Market in a form of a Protocol on amendments to the Treaty on the Eurasian Economic Union from 29 May 2014 (link).

According to the International Treaty Supreme Eurasian Economic Council adopted the Decision N $^{\rm o}$  31 «On action plan, aimed at the formation of the EAEU Common Electric Power Market» (link). That decision, among others, lay out the timetable for the approval and the entry into force of the Common Electric Power Market in the EAEU and several other acts, laid down by this Protocol.

### Formation of common markets for medical products and medical devices

### **Medical products**

Functioning of the common market for medical products within the Union is provided in accordance with the Treaty on the Eurasian Economic Union dated May 29, 2014, the Agreement on common principles and rules for circulation of medical products within the Eurasian Economic Union dated December 23, 2014, as well as regulatory acts of the Eurasian Economic Commission regulating the circulation of medical products and medical devices (link).

A regulatory system governing the EAEU common market has been developed in accordance with the Treaty on the EAEU.

The registration (marketing authorization) and examination (evaluation) of medical products is carried out by an authorized body that regulates the circulation of medical products in one of the EAEU Member States, which is selected by the applicant as the reference country. Other EAEU Member States perform evaluation of the medical product dossier and the expert report of the reference country.

More detailed information on regulatory acts governing the circulation of medical products, relevant draft documents prepared by the Working Group on the formation of common approaches to regulating medical products circulation within the Eurasian Economic Union, information for pharmaceutical inspectorates, common registry and information databases, as well as detailed information on approved directories and classifiers in the sphere of medical products circulation is available by clicking on the following link.



The information on the activities of the EAEU Pharmacopoeia Committee and work on developing the EAEU Pharmacopoeia can be found here.

Procedures for registration (marketing authorization) of medical products within the Eurasian Economic Union can be found here.



### COMMON MEDICINAL PRODUCTS AND MEDICAL DEVICES

- 102 aplications were submitted under the unified rules for registration of medicinal products of the EAEU, 6 registration certificates for medicinal products were included in the Unified Register.
- 2 6 applications were submitted for registration of medical devices in accordance with the unified rules of the EAEU.
- 3 20 pharmaceutical inspections of drug manufaturers were carried out, as a result of which 13 EAEU GMP certificates were issued.

- 4 The regulatory framework for common markets is completely formed. It includes a system of 47 regulatory acts in the sphere of medicinal goods circulation and 28 documents in the sphere of medicinal devices circulation.
- Work is underway to prepare Pharmacopoeia of the EAEU. Its requirements make it possible to establish a minimum required level of medicinal products in the entire EAEU territory.



Find out how to register a medicinal product in the EAEU link



Find out how to register a medical device in the EAEU

link



Read the documents of the Pharmacopoeia link



EAEU common (single) market

Guidance on the Eurasian Economic Union Trade Regulation

#### Medical devices

Functioning of the common market for medical devices within the Union is provided in accordance with the Treaty on the Eurasian Economic Union dated May 29, 2014, the Agreement on common principles and rules for circulation of medical products (medical devices and medical equipment) within the Eurasian Economic Union dated December 23, 2014, as well as regulatory acts of the Eurasian Economic Commission regulating the circulation of medical devices.

The registration (marketing authorization) and examination (evaluation) of a medical device are mandatory conditions for its commercial distribution within the Union and are carried out by an authorized body of one of the EAEU Member States, which is selected by the applicant as a reference country. Other EAEU Member States perform evaluation of the medical device dossier and the expert report of the reference country.

It should be noted that medical devices manufactured within the Union and medical devices imported into the customs territory of the Union from third countries are subject to the same requirements.

More detailed information on regulatory acts governing the circulation of medical devices, relevant draft documents prepared by the Working Group on the formation of common approaches to regulating medical device circulation within the Eurasian Economic Union, common registry and information databases, list of recommended standards, detailed information on approved directories and classifiers in the sphere of medical device circulation is available by clicking on the following link.

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Procedures for registration (marketing authorization) of medical devices within the Eurasian Economic Union can be found here.

### EAEU common gas and oil markets

Common gas and oil markets within the Union are being created pursuant to the implementation of Articles 83, 84 and 104 of the Treaty on the Eurasian Economic Union dated May 29, 2014.

### JOINT POWER POTENTIAL OF THE EAEU MEMBER STATES



EAEU common (single) market

Guidance on the Eurasian Economic Union Trade Regulation

### **EAEU Common Gas Market**

According to the adopted Program of the EAEU common gas market formation (approved by Decision No. 18 of the Supreme Eurasian Economic Council dated December 6, 2018) it's implementation shall be carried out in three stages:

- / the first stage (no later than January 1, 2021) stipulates harmonizing legislation of the EAEU Member States, unifying rules and standards that regulate gas industry, launching an information exchange system, and introducing a coordinated (by authorized bodies) procedure for gas stock trading;
- / the second stage (no later than January 1, 2022) is focused on ensuring the functioning of commodities exchange needed for gas stock trading and granting access for participants of the EAEU common gas market to stock trading and gas transportation systems;
- / the third stage (no later than January 1, 2025) stipulates entering into force of an international agreement on the formation of the EAEU common gas market, that will ensure free supply of gas, purchased at commodities exchange or under direct agreements in required amounts at market prices, among the participants of the EAEU common gas market.



The Concept and the Program for the formation of the Eurasian Economic Union's common gas market are available here.

#### **EAEU Common market for oil and petroleum products**

According to the adopted Program of the EAEU common market for oil and petroleum products (approved by Decision No. 23 of the Supreme Eurasian Economic Council dated December 6, 2018) it's implementation shall be carried out in three stages:

The first stage (until 2021) stipulates creating an organizational and methodological framework for the formation of the EAEU common market for oil and petroleum products, and harmonizing oil sector legislation of the Member States.

The second stage (until 2024) is focused on preparing (elaborating) the draft international agreement on the formation of the EAEU common market for oil and petroleum products to be approved by the Member States' authorized bodies.

The final stage (until January 1, 2025) stipulates entering into force of an international agreement.



The Concept and the Program for the formation of the Eurasian Economic Union's common markets of oil and petroleum products are available here.

EAEU common (single)

Guidance on the Eurasian Economic Union Trade Regulation

### EAEU common market of transport services and single transport space

In accordance with Article 86 of the Treaty on the Eurasian Economic Union dated May 29, 2014, the Eurasian Economic Union is consistently and gradually forming a single transport space and a common transport services market. Presidents of the EAEU Member States have set the year 2025 as a deadline for achieving the indicated objectives.

On December 26, 2016, Heads of the EAEU Member States approved the Main Directions and Stages for Implementing the EAEU Coordinated (Agreed) Transport Policy (hereinafter referred to as the Transport Policy) (link).

The Transport Policy will be ensured through the implementation of action plans ("road maps").

Plans for the first three-year period have been approved by the Eurasian Intergovernmental Council:

The Action Plan ("road map") for the implementation of the Main Directions and Stages for Implementing the EAEU Coordinated (Agreed) Transport Policy with regard to air transportation for the period 2018 – 2020 was approved on August 14, 2017 (link).

The Action Plan ("road map") for the implementation of the Main Directions and Stages for Implementing the EAEU Coordinated (Agreed) Transport Policy for the period 2018 – 2020 was approved on October 25, 2017 (link).

Activities carried out under the roadmaps provide for coordinated development of road, air, water and rail transport and respective infrastructure. They also address industrial cooperation, tariff policy, competition, customs, technical regulation and training of specialists.

The result of the fulfillment of the Road maps will embody in various international agreements and acts of the EAEU Bodies».

One of them will be an International Treaty within the EAEU, regarding permissible mass, axial load and dimensions, being in motion on the roads, that are involved to the List of Eurasian transport corridors.

The present day Parties of the prospective Treaty are in active negotiations in the matters of drafting and creation of the List of Eurasian transport corridors. It is planned to accept the respective Treaty in 2021

#### Road transport

According to paragraph 4 of Section II of Annex No. 24 to the Treaty on the EAEU, the authorization system used in international road freight transportation across the EAEU Member States and transit through their territories, was repealed since January 1, 2015.

Transport (road) control has been relocated to the external borders of the EAEU.

The Program on gradual liberalization of "cabotage" road freight transportation (i.e. road freight transportation performed on the territory of one Member State by carriers registered in another Member State) for the period 2016–2025 has been adopted (link).

The Program implementation will cut consumer spending on transportation services by increasing the number of carriers in the market and reducing the share and length of empty runs.

Requirements for the roads (highways) to be included in the list of the Eurasian transport corridors have been prepared, priority areas for ensuring freedom of cargo transit transportation by carriers of one Member State through the territory of another Member State have been identified, and dispute resolution mechanism to resolve controversial situations arising at the external borders of the Union and involving carriers of third countries has been agreed.

EAEU common (single) market

Guidance on the Eurasian Economic Union Trade Regulation

### Air transport

Work on gradual formation of a common market of air transport services continues as part of the respective "road map" for implementing the Main Directions of the Transport Policy. So far, the following has been done:

identification and approval of areas regulated by the Member States' legislation subject to harmonization;

monitoring of adoption and improvement of state (national, government) control systems for ensuring aviation security and flight safety in the Member States;

evaluation of aircraft fleet of the Union Member States' national airlines with regard to compliance with ICAO requirements for aircraft noise and assessment of airport infrastructure, aerodrome equipment, aeronautical and radio-technical aircraft flight support in the Member States.

### Water transport

On February 1, 2019, the Agreement on shipping (navigation) was signed. Currently, the EAEU Member States are performing interstate procedures necessary for bringing it into force.

The agreement contemplates a mechanism for mutual access of vessels sailing under the flags of the Eurasian Economic Union Member States to inland navigation, which will allow the Contracting Parties to abandon the currently existing authorization procedure.

### Rail transport

Rail transportation across the territories of the Member States involves application of unified tariffs by modes of transportation (export, import and domestic tariffs) in accordance with paragraph 8 of the Procedure for regulating access to rail transport services, including tariff policy framework (Annex No. 2 to the Protocol on coordinated (agreed) transport policy (Annex No. 24 to the Treaty on the Eurasian Economic Union dated May 29, 2014) (hereinafter referred to as the Procedure for regulating access to rail transport services).

According to paragraph 13 of the mentioned Procedure for regulating access to rail transport services, rail transportation across Member States of the Eurasian Economic Union (hereinafter referred to as the Union) stipulates that each Member State of the Union applies the unified tariff of the respective Member State in the following cases:

transportation is performed through the territory of another Member State;

transportation is performed between the territories of one Member State involving the railways of another Member State;

transportation is performed from the territory of one Member State through the territory of another Union Member State to third countries involving the seaports of the Union Member States and in the opposite direction

Railway organizations of the Union Member States are granted the right to change the tariffs for rail transport services within the threshold levels (price limits) in accordance with the legislation of the Member States, and in compliance with the basic principle of inadmissibility of creating benefits for specific producers/manufacturers of the Member States.

The procedure for pursuing a coordinated and agreed tariff policy by the EAEU Member States has been set out, including transit of goods from third countries to third countries involving the railroads of the Member States.

EAEU common (single) market

The procedure and conditions for access of carriers of the Union Member States to the border areas of the Member States adjacent infrastructure have been determined.

General approaches to requirements for safety certificates in rail transport and respective issuance procedure in case of entering the infrastructure of another Member State have been determined.

In terms of EEC activities focused on the COVID-2019 containment green channels have been made for smooth movement of goods:

More information about the list of highways and corresponding schemes and maps with details about traffic routes and service objects (link).

Corresponding recommendation, adopted by the EEC Board in the matter of organization of work (link)

### ADVANTAGES OF THE COMMON MARKET IN THE FIELD OF TRANSPORT



For the economy



- 2 increase in the share of transport services in GDP
- 3 ensuring the growth of freight traffic in the framework of mutual and foreign trade by providing transport services of a better quality
- 4 implementation of large-scale projects in the field of transport infrastructure
- 5 creation of new industries and job



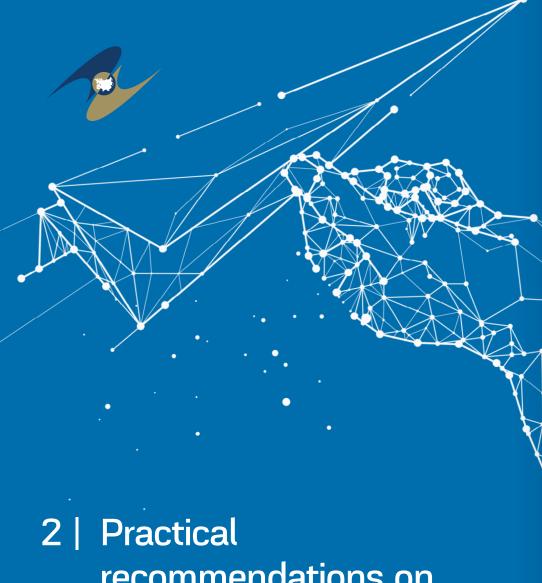
For the population

- 1 increasing mobility and transport accessibility
- 2 improving the reliability and quality of transport services
- 3 reducing the negative transport service impact of transport on the life and health of the population conditions for a
- ensuring transparency in the formation of tariffs (prices) for transport services



For the business

- 1 reduction of the transport costs in the final price of goods
- 2 creation of a competitive environment in the common market of transport services
- ensuring equal
   conditions for access to
   the transport services
   market
- 4 development of multmodal logistics centres
- 5 development ofmultimodal transport
- 6 harmonization of conditions and rules of transportation



# 2 | Practical recommendations on doing business in the EAEU

### 2.1. Customs regulation

### General information on customs regulation in the Union

The Customs Code of the Eurasian Economic Union, has been in effect in the Eurasian Economic Union since January 1, 2018.

Entering into force of the Treaty on the Customs Code of the Eurasian Economic Union dated April 11, 2017 terminated the Treaty on the Customs Code of the Customs Union dated November 27, 2009 and a number of international agreements regulating customs relations and concluded during the Customs Union phase (Annex No. 2 and Annex No. 3 to the Treaty on the Customs Code of the Eurasian Economic Union dated April 11, 2017).



The Eurasian Economic Union (hereinafter referred to as the Union) provides for common customs regulation in accordance with international agreements governing customs relations, including the Customs Code of the Eurasian Economic Union (hereinafter referred to as the Customs Code), acts constituting the law of the Union and the Treaty on the Eurasian Economic Union dated May 29 2014. The English version of the Customs Code (unofficial translation) can be found on the Eurasian Economic Commission's website link.

The customs territory of the Union is constituted by the territories of its Member States (the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, and the Russian Federation) as well as artificial islands, constructions, facilities and other objects located outside their territories in respect of which the Union Member States have exclusive jurisdiction.

Import tariff, import licensing...

### What is the EAEU Customs Code

### The Customs Code of the Eurasian **Economic Union**

- The Customs Code of the Eurasian **Economic Union**
- / Reduced the time of release of goods for free circulation by 6 times
- / Reduced the time of registration of the customs declaration by 2 times
- Simplified the procedure for moving goods across the customs border of the EAEU due to electronic document management system

/ Unified all procedures related to goods entering the common EAEU market

More than experts and business representatives took part in the development of the **EAEU Customs Code** 

### **Benefits**

Export growth and simplification of the supply of imported goods necessary for the modernization of the economy through



Taking into account the current level of the development of information technologies



Taking into account international conventions and obligations of the **EAEU Member States within the WTO** 



Unification of customs legislation of the EAEU Member States and reduction of national regulation



Elimination of problematic issues arising from the application of the Customs Code of the Customs Union

Combining in one document a number of international treaties of the EAEU Member States regarding customs regulation

### Procedure for customs operations when importing goods into the Union's customs territory

All persons on an equal basis have the right to move goods across the customs border of the Union in the manner and under the conditions established by the Customs Code.

Importation of goods into the customs territory of the Union provides for consistent performance of customs operations related to arrival of goods into the customs territory of the Union, temporary storage and transit movement (if necessary), customs declaring procedure and release of goods by customs authorities.

Goods moved across the customs border of the Union are subject to customs control.





Importation is carried out through designated places of goods movement (checkpoints across the state borders of the Member States of the Union or other places determined in accordance with the legislation of the Union Member States). For example, such places include road and rail checkpoints, seaports and airports (link). General information on the places of goods movement (places of goods arrival and departure) located in the Union Member States is compiled by the Commission and posted on the Union's official website, available here.

Prior to arrival of goods into the customs territory of the Union, it is necessary to present preliminary information to the customs authority of the Union Member State, where the intended checkpoint across the customs border of the Union is located (Article 11 of the Customs Code). Preliminary information may be presented in the form of an electronic document through Internet resources or by means of intercommunication between the information system of the customs authority and the information system of the applicant.

Customs regulation

Import tariff, import licensing...

Guidance on the Eurasian Economic Union Trade Regulation

The main purpose of providing preliminary information is to ensure that the customs authorities receive information on the goods planned to be moved across the customs border of the Union in order to assess the risks and make preliminary decisions on selection of objects, forms of customs control and measures ensuring conduction of customs control (Section VI of the Customs Code).

Goods are released on the customs territory of the Union provided that requirements of respective prohibitions and restrictions are met, including non-tariff regulation, technical regulation, sanitary, veterinary-sanitary and phytosanitary quarantine measures.

### Customs declaring of goods imported into the Union's customs territory

After performing all operations with goods at the place of arrival according to the law of the Union, goods are subject to customs declaring (Chapter 17 of the Customs Code) with the purpose of placing them under one of the customs procedures required by the Customs Code.

Foreign goods imported into any of the Union Member States can be placed under the customs procedure of release for internal consumption which provides for free circulation throughout the customs territory of the Union, or under other customs procedures stipulating, for example, temporary storage, use or processing of goods within the customs territory of the Union (Section IV of the Customs Code).

Goods can be placed under the mentioned customs procedures directly at the checkpoint or after their delivery to the internal customs authority as part of the customs transit.

As a general rule, customs transit procedure is required when goods are transported by road or rail with the purpose of their delivery from checkpoint across the border to any location (within the territory of the

Union Member State) of the consignee indicated in the transportation (shipping) documents and if final release of goods is to be performed by the customs authorities.

The following persons may act as declarants of goods placed under customs procedures: a person of a Member State of the Union who is, as a rule, a party to a transaction with a foreign person based on which goods are moved across the customs border of the Union; and, in some cases, a foreign person (for example, foreign persons who move goods for their own needs without making a transaction).

Customs operations on behalf of a declarant may be performed by a customs representative (customs broker, customs agent). Moreover, the relations between customs representatives and declarants are built on a contractual basis.

Customs declaration is made mainly in electronic form, with the exception of certain cases stipulated by Article 104 of the Customs Code (including technical failures, interruptions in operation of communication facilities (telecommunication networks and the Internet), power outages / blackouts, etc.).

Customs declaring is performed with the use of declarations for goods. Declaration forms (templates) and completion procedure are established by Decision No. 257 of the Customs Union Commission dated May 20, 2010 "On the form of declaration for goods and the procedure for its completion".

The following issues shall be considered when placing goods under customs procedures, performing customs declaring or customs control: customs and tariff regulation, prohibitions and restrictions, trade remedies, and legislative acts of the Union Member States on tax regulation effective on the day the declaration for goods is registered.

It should be noted that documents from exporters of goods moved into the customs territory of the Union may in some cases be required in order to confirm compliance with indicated procedures and restrictions. Import tariff, import licensing...

Guidance on the Eurasian Economic Union Trade Regulation

### Release of goods by customs authorities

Release of goods by customs authorities is performed provided that the person (declarant) has complied with conditions for placing the goods under the declared customs procedure, including payment of necessary customs fees, e.g. import customs duties (except for cases when tariff preference is granted), value added tax, excise duties.

Under the most favored nation treatment (applied by the Union to all countries), imported goods are subject to import customs duties established by the Common Customs Tariff of the Eurasian Economic Union.

If imported goods are subject to tariff preferences in accordance with the Interim Free Trade Agreement between the Eurasian Economic Union and its Member States, on the one hand, and the Islamic Republic of Iran, on the other hand, dated May 17, 2008, relevant information shall be reflected in the declaration for goods as prescribed by Decision No. 257 of the Customs Union Commission dated May 20, 2010 "On the form of the declaration for goods and the procedure for its completion".

In addition, the origin of goods shall be confirmed by submission of a certificate of origin (Form CT-3) and the other conditions for granting tariff preferences prescribed by the mentioned Agreement (Article 6.22) shall be meet

As a general rule, release of goods shall be completed by customs authorities within 4 hours from the date of registration of the customs declaration (provided that the customs declaration was registered at least 4 hours prior to the end of the working day of the customs office).

Exceptions are the cases when customs authorities decide to perform additional control procedures for the goods in question based on the risk management system.

In this case, release of goods may be extended up to 1 business day or, in exceptional circumstances, up to 10 business days with the approval of the head (chief) of the customs authority.

# 2.2. Import tariff, import licensing, non-tariff regulation, authorization procedures, prohibitions and restrictions on importation into the Union's territory

The Common Customs Tariff of the Eurasian Economic Union (hereinafter referred to as the EAEU CCT) is applied on the customs territory of the Eurasian Economic Union in accordance with Articles 25 and 42 of the Treaty on the Eurasian Economic Union dated May 29, 2014 (hereinafter referred to as the Treaty on the EAEU). The CCT is a set of customs duty rates applicable to goods imported into the customs territory of the EAEU from third countries. It is arranged in accordance with the Single Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union



The EAEU CCT has been approved by Decision No. 54 of the Eurasian Economic Commission's Council dated July 16, 2012. Its current version is available here.

The Republic of Belarus and the Russian Federation apply the EAEU CCT to its full extent.

When joining the EAEU, the Republic of Armenia and the Kyrgyz Republic were given an opportunity to apply import customs duties (with regard to certain goods) different from those prescribed by the EAEU CCT. The list of goods for the Republic of Armenia was approved by Decision No. 113 of the Eurasian Economic Commission's Council

Import tariff, import licensing...

Technical regulation

Guidance on the Eurasian Economic Union Trade Regulation

dated December 10, 2014. The list of goods for the Kyrgyz Republic was approved by Decision No. 68 of the Eurasian Economic Commission's Board dated June 30, 2015. They can be found <a href="here">here</a>. The transition period for application of the EAEU CCT with exemptions (exceptions) expires on January 1, 2020 for the Kyrgyz Republic and on January 1, 2022 for the Republic of Armenia.

The Republic of Kazakhstan has the opportunity to apply import customs duties (with regard to certain goods) different from those prescribed by the EAEU CCT which results from the Republic of Kazakhstan's tariff commitments within the WTO. The list of goods and relevant rates of import customs duties has been approved by Decision No. 59 of the Eurasian Economic Commission's Council dated October 14, 2015 (link) and is updated annually in accordance with the obligations of the Republic of Kazakhstan on liberalization of market access for goods, fixed in the respective protocol on the accession to the WTO.

With regard to customs and tariff regulation and in addition to the powers to define the EAEU CCT import customs duties, the Eurasian Economic Commission (hereinafter - the EEC) also determines cases and conditions for provision of tariff exemptions (preferences), sets tariff quotas and distributes tariff quotas among the EAEU Member States and, if necessary, among third countries.

Article 46 of the Treaty on the EAEU provides that the following common measures of non-tariff regulation are applied by the Union in trade with third countries:

prohibition of import and (or) export of goods;

/ quantitative restrictions on import and (or) export of goods;

exclusive right to export and (or) import goods;

automatic licensing (monitoring) of export and (or) import of goods;

authorization procedure for import and (or) export of goods.

Non-tariff regulation measures are introduced and applied based on the principles of transparency and non-discrimination in accordance with the Protocol on measures for non-tariff regulation with regard to third countries (Annex No. 7 to the Treaty on the EAEU).

Decisions on introduction, application, extension and lifting of measures are taken by the EEC (Decision No. 30 of the EEC Board dated April 21, 2015 "On measures for non-tariff regulation").

In particular, the established authorization-based procedure for import or export of goods subject to control is implemented through licensing and (or) application of other administrative foreign trade control measures.

A unified form (template) of an export and (or) import license for certain types of goods has been established for all Member States of the Union (Decision No. 199 of the Board dated November 6, 2014).

Licenses issued by authorized bodies of one Member State are recognized by other Member States of the Union.

The rules of issuance of licenses and permits to export and (or) import of goods are determined by the Appendix to Annex No. 7 to the Treaty on the EAEU.

For certain categories of goods, authorization documents are required to be presented to the customs authorities of the Union Member States upon the arrival in the customs territory of the Union.

Goods falling under application of measures are included in the unified list of goods subject to measures of non-tariff regulation in trade with third countries which is published on the Internet (information and telecommunication network) on the Union's official website.

Technical regulation

Guidance on the Eurasian Economic Union Trade Regulation

Moreover, the official website of the Union provides information on goods imported into the customs territory of the Union without presenting import licenses, conclusions / statements (authorization documents). They include:

common registry of radio-electronic equipment and high-frequency devices, the import of which into the customs territory of the Union does not require presentation of a license or conclusion / statement (authorization document);

common registry of notifications on characteristics of encryption (cryptographic) means / items and goods containing such means / items.

Information on documents covering non-tariff regulation is available on the Union's official website here.

In accordance with Articles 25 and 35 of the Treaty on the EAEU, a free trade regime is established on the basis of an international treaty of the Union with a third country. In respect of goods originating from countries forming a free trade area together with the Union, tariff preferences are provided in the form of exemption from or reduction of import customs duties.

For example, tariff preferences are provided for by the Free Trade Agreement between the Eurasian Economic Union and its Member States, on the one hand, and the Socialist Republic of Vietnam, on the other hand, signed on May 29, 2015.



The Interim Free Trade Agreement between the Eurasian Economic Union and the Islamic Republic of Iran dated May 17, 2018 (hereinafter referred to as the Interim Agreement) also provides for preferential treatment of certain goods (the document is available here).

According to paragraph 1 of Article 2.3 of the mentioned Interim Agreement, the parties shall provide preferential treatment for goods in accordance with the approved list of tariff obligations for the entire duration of the Interim Agreement.

Decision No. 10 of the EEC Board dated January 22, 2019 (the document is available <a href="here">here</a>) approves the list of goods subject to preferential import customs duties and rates of such duties in accordance with the Interim Agreement.

### 2.3. Technical regulation

### Technical regulation and standardization

Safety of products that circulate within the internal market is ensured by technical regulations of the Eurasian Economic Union.

Technical regulations of the Union are developed only for those goods that are included in the Common list of products to which mandatory requirements within the Union apply (Decision No. 526 of the Customs Union Commission dated January 28, 2011).



Relevant information on technical regulation and standardization within the EAEU is available on the Commission's official website here.

Currently, 48 technical regulations (hereinafter referred as EAEU TR) have been adopted within the Eurasian Economic Union, 43 of which have come into force. The full list of EAEU TRs in force, relevant decisions of the Eurasian Economic Commission (formerly, the Customs Union Commission), list of Member States' government authorities responsible for all relevant EAEU TRs state surveillance can be found here.

It should be highlighted that the web link mentioned above contains the names of relevant EAEU TRs by clicking on which respective materials can be found. These materials include the list of products that require conformity assessment procedure.

The Commission approves lists of standards in order to implement technical regulations of the Union. Currently, lists of standards for 42 technical regulations have been approved.

### Conformity assessment and ensuring uniformity of measurements

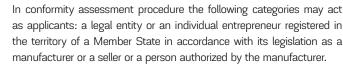
#### **Conformity assessment**

Conformity assessment is direct or indirect determination of compliance with the requirements applied to the object of technical regulation.

In accordance with the Treaty on the Eurasian Economic Union conformity assessment of goods subject to technical regulations of the Union is carried by registration (state registration), testing, conformity assessment, examination and/or in any other form.

Mandatory conformity approval is carried out by declaration of conformity and certification only when it is established by respective technical regulations of the Union and only to assess compliance with the technical regulations of the Union. Conformity assessment forms, schemes and procedures are established by the technical regulations of the Union on the basis of standard conformity assessment schemes approved by the Eurasian Economic Commission.







Relevant information on conformity assessment (including single registry of certification bodies and test laboratories (link), conformity assessment acts, single registry of issued certificates and registered declarations and reference information on typical schemes for state registration of products, certification and declaration of conformity) is available here.



Single forms of certificates and declarations of compliance with the requirements of the EAEU technical regulation are approved by Decision No. 154 of the Eurasian Economic Commission's Board dated November 15, 2016 (available <a href="here">here</a>).

### **COMMON TECHNICAL REGULATION ALLOWS:**

- to remove administrative and technical barriers to trade of the EAEU member states
- 2 to improve quality and safety of the products
- to increase the competitiveness of products both in the domestic and foreign markets



### EAEU market circulation mark

That mark stands for Eurasian Conformity

- / 48 Technical regulations have been adopted within the Eurasian Economic Union, 43 of which have come into force.
- / 42 standards for Technical Regulations have been adopted.
- / The EAEU Unified Register includes more than 850 accredited certification bodies and 2,300 testing laboratories.
- / The Unified Register of documents in the sphere of conformity assessment includes information about 1,057,771 granted certificates of conformity and 5,631,847 registered declarations of conformity.

### **Ensuring uniformity of measurements**

Uniformity of measurements is the state of measurements where results are expressed in measurement units approved for use in the Member States, and the measurement accuracy does not exceed the established limits.

In accordance with the Treaty on the Eurasian Economic Union, the Member States pursue a coordinated policy in the sphere of ensuring uniformity of measurements in order to ensure comparability of measurement results and results of assessment (confirmation) of product compliance with technical regulation requirements of the Union and to ensure measurement of quantitative indicators of products.

Currently, 10 relevant acts of the Commission stipulated by the Treaty on the Eurasian Economic Union dated May 29, 2014, have been adopted and entered into force. They simplify the procedures of the recognition of the metrological work results to ensure free movement of measuring instruments (equipment) manufactured in the Member States of the Union as well as apply exact, correct, reliable, comparable measurement results within the Union.



More information on the coordinated policy in the sphere of ensuring uniformity of measurements, regulatory acts governing uniformity of measurements, schemes/methods for mutual recognition of work results in the sphere of ensuring uniformity of measurements, databases on ensuring uniformity of measurements can be found in the section «Ensuring uniformity of measurements» (link).

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### 2.4. Sanitary, phytosanitary and veterinary control

### Sanitary measures

The key regulatory legal act in the sphere of sanitary control is Decision No. 299 of the Customs Union Commission dated May 28, 2010 "On application of sanitary measures in the Eurasian Economic Union" (available here).

This Decision of the Customs Union Commission sets the following:

- / Single list of goods subject to sanitary and epidemiological supervision (control) at the customs border and throughout the customs territory of the Eurasian Economic Union (hereinafter referred to as the Common list):
- / Single sanitary, epidemiological and hygienic requirements for products (goods) subject to sanitary and epidemiological supervision (control);
- A unified form of a document confirming safety of products (goods);
- Regulation on the implementation of state sanitary and epidemiological supervision (control) over persons and vehicles crossing the customs border of the Eurasian Economic Union, products (goods) subject to control that cross the customs border of the Eurasian Economic Union and circulate on the customs territory of the Eurasian Economic Union.

The Single list divides products into three sections (categories). The first section includes products subject to state sanitary and epidemiological supervision. The second section includes products subject to state registration. The third section includes products that do not require

certificates of state registration regardless of assignment of a EAEU CN FEA code (Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union) in accordance with the List of products (goods) subject to state registration.

Single list of products subject to state registration includes the following:

- disinfection, disinfestation and deratization agents (for household use, use in healthcare and other facilities (except for veterinary use));
- / household chemicals:
- potentially hazardous chemical and biological substances and preparations based on them that pose a potential threat to humans (except for medical products), individual substances (compounds) of natural or artificial origin that may have an adverse effect on human health and the environment during their production, use, transportation, processing or household use;
- materials, equipment, devices and other technical means of water treatment intended for use in utility and drinking water supply systems;
- / personal hygiene products for adults;
- / items contacting with food products (except utensils / tableware, cutlery, processing/production equipment and packaging (closures)).

Specific aspects of state registration of products within the Eurasian Economic Union:

- / goods originally (for the first time) manufactured in the customs territory of the Eurasian Economic Union and goods for the first time imported into the customs territory of the Eurasian Economic Union are subject to state registration;
- state registration certificates are issued without limitation of their validity period. They are issued for the entire period of importation

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of products from third countries or for the entire period of production within the territory of the Eurasian Economic Union;

- state registration certificates are issued/printed on accountable document forms:
- due to entry into force of technical regulations of the Eurasian Economic Union that provide for assessment of product conformity in the form of state registration, products subject to such procedure are excluded from Section II of the Common list and shall undergo state registration to prove compliance with relevant technical regulation requirements of the Eurasian Economic Union.

The single registry of state registration certificates for products (goods), information on the measures of sanitary protection of the customs territory of the Eurasian Economic Union (Form No. 1KT) and the list of border checkpoints can be found here.



Information on relevant authorized bodies of the Contracting Parties' Member States is available here.

### Veterinary sanitary measures



When delivering goods subject to veterinary control (supervision), foreign exporters need to comply with the Single veterinary (veterinary and sanitary) requirements set by Decision No. 317 of the Customs Union Commission dated June 18, 2010 (hereinafter referred to as Common Veterinary Requirements) (available here).



Respective regulatory measures (i.e. veterinary certificate, import permit, registry of third countries enterprises) are applied to such goods when they are imported into the customs territory of the Eurasian Economic Union according to the list adopted by Decision No. 294 of the EEC Board dated December 10, 2013 (available here).

In accordance with the Regulation on the common procedure for veterinary control at the customs border of the Eurasian Economic Union and within the customs territory of the Eurasian Economic Union (also approved by Decision No. 317 of the Customs Union Commission dated June 18, 2010), import of goods (subject to control) into the EAEU territory shall be accompanied by veterinary certificates issued by competent authorities of the exporting countries.

The indicated Regulation provides for application of the following types of control:

- documentary control (inspection of accompanying veterinary documents);
- / physical control (cargo inspection);
- / laboratory control (sampling for laboratory research/examination).

The Regulation on the common procedure for conducting joint inspections of objects and sampling of goods (products) subject to veterinary control (supervision) (approved by Decision No. 94 of the EEC Council dated October 9, 2014) (hereinafter referred to as the Regulation on joint inspections), determines the procedure for conducting inspections of third countries enterprises with a view to checking their compliance with the Union requirements, and also contains guidelines for inspection of objects subject to veterinary supervision, that are harmonized with international standards and recommendations in the sphere of SPS measures.

The Regulation on joint inspections sets the following general principles:

- / ensure safety of controlled products of animal origin during their production, processing, transportation and (or) storage;
- / perform audit of official supervision systems of third countries;
- conduct joint inspections of organizations and persons involved in production, processing, transportation and storage of controlled goods;

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- / accept guarantees of the competent authorities of third countries;
- sampling of goods subject to veterinary control.

The purposes of joint inspections (examinations) of controlled goods:

- to include companies in the registry of third countries enterprises;
- to confirm that enterprises continue to comply with the Union requirements (regarding the companies that were previously included in the registry of third countries' enterprises and import from which is allowed:
  - based on the results of joint inspections;
  - based on acceptance of guarantees of the competent authority;
  - based on the results of successful audit.

In addition, inspections can be carried out on the grounds of information on non-compliance of an enterprise or enterprise products with the Union requirements. Inspections can also be conducted to determine the feasibility of lifting restrictions imposed on companies that were previously included in the registry of third countries enterprises and whose import supplies are temporarily restricted.

Section X (paragraphs 132 to 147) of the Regulation on joint inspections describes the options for sampling within the EAEU territory of controlled goods (products) manufactured in third countries, which is performed as part of the following:

- state monitoring program,
- state border veterinary control (supervision),
- enhanced laboratory safety examination of controlled goods (products)

- batch control of controlled goods (products) manufactured by the enterprises whose import supplies are temporarily restricted but the dispatch was been made prior to introduction of temporary restrictions,
- examination of controlled goods (products) manufactured by the companies included in the registry of third countries enterprises, provided that import supplies of such enterprises had been temporarily restricted after repeated violations and temporary restrictions were lifted under the guarantees of the competent authority.

### State monitoring program

Monitoring is a performance of planned and consistent observations or measurements with a view to defining general safety of goods (products) and their compliance with the established requirements.

In implementation of the state monitoring program, sampling, transportation of selected samples to the laboratory and laboratory research are free of charge for the owner of the controlled goods (products).

State border veterinary control is carried out for the goods (products) subject to veterinary control at the checkpoints, where the customs clearance is fulfilled, or at the places of quarantine for imported animals.

In this regard, sample collection, transportation of the collected samples to the laboratory and its laboratory study are carried out free of charge for the owner of the goods subject to veterinary control.

Along with that, if violations of veterinary and sanitary requirements during documentary or physical check of imported controlled goods (products) have been identified, the owner of the controlled goods (products) may request for laboratory research in order to confirm their safety.

In this case, the owner bears the costs related to the sampling of controlled goods (products), sample transportation to the laboratory and relevant laboratory research with regard to all safety indicators.

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When performing batch control of controlled goods (products) manufactured by the enterprises whose import supplies are temporarily restricted but the dispatch was made prior to introduction of temporary restrictions, batch control shall cover all batches of imported goods (products) dispatched before introduction of temporary restrictions, with regard to manufacturers in question.

In this case, the owner bears the costs related to the sampling of controlled goods (products), sample transportation to the laboratory and relevant laboratory research with regard to all safety indicators.

When performing batch control of controlled goods (products) manufactured by the enterprises whose import supplies are temporarily restricted but the dispatch was made prior to introduction of temporary restrictions, batch control shall cover all batches of imported goods (products) dispatched before introduction of temporary restrictions, with regard to manufacturers in question.

In this case, laboratory research is carried out only for those indicators where discrepancies were identified.

The owner of the controlled goods bears the costs related to the sampling of controlled goods (products), sample transportation to the laboratory and relevant laboratory research.

When performing examination of controlled goods (products) manufactured by the companies included in the registry of third countries enterprises (link for the Russian Federation; link for the Republic of Belarus; link for the Republic of Kazakhstan; link for the Kyrgyz Republic; link for the Republic of Armenia), provided that import supplies of such enterprises had been temporarily restricted after repeated violations and temporary restrictions were lifted under the guarantees of the competent authority, sampling shall cover the first 10 batches of the imported goods (products) of the manufacturer in question.

The owner of the controlled goods bears the costs related to the sampling of controlled goods (products), sample transportation to the laboratory and relevant laboratory research.

Enhanced laboratory control regime is introduced if violations of the relevant EAEU requirements are detected in relation to controlled goods (products) manufactured by third country enterprises.

In these circumstances, enhanced laboratory control is a measure introduced as an alternative to a temporary ban/restriction on import of controlled goods (products) manufactured by the enterprise in question.

In this case, the owner of the controlled goods bears the costs related to the sampling of controlled goods (products), sample transportation to the laboratory and relevant laboratory research.

Enhanced laboratory control provides for sampling of 10 batches of goods (products) and / or maximum duration of no more than 3 months.

Laboratory research is carried out only for those indicators where discrepancies were identified.

Enhanced laboratory control provides for sampling of the same type of goods (products) where violations were identified.

Additional information is available <u>here</u>, see sections "Frequently Asked Questions" and "Public Discussion".

Conducting joint inspections (examinations) of third countries enterprises with a view to ensuring access of the products of animal origin to the customs territory of the Eurasian Economic Union

In accordance with Article 58 (paragraph 7) of the Treaty on the Eurasian Economic Union, the main principle of ensuring safety of goods subject to veterinary control (supervision) during their production, processing, transportation and (or) storage in third countries is performance of audits of official supervision systems of third countries.

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Authorized veterinary authorities perform audits of official inspection and supervision systems of third countries regulating products that are subject to veterinary control (supervision), in accordance with the Commission's acts.

According to Annex No. 12 to the Treaty on the EAEU, authorized veterinary bodies perform audits of official supervision systems of third countries in the manner approved by the Commission (paragraph 11).

Joint inspection (examination) of products subject to veterinary control (supervision) is carried out in accordance with the Regulation on the common procedure for conducting joint inspections of objects and sampling of goods (products) subject to veterinary control (supervision).

Costs relating to performance of audits of official supervision systems of third countries and joint inspections (examinations) are financed from respective budgets of the EAEU Member States, unless otherwise provided in each specific case (paragraph 12).

### The purposes of joint inspections (examinations) of goods (products) subject to control.

There are two options for requesting inspection.

1 The first option is carrying out inspection at the request of the competent authority (CA) of the exporting country

The purpose of such inspection is inclusion of companies in the registry of third countries enterprises.

2 The second option is carrying out inspection at the request of an authorized body of the Union Member State.

The purpose of such inspection is examination of companies that were previously included in the Registry of third countries enterprises and import from which is allowed on the basis of:

/ results of joint inspections;

/ acceptance of guarantees of competent authorities;

successful audit;

/ information on non-compliance of an enterprise or enterprise products with the requirements of the Union.



More detailed information on joint inspections is provided in the Presentation «Audit of foreign veterinary supervisory system and joint inspections of the third countries enterprises conducting production, processing and storage of the goods subject to veterinary control imported to the EAEU».



Links to registries:

Registry of enterprises and persons conducting production, processing and storage (link).

Registry of registered medical products for veterinary use (link).

Unified forms (templates) of certificates (link).

### Phytosanitary measures

The Eurasian Economic Commission has currently approved the following documents regulating phytosanitary quarantine measures:

Decision No. 318 of the Customs Union Commission dated June 18, 2010:

 List of products subject to phytosanitary quarantine control within the Union (depending on the risk level, products are divided into low phytosanitary risk category and high phytosanitary risk category) (available here);

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Regulations on implementation of phytosanitary quarantine control at the customs border of the Union and within the customs territory of the Union (i.e. action plans for officials of authorized bodies in course of implementation of phytosanitary quarantine control) (available here).

Decision No. 92 of the EEC Council dated October 14, 2015 establishing the «Requirements for material and technical equipment and furnishing of plant quarantine stations (phytosanitary checkpoints)» where control is carried out:

Decision No. 41 of the EEC Board dated May 10, 2016 establishing the «Procedure for laboratory support of phytosanitary quarantine measures» (available here).

Single list of quarantine products approved by Decision No. 158 of the EEC Council dated November 30, 2016 (available here).

Common phytosanitary quarantine requirements for quarantineable products and quarantineable objects at the customs border and within the customs territory of the Union (hereinafter referred to as the Common Requirements) (Decision No. 157 of the Commission's Council dated November 30, 2016 (available here).

Single rules and regulations for ensuring plant quarantine within the customs territory of the Union (Decision No. 159 of the Commission's Council dated November 30, 2016).

Every batch of quarantineable products imported into the customs territory of the Eurasian Economic Union is subject to phytosanitary quarantine control (supervision).

Each batch of quarantineable products of high phytosanitary risk imported into the customs territory of the Union must be accompanied by a phytosanitary certificate issued by the national plant protection and quarantine organization (hereinafter referred to as the NPPQ) of the exporting country and (or) the re-exporting country.

The following products are allowed to be imported into the customs territory of the Union without presenting phytosanitary certificates:

quarantineable products of low phytosanitary risk;

quarantineable products of high phytosanitary risk with total weight not exceeding 5 kilograms and carried in accompanied and/or unaccompanied luggage of passengers (of ships, aircraft, passenger cars/coaches, vehicles), crew members (of ships, aircraft), train crew and vehicle drivers:

flowers, no more than 3 bouquets;

/ melons, watermelons, pumpkins, no more than 1 piece

Completion of the "additional declaration" box/field of the phytosanitary certificate confirming the origin of quarantineable products from the areas, places/locations and (or) production sites free from quarantine pests, is mandatory only for certain types of quarantineable goods that are subject to relevant special phytosanitary quarantine requirements.



Special phytosanitary quarantine requirements for certain types of quarantineable products are set forth in Tables Nos. 1, 2, 3, 4, 5, 6, 7, 8 of the Common Requirements.

The list of checkpoints at the EAEU border where sanitary-quarantine, veterinary and phytosanitary quarantine control is performed can be found here.



More detailed information on phytosanitary quarantine measures can be found here. here.

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# AUTHORIZED BODIES OF THE EAEU MEMBER STATES IN THE SPHERE OF PLANT QUARANTINE:

REPUBLIC OF ARMENIA

Food Safety Inspection Agency under the Government of the Republic of Armenia: http://snund.am/ru/

REPUBLIC OF BELARUS

State Inspectorate for Seed Production, Quarantine and Plant Protection:

http://www.ggiskzr.by/news/

REPUBLIC OF KAZAKHSTAN

Committee of State Inspection in Agro-Industrial Complex: <a href="http://mgov.kz/ru/ministerstvo/komitety/">http://mgov.kz/ru/ministerstvo/komitety/</a>

KYRGYZ REPUBLIC

Ministry of Agriculture, Food Processing and Land Reclamation, Plant Quarantine Department: http://www.agroprod.kg/index. php?pageID=76

State Inspectorate for Veterinary and Phytosanitary Safety under the Government of the Kyrgyz Republic: http://gvfi.Gov.Kg

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Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhoznadzor): http://www.fsvps.ru/

## 2.5. Business incorporation and property registration

Business incorporation and property registration is regulated by the national legislation of the EAEU Member States.

Information on each individual EAEU Member State is provided below.

#### REPUBLIC OF ARMENIA:

Registration (incorporation) of legal entities, including foreign owned businesses, is carried out in accordance with the Law No. 3P-169 of the Republic of Armenia dated April 3, 2001 "On registration of legal entities, state record-registration of separated subdivisions, institutions and individual entrepreneurs".

State registration of legal entities, state record-registration of separated subdivisions, institutions and individual entrepreneurs is carried out by the State Register Agency of Legal Entities of the Ministry of Justice of the Republic of Armenia.



in person directly at the State Register Agency of Legal Entities of the Ministry of Justice of the Republic of Armenia at the address: 49/3, Komitasa Str., 9<sup>th</sup> floor, Yerevan, 0051, Republic of Armenia, e-mail: : info@e-register.am, phone: +374 10 20-14-61;

via the information system at the following link: www.e-register.am/ru/docs/213.

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Laws are available at the following links:

https://www.arlis.am/DocumentView.aspx?docid=74658; https://www.arlis.am/DocumentView.aspx?docid=75138.

 State registration of property rights is carried out in accordance with Law No. ZR-295 of the Republic of Armenia dated April 30, 1999 «On state registration of property rights».

Applications may be submitted:

- in person at the office of the State Register of Real Estate;
- / electronically after registration on the official website of the State Committee of Real Estate Cadastre of the Republic of Armenia www.e-cadastre.am;
- with the help of a notary attesting (certifying) an alienation agreement, or an operator performing the functions of state authorities of the Republic of Armenia, designated by Government Decision No. 1119-N dated November 27, 2016.



Information is available at the following links:

Information on regulatory acts: http://www.cadastre.am/page/irav\_akt;

Information on registration:

http://www.cadastre.am/page/Registration.



#### **REPUBLIC OF BELARUS:**

 State registration of business entities is carried out in accordance with the Regulation on state registration of business entities, approved by Decree No. 1 of the President of the Republic of Belarus dated January 16, 2009 "On state registration and liquidation (termination of activity) of business entities".

Incorporation and operation of representative offices of foreign companies is governed by the Regulation on incorporation and operation of representative offices of foreign companies in the Republic of Belarus, approved by Resolution No. 408 of the Council of Ministers of the Republic of Belarus dated May 30, 2018.

Regional executive committees (Minsk City Executive Committee) are authorized bodies that register foreign-owned business entities and companies owned by international organizations, and grant permissions to establish representative offices of foreign business entities in the Republic of Belarus depending on their location address.



Information is available:

on the official website of the Ministry of Justice of the Republic of Belarus: www.minjust.gov.by;

on the website of the Unified State Register of Legal Entities and Individual Entrepreneurs http://egr.gov.by/egrn/.

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Contact information of the Ministry of Justice of the Republic of Belarus:10, Collectornaya Str., Minsk, 220004, Republic of Belarus, e-mail: kanc@minjust.by, phone: +375 17 306-37-30.

2. Procedure for state registration of real property is established by the Law of the Republic of Belarus dated July 22, 2002, № 133-3 "On state registration of rights to real property thereto and transactions therewith».

Ways of applying for state registration:

- / in person visit to the registrar;
- via the electronic communication mechanism established between an authorized intermediary and agencies for state registration of rights to real property and transactions;
- by post or in the form of electronic documents, electronic copies of paper documents (according to the Instructions on submitting and processing of documents required for registration, subsequent sending by post or transfer in the form of electronic documents, approved by Resolution No. 70 of the State Committee on Property of the Republic of Belarus dated December 16, 2011).



Information is available on the website of the State Committee on Property of the Republic of Belarus: www.gki.gov.by.

#### REPUBLIC OF KAZAKHSTAN:

 State registration of legal entities and record registration of branches and representative offices is carried out in accordance with Law No. 2198 of the Republic of Kazakhstan dated April 17, 1995 "On state registration of legal entities and record registration of branches and representative offices».

State registration may be performed via:

- / non-commercial joint-stock company "State Corporation «Government for Citizens»;
- / web portal of e-Government: w>ww.egov.kz.

Contact information of the Ministry of Justice of the Republic of Kazakhstan: 8, Mangilik El Str., House of Ministries, Nur-Sultan, 010000, Republic of Kazakhstan, e-mail: <a href="mailto:kanc@adilet.gov.kz">kanc@adilet.gov.kz</a>, phone: 717 (2) 74-07-97, (fax): 717 (2) 74-09-54.

- 2. Registration of rights to real property is governed by the Law of the Republic of Kazakhstan dated July 26, 2007, № 310-3 "On state registration of rights to realestate".
  - Applications are submitted in electronic and paper forms to: Ministry of Justice (8, Mangilik El Str., Nur-Sultan, Republic of Kazakhstan, website: www.adilet.gov.kz);
  - Ministry of Information and Communication (8, Mangilik El Str., Nur-Sultan), State Corporation «Government for Citizens» (10, Mangilik El Str., Nur-Sultan, website: www.gov4c.kz).

State registration of rights to real estate is carried out by Departments of Justice in Almaty and Nur-Sultan.



Information is available:

on the official website of the Ministry of Justice of the Republic of Kazakhstan (www.adilet.gov.kz);

on the portal of e-Government of the Republic of Kazakhstan (<a href="http://egov.kz/cms/ru">http://egov.kz/cms/ru</a>).

#### KYRGYZ REPUBLIC

 Registration of legal entities, branches (representative offices) is carried out in accordance with Law No. 57 of the Kyrgyz Republic dated February 20, 2009 "On state registration of legal entities, branches (representative offices)".

State registration is performed by the Ministry of Justice of the Kyrgyz Republic.



Information is available on the official website of the Ministry of Justice of the Kyrgyz Republic http://minjust.gov.kg/ru/.

Contact information of the Ministry: 32, M. Gvardiya boulevard, Bishkek, Kyrgyz Republic, email: <a href="mailto:ep@minjust.gov.kg">ep@minjust.gov.kg</a>, phone: +996 (312) 65-18-05

2. Registration of rights to real estate and transactions, including encumbrances and restrictions, is regulated by Law No. 153 of the Kyrgyz Republic dated December 22, 1998 "On state registration of rights to real estate and transactions therewith".

Registration of rights to real property is carried out by local registration authorities of the Department of Cadastre and Registration of rights to real property at the State Registration Service under the Government of the Kyrgyz Republic.



Information is available on the official website of the Department of Cadastre and Registration of rights to real property: www.gosreg.kg.

Contact information of the Department of Cadastre and Registration of rights to real property: 28, Manasa Str., Bishkek, 720040, Kyrgyz Republic, phone: + 996 (312) 312547, fax: + 996 (312) 312803



#### RUSSIAN FEDERATION:

 State registration of legal entities is carried out according to Federal Law No. 129-FZ dated August 08, 2001 «On state registration of legal entities and individual entrepreneurs».

State registration of legal entities is carried out by tax offices of the Federal Tax Service (FTS).

Applications may be submitted:

directly (in person) or by applying to multifunctional centers for provision of state and municipal services

by post;

/ in the form of electronic documents signed by an enhanced qualified electronic signature using the services of the Russian FTS website <a href="http://service.nalog.ru/gosreg/#ul">http://service.nalog.ru/gosreg/#ul</a>, unified public and municipal services portal or via a notary.



Necessary information is available on the FTS official website https://www.nalog.ru , https://www.nalog.ru/create\_business/

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Contact information of the FTS: 23, Neglinnaya Str., Moscow, 127381, Russian Federation, contact center: 8-800-222-2222.

 Registration of rights to real estate and transactions therewith is regulated by Federal <u>Law</u> No. 218-FZ dated July 13, 2015 «On state registration of real estate».

State registration is carried out by the Federal Service for State Registration, Cadastre and Cartography (Rosreestr).

Applications may be submitted:

- by applying to the registration authority in person, via multifunctional centers, or sending a letter by post with declared value, documents inventoryand delivery confirmation (in paper form);
- by using public information and telecommunication networks, including the Internet, via the Public Services Portal of the Russian Federation, or the official website, or other IT formats of interaction with registration authorities (in the form of electronic documents signed by an enhanced qualified electronic signature).



Information is available on the official website of Rosreestr www.rosreestr.ru

Contact information of ROSREESTR Headquarters:

6/19, Chistoprudny boulevard, Moscow, 101000, Russian Federation, e-mail: rosreestr@rosreestr.ru, phone: (495) 917-15-24 Fax: (495) 531-08-65.

Information on offices of authorized bodies that take applications for state cadastral registration and (or) registration of rights in the form of paper documents (including submission of applications on an extraterritorial basis) can be obtained through the service "Offices and receptions. Advance booking" which is available on the ROSREESTR official website in the section: "Home" - "Electronic Services" - "Services".

The EAEU Member States may apply other/additional regulatory legal acts governing certain sectors of the economy.



#### **REPUBLIC OF ARMENIA:**

Law No. ZR-68 of the Republic of Armenia dated June 30, 1996 "On Banks and Banking Activities".

Law No. ZA-177-N of the Republic of Armenia dated April 9, 2007 "On Insurance and Insurance Activities".

Law No. ZR-195 of the Republic of Armenia dated October 20, 2007 "On the Securities Market".



#### REPUBLIC OF BELARUS:

Banking Code of the Republic of Belarus No. 441-Z dated October 25, 2000.

Decree No. 530 of the President of the Republic of Belarus dated August 25, 2006 "On Insurance Activities".

Law No. 231-Z of the Republic of Belarus dated January 5, 2015 "On the Securities Market".



#### REPUBLIC OF KAZAKHSTAN:

Law No. 2444 dated August 31, 1995 "On Banks and Banking Activities in the Republic of Kazakhstan".

Law No. 126-II dated December 18, 2000 "On Insurance Activities".

Law No. 461-II dated July 2, 2003 "On the Securities Market".



#### KYRGYZ REPUBLIC:

Law No. 59 of the Kyrgyz Republic dated July 29, 1997 "On Banks and Banking Activities in the Kyrgyz Republic".

Law No. 96 of the Kyrgyz Republic dated July 23, 1998 "On Organizing Insurance in the Kyrgyz Republic".

Law No. 251 of the Kyrgyz Republic dated July 11, 2009 "On the Securities Market".



#### **RUSSIAN FEDERATION:**

Federal Law of the Russian Federation No. 395-1 dated December 2, 1990 "On Banks and Banking Activities".

Law of the Russian Federation No. 4015-1 dated November 27, 1992 "On Organizing Insurance Business in the Russian Federation".

Federal Law No. 39-FZ dated April 22, 1996 "On the Securities Market".

It should also be noted that certain sectors of the economy may provide for restrictions that limit foreign participation in companies or in the sector as a whole.

Besides, restrictions on acquiring ownership rights to land may be applied.

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#### 2.6. Taxation

The mechanism and principles for indirect tax collection in mutual trade have been established by the Treaty on the Eurasian Economic Union dated May 29, 2014 (Articles 71, 72 73 and Annex No. 18 "Protocol on the Procedure of Levying Indirect Taxes and the Mechanism of Control Over their Payment while Exporting and Importing Goods, Performing Works, Rendering Services"



Links to the official websites of tax authorities of the Eurasian Economic Union Member States:

Ministry of Finance of the Republic of Armenia

State Revenue Committee of the Republic of Armenia

Ministry of Taxes and Duties of the Republic of Belarus

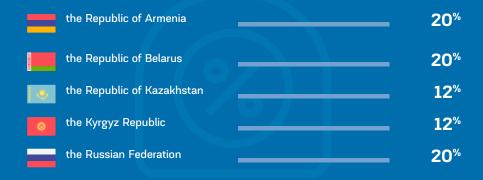
State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan

State Tax Service under the Government of the Kyrgyz Republic

Federal Tax Service of the Russian Federation

Ministry of Finance of the Russian Federation

#### VAT rates in the EAEU Member States:



Agreements for the avoidance of double taxation between the Government of the Islamic Republic of Iran and the Governments of the Member States.

All EAEU Member States have bilateral agreements for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital with the Islamic Republic of Iran

- / Agreement between the Government of the Republic of Armenia and the Government of the Islamic Republic of Iran dated May 6, 1995.
- Agreement between the Government of the Republic of Belarus and the Government of the Islamic Republic of Iran dated July 14, 1995;
- Agreement between the Government of the Republic of Kazakhstan and the Government of the Islamic Republic of Iran dated January 1, 1996;
- Agreement between the Government of the Kyrgyz Republic and the Government of the Islamic Republic of Iran dated April 29, 2002;
- Agreement between the Government of the Russian Federation and the Government of the Islamic Republic of Iran dated March 6, 1998;

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### Effective agreements on the avoidance of double taxation between the EAEU Member States.

Bilateral agreements for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income have been concluded between almost all EAEU Member States.

The only exception is the Republic of Armenia and the Kyrgyz Republic that have not yet signed such bilateral Agreement (Convention).

### 2.7. Currency control procedures

Currency control procedures for export-import operations performed by residents of the EAEU Member States with residents of third countries.

The legislation of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation provides for currency control of foreign trade transactions between residents and non-residents of the mentioned Member States

Foreign trade transactions in the Republic of Armenia and the Kyrgyz Republic are conducted in a free regime with no currency control procedures.

Distinctive features of currency control in the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation:

 All foreign trade transactions/operations are conducted through bank accounts of resident;

All transactions/operations in national and foreign currencies are subject to currency control if the counterparty is not a resident of the EAEU Member States.

Registration of transactions in authorized banks of the Member States is necessary if the following threshold values of foreign economic contracts are exceeded:

Republic of Belarus: export and import contracts — over 3,000 Euros;

Republic of Kazakhstan: export and import contracts — over 50,000 USD:

Russian Federation: import and export contracts — over 3 million and 6 million RUBR, respectively.

Therefore, if concluded purchase/sale agreements or service contracts exceed the amounts indicated above, residents of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation are obliged to contact authorized banks on the territory of their countries and ensure registration of transactions, assignment of tracking numbers to contracts or proper accounting of contracts, respectively.

Moreover, exporters/importers in the Republic of Belarus and the Republic of Kazakhstan are required to submit (to the bank) original contract or its copy in addition to application for registration of the transaction.

In the Russian Federation, registration of transactions requires presentation of the export contract or information from the foreign trade contract. Bank details of the non-resident under the foreign trade contract are also mandatory.

Special emphasis should be put on the requirement to reflect the terms of repatriation of foreign or national currency in foreign economic contracts.

The following requirements on the terms of repatriation have been set:

 Republic of Belarus: export - no later than 180 calendar days from the date of shipment; import - 90 calendar days from the date of payment;

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Republic of Kazakhstan: the terms of repatriation are defined by export or import agreements;

Russian Federation: the terms of repatriation are calculated by residents of the Russian Federation on their own based on provisions of the contract admitted by an authorized bank.

Therefore, in the event of complete or partial failure to fulfill obligations under a foreign trade contract, a non-resident is obliged to provide a refund to the bank account of the resident (exporter/importer) of the Republic of Belarus, the Republic of Kazakhstan or the Russian Federation within the time period specified by the legislation of a Member State..

In some cases, residents of the Republic of Belarus are obliged to obtain preliminary permission from the National Bank of the Republic of Belarus, for example, to make advance payments under an import contract or perform import settlements in case of non-arrival (non-delivery) of goods to the territory of the Republic of Belarus, etc.

To make payments under import contracts, residents of the Republic of Belarus / the Republic of Kazakhstan / the Russian Federation are required to submit to the bank a set of documents, including customs declarations on goods, confirming placement of goods under customs procedures.

Upon receipt of payment under the export contract that is subject to registration, payment instructions shall contain the following: contract details, contract tracking number, payment indicator, transaction code, etc. The bank performing registration of transactions lifts control over the contract upon completion of control procedures and fulfillment of repatriation requirements.

Violation of currency legislation in the Member States is subject to administrative liability and, in some cases, criminal sanctions.

## 2.8. Rules of labor recruitment in the EAEU Member States

Labor activity of citizens of the Eurasian Economic Union Member States (hereinafter referred to as the EAEU, the Union) is regulated by Section XXVI "Labor Migration" of the Treaty on the Eurasian Economic Union dated May 29, 2014.

Within the framework of the Union's common labor market, citizens of the EAEU Member States are entitled to engage in labor activities on equal terms with the citizens of the employment State.

Employers have the right to involve such persons in labor activities without considering restrictions on protection of national labor markets. Workers of the EAEU Member States have the right to work in all spheres except for strategic sectors of the economy and positions requiring the citizenship of the employment State.

Quota allocation and mandatory work permits do not apply to such persons.

Academic certificates (credentials) issued in the Member States are acknowledged and are not subject to recognition procedures established by the legislation of an employment State. This relates to all labor activities except for pedagogical, legal, medical and pharmaceutical spheres.

Citizens of the Member States are given the opportunity to work under both a labor contract or a civil law contract.

When entering the territory of another Member State and presenting one of the valid documents intended for stamping marks of border control authorities on crossing the state border, the EAEU citizens are exempted from holding migration cards, if such an obligation is established by the legislation of the employment State, provided that the period of stay does not exceed 30 days from the date of entry.

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Along with that, citizens of the EAEU Member States are exempted from the obligation to get registered within 30 days from the date of entry.

Social security (social insurance) of citizens of the EAEU Member States is provided under the same conditions and in the same manner as for the citizens of the employment State.

Incomes of workers from the EAEU Member States are subject to the same tax rates as those of citizens of the employment State from the first day of their work.

Thus major part of restrictions on admission to the common labor market of the Union countries have been removed for workers from the EAEU Member States.

The Treaty determines that the labor activity of workers from the EAEU Member States is regulated by the legislation of the employment State, taking into account the provisions of the Treaty.

## Regulatory and legal framework of the EAEU Member States on employment of foreign citizens

The labor activity of foreign citizens in the EAEU Member States is regulated at the national level by the following regulatory acts.

Republic of Armenia: Law No. ZR-47 of the Republic of Armenia dated January 16, 2007 "On Foreign Persons" ("Aliens Act").

Republic of Belarus: Law No. 225-Z of the Republic of Belarus dated December 30, 2010 "On Foreign Labor Migration".

Republic of Kazakhstan: Decree No. 148 of the Government of the Republic of Kazakhstan dated January 21, 2012 "Rules for entry and stay of immigrants in the Republic of Kazakhstan, as well as their departure from the Republic of Kazakhstan"; Law No. 2337 of the Republic of Kazakhstan dated June 19, 1995 "On the Legal Status of Foreigners"; Law No. 477-IV of the Republic of Kazakhstan dated July 22, 2011 "On the Migration of Population" ("Migration Act").

Kyrgyz Republic: Law No. 1296-XII of the Kyrgyz Republic dated December 14, 1993 "On the Legal Status of Foreign Citizens in the Kyrgyz Republic"; Law No. 4 of the Kyrgyz Republic dated January 13, 2006 "On Foreign Labor Migration".

Russian Federation: Federal Law of the Russian Federation No. 115-FZ dated July 25, 2002 "On the Legal Status of Foreign Citizens in the Russian Federation".

## 2.9. General rules of competition and access to public procurement

To ensure fair competition in the commodity markets of the EAEU Member States, the EEC and the national antitrust (competition) authorities are empowered to identify and take measures to stop and prosecute anticompetitive actions and actions that may adversely affect competition.

The EEC and the national antitrust (competition) authorities powers are divided as follows:

Suppression of violations of general rules of competition in transboundary markets (within the territories of two or more EAEU Member States), except for financial markets, falls under responsibility of the EEC;

Suppression of violations of the national antitrust (competition) legislation within the territories of the EAEU Member States is performed by the national antitrust (competition) authorities.

With a view to determine the powers of the EEC to suppress violations of general rules of competition, Decision No. 29 of the Supreme Eurasian Economic Council dated December 19, 2012 sets the Criteria for Classifying Markets as Transboundary.

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The following competition restrictions must be observed when conducting business within the EAEU:

- conclusion of anti-competitive agreements between competing business entities of the EAEU Member States is prohibited;
- / conclusion of anti-competitive "vertical" agreements between business entities of the EAEU Member States, as well as conclusion of other agreements that lead or may lead to restriction of competition, is prohibited;
- actions (inaction) of business entities with a dominant position that lead or may lead to prevention, restriction, elimination of competition and (or) infringement of the interests of other persons, are prohibited;
- / unfair competition is prohibited;
- coordination of economic activities of business entities of the EAEU Member States is prohibited.

More information on general principles and rules of competition can be found in Section XVIII (Articles 74–76) of the Treaty on the EAEU and in the national competition legal acts.

If competition rules are violated, business entities have the right to file applications to the EEC or national competition authorities (in accordance with the distribution of powers described above).

After consideration of the application, a decision is taken on whether the actions of the business entity involved violations. If breaches are identified, the violator takes actions aimed at restoring competition and is subject to relevant sanctions.

Responsibility for violation of competition rules in transboundary markets is provided for in the form of penalties set in Annex No. 19 to the Treaty on the EAEU (responsibility for anticompetitive behavior in national markets is provided for by the national legislation). It should be noted that as violators may be recognized legal entities, individual entrepreneurs, officials and natural persons as well.

Abuse of dominant position and conclusion of anti-competitive agreements entail imposition of penalty fines in the amount of 0.3% to 15% of the revenue for legal entities, but no less than 100,000 RUR, and in the amount of 20,000 to 150,000 RUR for officials and individual entrepreneurs. Unfair competition entails imposition of penalty fines in the amount of 100,000 to 1,000,000 RUR for legal entities, and in the amount of 20,000 to 110,000 RUR for officials and individual entrepreneurs. Unpermitted coordination of economic activities entails imposition of penalty fines in the amount of 20,000 to 5,000,000 RUR for legal entities, in the amount of 20,000 to 75,000 RUR for individuals, and in the amount of 20,000 to 150,000 RUR for officials and individual entrepreneurs.

The EAEU has its own institute of proposals that acts a preventive measure contributing to elimination of violations of competition rules without conducting investigations.

A proposal is sent to the business entity, whose actions are regarded as having signs of violation. The business entity is invited to take certain actions aimed at eliminating the identified signs of violation and ensuring competition in transboundary markets. If the business entity agrees with the proposal, it can avoid possible penalty fines. In case of disagreement, full-scope investigation is carried out. If evidence of violations is found, relevant sanctions are applied. Similar tools (mechanisms) in the form of warnings requiring the termination of actions containing signs of violation of antitrust legislation are also used in several EAEU Member States.

Business entities can also apply the EEC for consultations, including individual ones. In this regard, the EEC regularly conducts sessions of the Public Information Office in all EAEU Member States.

Detailed information on the EEC's activities in the sphere of competition, regulatory acts and recent events can be found on the official website here.

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Official websites of national antitrust (competitive) authorities of the FAFU Member States:

State Commission for the Protection of Economic Competition of the Republic of Armenia: www.competition.am/?lng=2

Ministry of Antimonopoly Regulation and Trade of the Republic of Belarus: www.mart.gov.by/en/sites/mart/home.html

Committee on Regulation of Natural Monopolies and Protection of Competition under the Ministry of National Economy of the Republic of Kazakhstan: <a href="www.economy.gov.kz/en/kategorii/komitet-po-regulirovaniyu-estestvennyh-monopoliy-zashchite-konkurencii-i-prav-0">www.economy.gov.kz/en/kategorii/komitet-po-regulirovaniyu-estestvennyh-monopoliy-zashchite-konkurencii-i-prav-0</a>

State Agency for Antimonopoly Regulation under the Government of the Kyrgyz Republic: www.antimonopolia.kg

Federal Antimonopoly Service of the Russian Federation:www.fas.gov.ru

#### Regulation of public (government) procurement

Regulation of public (government) procurement within the Union is carried out in accordance with the provisions of Section XXII of the Treaty on the EAEU, Annex No. 25 to the Treaty on the EAEU and the national legislative acts of the EAEU Member States in the sphere of public procurement.

In accordance with paragraph 30 of the Protocol on the procedure for regulating procurement (Annex No. 25 to the Treaty on the EAEU), each EAEU Member State shall provide national treatment of public procurement in relation to goods, works and services originating from the territories of other Member States, as well as in relation to national potential suppliers and suppliers from other Member States offering such goods, works and services.

National treatment means that each Member State ensures treatment

of goods, works and services, acquired under public procurement and originating from the territories of other Member States, no less favorable than that provided for goods, works and services originating from its own territory. The country of origin of goods is determined in accordance with the rules for determining the country of origin of goods effective in the customs territory of the EAEU.

According to the Treaty of the EAEU extention of national treatment to companies from third countries, that are not members of the EAEU, is not provided.

The Treaty on the EAEU (Annex No. 25) also lays down main requirements for public procurement in the Member States, as well as stipulates cases when exceptions may be introduced, that is, cases when national treatment will be applied to the public procurement in the EAEU Member States.

Information on public procurement (procurement notices; procurement documentation; changes to notices, documentation; clarification of procurement documentation; protocols prepared during the procurement process; information on the results of the procurement process; information on procurement agreements (contracts); information on implementation of procurement agreements (contracts); information on complaints filed), regulatory legal acts in the sphere of public procurement and registries of unfair suppliers are posted on the Member States' web-portals, including their versions in Russian.



National web-portals:

Republic of Armenia: http://www.procurement.am;

Republic of Belarus: http://www.icetrade.by;

Republic of Kazakhstan: http://www.goszakup.gov.kz;

Kyrgyz Republic: http://www.zakupki.gov.kg;

Russian Federation: http://www.zakupki.gov.ru.

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General rules of competition and access to public procurement Dispute Settlemen

### 2.10. Dispute Settlement

In accordance with the civil practice Acts of all EAEU Member States, foreign persons enjoy procedural rights and fulfill procedural obligations on an equal basis with national persons.

The EAEU Member States and the Islamic Republic of Iran have concluded bilateral international treaties on mutual legal assistance, recognition and enforcement of judicial acts.

Such bilateral treaties provide for mutual legal assistance in civil (and/ or criminal) cases, recognition and enforcement of legal acts and arbitral awards (decisions), exchange of documents (including collection and transfer of evidence), as well as other forms of legal assistance (for more details, see the relevant bilateral treaty/agreement):

- Agreement between the Republic of Armenia and the Islamic Republic of Iran on mutual legal assistance in civil and criminal cases dated June 5, 2006.
- Treaty between the Republic of Belarus and the Islamic Republic of Iran on legal assistance in civil and criminal cases dated November 7, 2006;
- Draft Agreement between the Republic of Kazakhstan and the Islamic Republic of Iran on mutual legal assistance in civil cases (currently under negotiation, signing and subsequent ratification are expected);
- Treaty between the Kyrgyz Republic and the Islamic Republic of Iran on legal assistance in civil and criminal cases dated December 21, 2003;
- Treaty between the Russian Federation and the Islamic Republic of Iran on legal assistance and legal relations in civil and criminal cases dated March 5, 1996;

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Regarding the potential settlement of disputes by international commercial arbitration, it should be noted that in most cases companies are recommended to use the arbitration (dispute resolution) clause.

It should be emphasized, however, that all EAEU Member States together with the Islamic Republic of Iran are contracting parties to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards dated June 10, 1958.

Detailed information on arbitration centers of all EAEU Member States can be found on the official websites of the Arbitration Chambers.

Beside the above there is the Court of the Eurasian Economic Union functioning within the EAEU as a permanent judicial body in accordance with the Treaty on the Eurasian Economic Union dated May 29, 2014.

According to the provisions of the Statute of the Union Court, the Court considers disputes arising from implementing the Treaty on the Eurasian Economic Union, international treaties within the Union and (or) decisions of the Union's Governing bodies.

If certain decisions of the Union's Governing bodies affect the interests of foreign persons, such persons have the right to act as applicants and file their claims to the EAEU Court. More information on the work of the EAEU Court and related official documents can be found here: http://courteurasian.org/.



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