



Committee on Regional Trade Agreements

FACTUAL PRESENTATION

**TREATY ON ACCESSION OF THE KYRGYZ REPUBLIC TO THE EURASIAN ECONOMIC UNION
(GOODS AND SERVICES)**

Report by the Secretariat

This report, prepared for the consideration of the Treaty on Accession of the Kyrgyz Republic to the Eurasian Economic Union, has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Treaties and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Treaty.

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KEY FACTS

Parties to the Agreement:	the Kyrgyz Republic, and the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation
Date of Signature:	23 December 2014
Date of Entry into Force:	12 August 2015
Date of Notification:	1 September 2015
Full implementation:	2025 (G &S)

1 TRADE ENVIRONMENT

1.1. On 12 August 2015, the Kyrgyz Republic became the fifth full-fledged Member of the Eurasian Economic Union (hereafter, "EAEU") together with the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation.

1.2. With 6.08 million inhabitants in 2016, the Kyrgyz Republic is the second smallest EAEU member State after the Republic of Armenia.¹ Its GDP was estimated at US\$6,551 million in 2016; the corresponding figure for the EAEU(4)² was US\$1,474 billion. In 2016, the Kyrgyz Republic ranked 110th as regards global exports and 103rd as regards global imports of goods; and for trade in services, it ranked 104th and 111th (excluding intra-EU trade). In the same year, the Kyrgyz Republic's world exports reached US\$1.5 billion and imports US\$3.9 billion.³ Also in 2016, the EAEU's global ranking was 9th and 12th for merchandise exports and imports; and 12th and 10th for exports and imports of commercial services (excluding intra-EU trade).⁴ Its world merchandise exports and imports were estimated at US\$343.7 billion and US\$247.4 billion, respectively.

1.3. During 2012-2014, the Kyrgyz Republic's global exports and imports were dominated by precious stones and minerals. In the same period, the EAEU's global exports were largely concentrated in mineral products, while imports were dominated by machinery.

1.1 Merchandise trade

1.4. In 2016, the Kyrgyz Republic accounted for a relatively small share of the EAEU's global exports and imports, ranking 21st and 38th, respectively; in contrast, the EAEU is the Kyrgyz Republic's second largest and largest export and import market. On average, nearly two fifths of the Kyrgyz Republic's trade is carried out with the EAEU.⁵

1.5. As shown in Chart 1.1, the Parties' trade with the world has grown steadily since 2000 – the major exception being a sharp decline in 2009 due to the 2008-2009 world economic crisis. In 2014, the fall in both the Kyrgyz Republic's and the EAEU's global trade flows coincided with an economic slowdown in the EAEU. Throughout the 2000-2016 period, the EAEU remained a net exporter to the world. The Kyrgyz Republic, in contrast, has continually run a trade deficit, reaching a peak of nearly US\$ 6 billion in 2013, followed by a narrowing of the deficit in 2014 –

¹ World Bank data. Viewed at:

<https://data.worldbank.org/indicator/SP.POP.TOTL?locations=KG&view=chart>

² In this Factual Presentation, EAEU(4) includes the Armenia, Belarus, Kazakhstan and the Russian Federation – while EAEU(5) also includes the Kyrgyz Republic. EAEU data in "Trade Environment" is the aggregation of member States data; it does not constitute official data from the EAEU.

³ Trade statistics from WTO trade profiles 2017. Viewed at:

https://www.wto.org/english/res_e/booksp_e/trade_profiles17_e.pdf

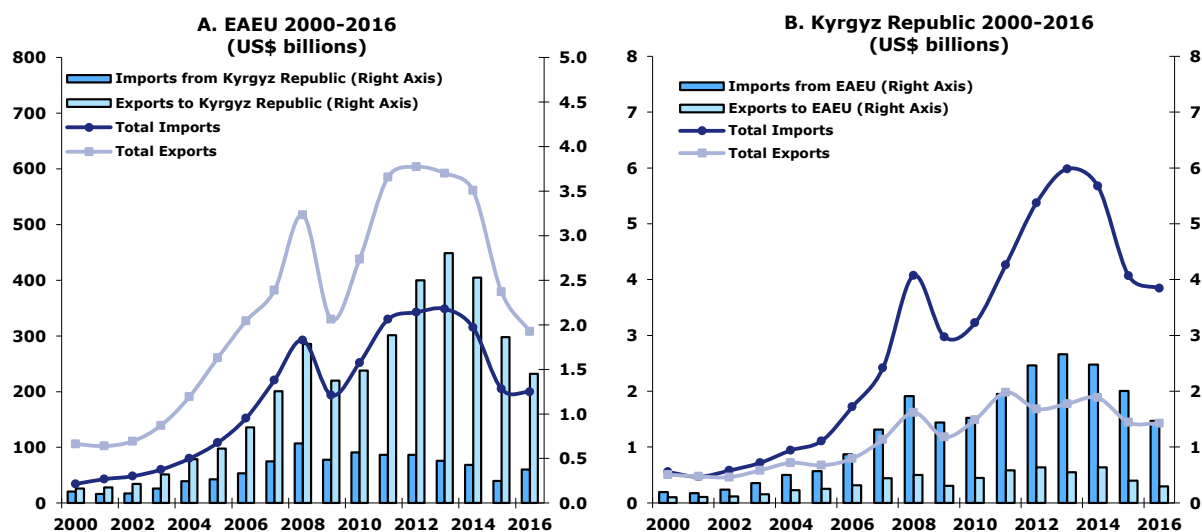
⁴ WTO World Trade Statistical Review 2017. Viewed at:

https://www.wto.org/english/res_e/statis_e/wts2017_e/wts17_toc_e.htm

⁵ UNSD, Comtrade Database. Excludes intra-EU trade.

2016. Bilateral trade followed a similar trend, and in relative terms, the Kyrgyz Republic's trade deficit with the EAEU widened during the 2001-2014 period, before contracting in 2015.

Chart 1.1 EAEU-Kyrgyz Republic: Merchandise bilateral trade and with world, 2000-2016



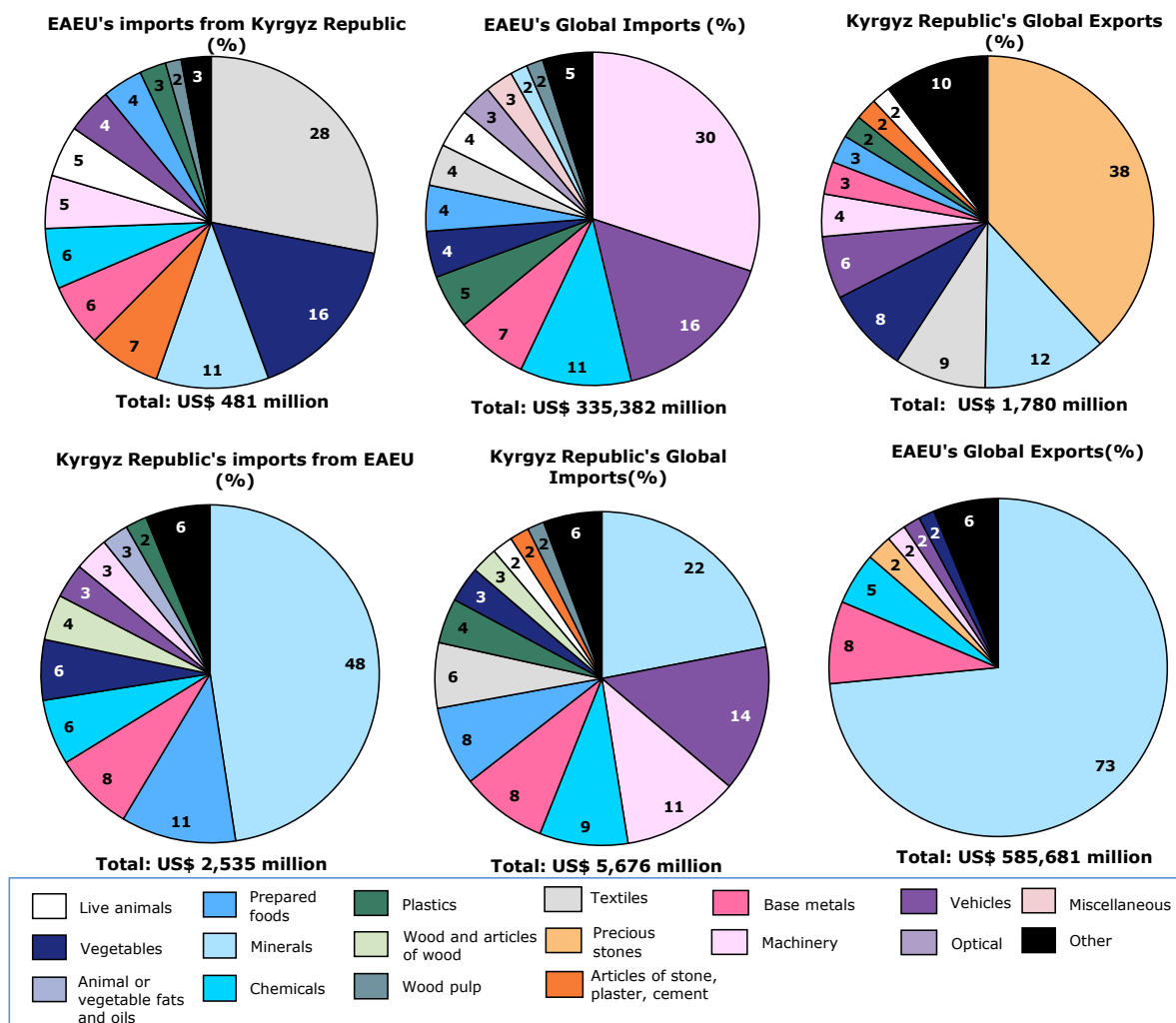
Note: EAEU: Armenia, Belarus, Kazakhstan, Russian Federation.

Source: WTO-IDB, ITC TradeMap and UNSD Comtrade database.

1.6. The commodity structure of trade between the Kyrgyz Republic and the EAEU, as well as both Parties' global trade during the three year period 2012-2014 are shown in Chart 1.2 on the basis of Harmonized System (HS) sections. While more than half of the EAEU's imports from the Kyrgyz Republic are composed of textiles, vegetables and minerals – respectively corresponding to 28%, 16% and 11%; the Kyrgyz Republic's global exports appear to be more concentrated, with precious stones accounting for 38%, followed by minerals and textiles at 12% and 9%, respectively.

1.7. Throughout the same period, the three commodities most imported by the Kyrgyz Republic from the EAEU, and also the main categories of EAEU global exports – minerals, prepared food and base metals – accounted for 48%, 11% and 8%, respectively of Kyrgyz's imports from the EAEU.

Chart 1.2 EAEU and the Kyrgyz Republic: Product composition of merchandise trade, annual average (2012-2014)



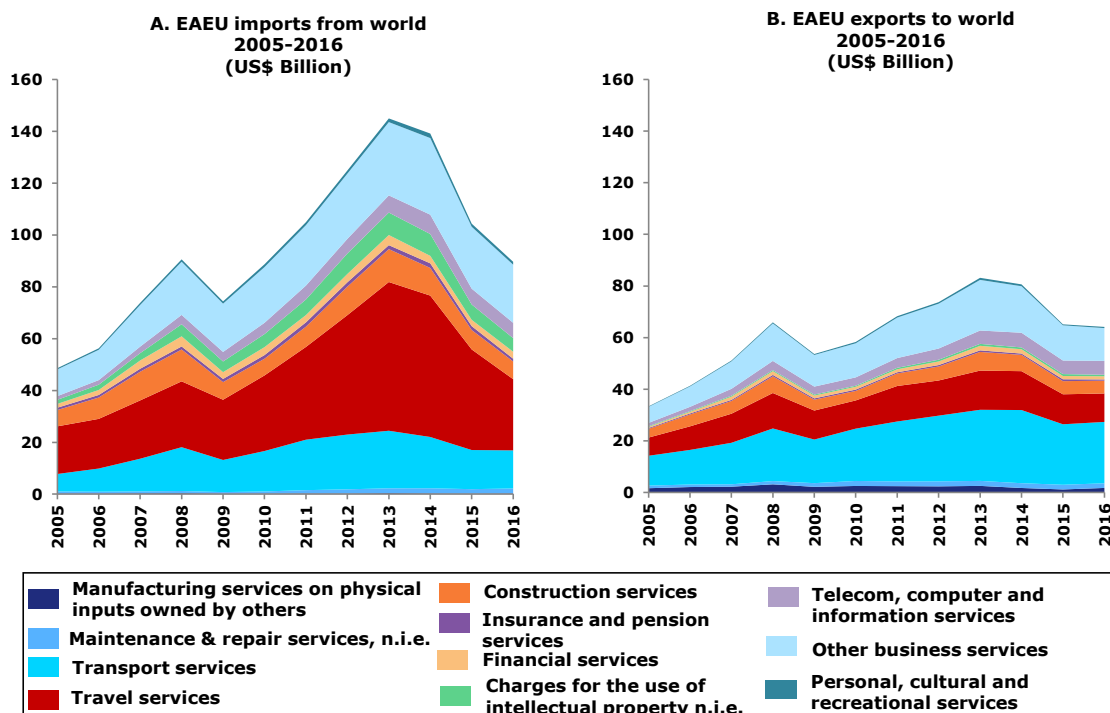
Note: EAEU - Armenia, Belarus, Kazakhstan, Russian Federation.

Source: WTO-IDB, ITC TradeMap and UNSD Comtrade database.

1.2 Trade in services and investment

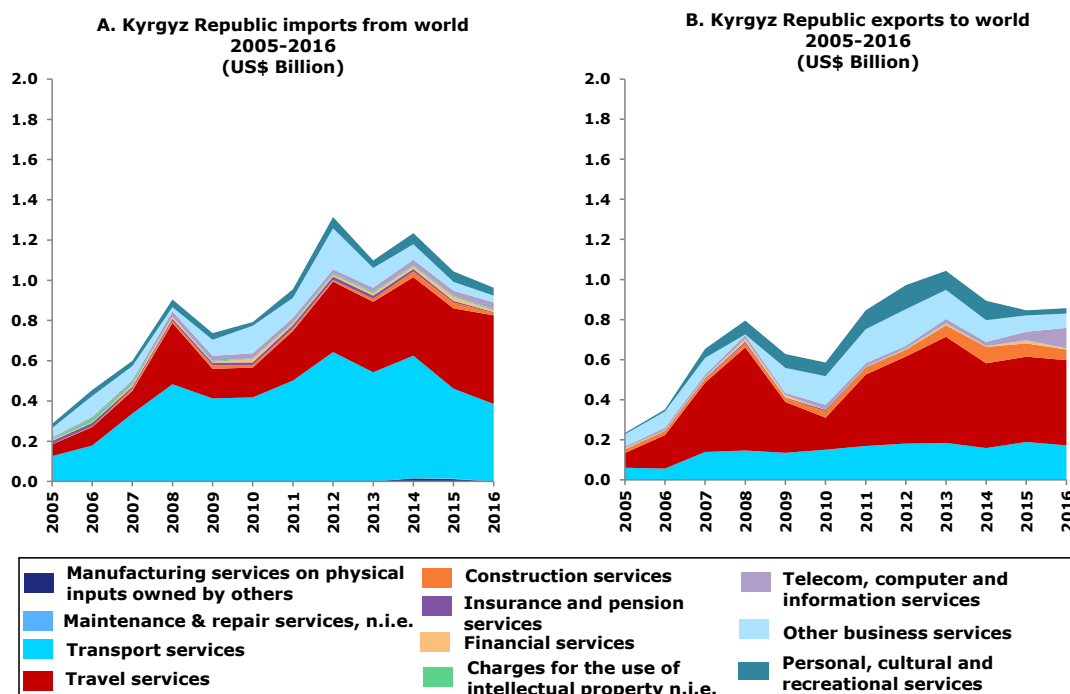
1.8. Charts 1.3-1.4 show the composition of global commercial services trade for the EAEU and the Kyrgyz Republic in 2005-2016. Bilateral statistics for trade in services are not available. During this period, the EAEU was a net importer of travel, construction, financial, telecommunication (except for 2007) services and charges for the use of intellectual property. It had a surplus in transport, manufacturing and maintenance and repair (except for 2016) services. Travel, transport and construction services remain the major sectors for the EAEU.

1.9. Throughout the same period, the Kyrgyz Republic was a net importer of transport, insurance and financial (except for a surplus in 2008 and 2009) services. It had a surplus in construction, travel (except for 2016), and personal, cultural and recreational services (except for 2005-2006 and 2015-2016). Travel, transport, and maintenance and repair remain the major sectors for the Kyrgyz Republic.

Chart 1.3 EAEU: Trade in commercial services data with world, 2005-2016

Note: Based on BPM6, EAEU - Armenia, Belarus, Kazakhstan, Russian Federation.

Source: WTO Statistics Database and the Central Bank of the Russian Federation webpage (data viewed from: <http://www.cbr.ru/eng/statistics/Default.aspx?PrtId=svs>).

Chart 1.4 Kyrgyz Republic: Trade in commercial services data with world, 2005-2016

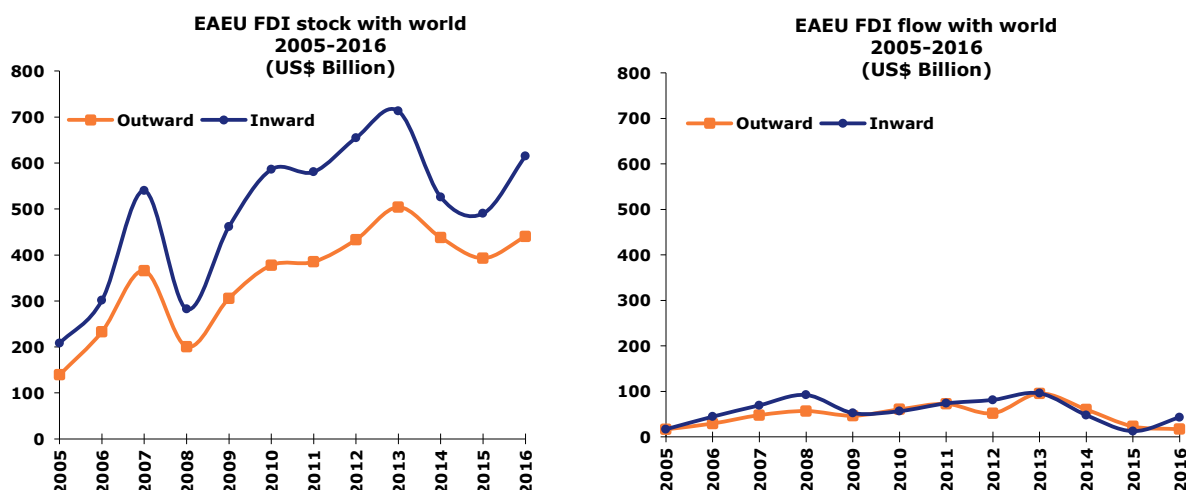
Note: Based on BPM6.

No trade data on Manufacturing services (2005-2013, 2016) and Maintenance and repair services (2005-2013, 2016), Charges for the use of intellectual property (2008). No export data on Manufacturing services for 2014.

Source: WTO Statistics Database.

1.10. Chart 1.5 presents the EAEU's trends in foreign direct investment ("FDI") with the world during 2005-2016, showing that it was a net importer of FDI in terms of stocks and flows for most of the period analysed. Despite some fluctuations, the trend in the EAEU FDI stock has generally been upward, while FDI flows grew to a lesser extent and peaked in 2008 and 2013. During the same period, the Kyrgyz Republic was a net importer of global FDI stocks and flows, as depicted in Chart 1.6. While the Kyrgyz Republic's FDI inward stock grew linearly reaching US\$5.1 billion in 2016, its inward flows have fluctuated since 2008, averaging US\$409 million. The development of FDI outward stocks and flow largely followed a linear trend during 2007-2016. Bilateral FDI information is not available.

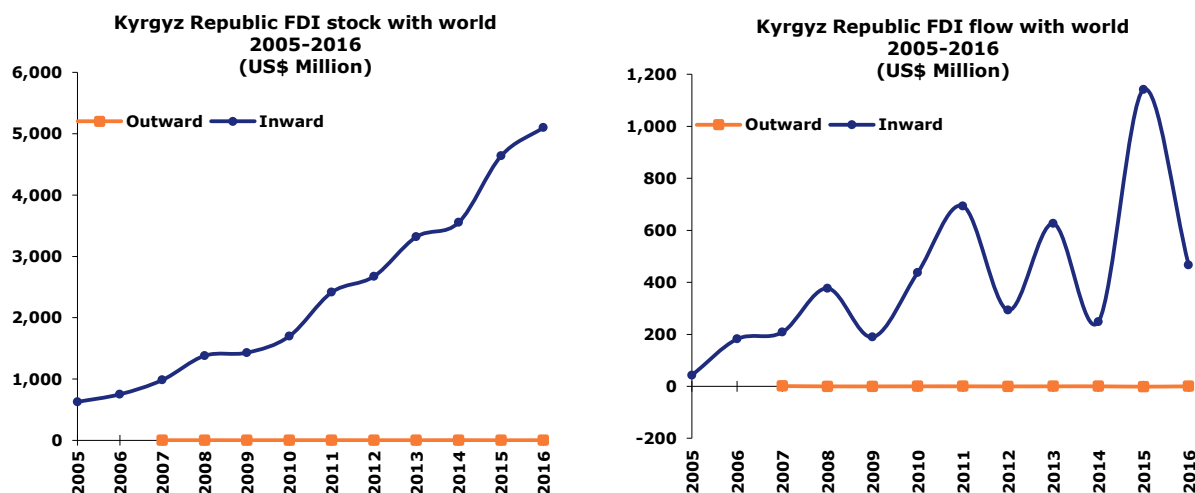
Chart 1.5 EAEU: FDI stock and flow with world, 2005-2016



Note: EAEU - Armenia, Belarus, Kazakhstan, Russian Federation.

Source: UNCTAD, Kazakhstan authorities, Central Bank of the Russian Federation data viewed at <http://www.cbr.ru/eng/statistics/Default.aspx?PrId=svs>.

Chart 1.6 Kyrgyz Republic: FDI stock and flow with world, 2005-2016



Note: No outward FDI flow and stock for 2005 and 2006.

Source: UNCTAD, Central Bank of the Russian Federation data viewed at: <http://www.cbr.ru/eng/statistics/Default.aspx?PrId=svs>.

2 CHARACTERISTIC ELEMENTS OF THE TREATY

2.1. On 29 May 2014, the "Treaty on the Eurasian Economic Union" between the Russian Federation, the Republic of Belarus and the Republic of Kazakhstan was signed; it entered into force on 1 January 2015. The Treaty provides for a common market for goods, services, capital and labour as well as coordinated and agreed policy in different areas. On 23 December 2014, the Treaty on Accession of Kyrgyz Republic to the EAEU was signed; further elements of the accession were defined in two protocols signed on 8 May 2015.

2.2. In acceding to the EAEU, the Kyrgyz Republic accedes to the totality of the EAEU legal framework, in accordance with the "Treaty on the Accession of the Kyrgyz Republic to the EAEU" (hereafter, the "Accession Treaty"), as follows:

- a. Kyrgyz Republic accedes to the EAEU Treaty as well as other international treaties concluded in the context of the Customs Union (CU) and the Single Economic Space (SES) (in force since 2010 and 2012, respectively), which are part of the EAEU legal framework. These are listed in the Annex to the Accession Treaty;⁶
- b. the required modifications to the EAEU legal framework following the Kyrgyz Republic's accession are included in the "Protocol on Amendments to the Treaty on the Eurasian Economic Union of 29 May 2014 and Separate International Agreements Incorporated into the Law of the Eurasian Economic Union, in view of the Accession of the Kyrgyz Republic to the Treaty on the Eurasian Economic Union of 29 May 2014" (hereafter the "Amendments Protocol"), dated 8 May 2015;
- c. the "Protocol on the Conditions and Transitional Provisions on the Application by the Kyrgyz Republic of the Treaty on the Eurasian Economic Union of 29 May, 2014, Separate International Treaties, Incorporated into the Law of the Eurasian Economic Union, and the Acts of the Bodies of the Eurasian Economic Union due to the Accession of the Kyrgyz Republic to the Treaty on the Eurasian Economic Union of 29 May, 2014" (hereafter the "Protocol on Transitional Provisions") includes in its Annex 1 the transitional measures pending Kyrgyz Republic's full implementation of the EAEU legal framework, and in Annex 2 its temporary exceptions to the EAEU common external tariff (CET); and
- d. as of its accession, the Kyrgyz Republic will implement all Acts and Decisions adopted by the bodies of the EAEU as well as those of the CU (Article 4) which were in effect on the date of entry into force of the Accession Treaty, taking into account provisions of the Protocol specified in sub-paragraph c above.

2.3. The relationship between the Kyrgyz Republic's accession to the EAEU and its WTO Membership is regulated by Article 5 of the Accession Treaty and Annex 1 of the Protocol on Transitional Provisions. Articles 6 and 7 of the Accession Treaty address the abolition of customs control of goods and vehicles transported through the Kyrgyz-Kazakh border as well as the abolition of sanitary and phytosanitary control through that same border. The Accession Treaty also provides for the ratio of distribution of import customs duties amounts, disputes relating to its interpretation and implementation as well as its entry into force (Articles 8, 10 and 11 of the Accession Treaty).

2.4. The Factual Presentation on the "Treaty on the Eurasian Economic Union" (hereafter, the EAEU Treaty), distributed in document WT/REG358/1, explains in detail the functioning, rules and regulations of the EAEU, while the accession of Armenia to the EAEU is addressed in the Factual Presentation distributed in WT/REG363/1. A full understanding of the Kyrgyz Republic's accession to the EAEU, dealt with in the current Factual Presentation, will therefore benefit from a joint consideration of all of these documents.

⁶ Annex 1 lists 34 legal instruments to which the Kyrgyz Republic is acceding as a consequence to its EAEU accession. They include issues like *inter alia* rules of origin, preferences for developing and least-developed countries, register of intellectual property objects, etc. The specific language to be modified in such legal instruments – basically adding "Kyrgyz Republic" to countries to which the relevant provisions apply – is included in the Amendments Protocol to the Accession Treaty, dated 8 May 2015.

2.1 Background Information

2.5. On 1 September 2015, the Kyrgyz Republic notified the "Treaty on the Accession of the Kyrgyz Republic to the Treaty on the Eurasian Economic Union of 29 May 2014" under both Article XXIV of the GATT 1994 and Article V of the GATS (WT/REG366/N/1 and S/C/N/823). The Accession Treaty was signed on 23 December 2014; following the completion of ratification procedures, it entered into force on 12 August 2015, when the Kyrgyz Republic became the fifth member State of the EAEU. The EAEU Treaty had entered into force on 1 January 2015; on 2 January 2015, Armenia acceded to the EAEU.

2.6. At the time of the entry into force of the Accession Treaty, Armenia, the Kyrgyz Republic and the Russian Federation were WTO Members; Kazakhstan acceded to the WTO on 30 November 2015. As of June 2018, Belarus remains in the process of acceding to the WTO.

2.7. Strengthened ties between the Kyrgyz Republic and other EAEU member States dates back to 1996 and the signature, jointly with Belarus, Kazakhstan and the Russian Federation, of the framework agreement for the establishment of a common market – the "Treaty on Increased Integration in the Economic and Humanitarian Fields". By 1999, this was complemented by the Treaty on the CU and the SES, signed by all of the four countries and Tajikistan, which elaborated on the gradual creation of the common market through stages to be defined. In 2000, the now five countries signed the "Treaty on the Establishment of the Eurasian Economic Community" (EurAsEC), thus establishing it as an international organization with legal personality. The 2003 framework "Treaty on the Establishment of the Common Economic Zone" provided a roadmap for the establishment of a free-trade area between the five countries; however, by 2006, it was decided that Belarus, Kazakhstan and Russian Federation would accelerate efforts aimed at the establishment of the CU, while the Kyrgyz Republic and Tajikistan would join the organization as soon as they were ready. The CU Treaty was signed in October 2007 and entered into force on 1 January 2010.

2.8. In 2011, the EurAsEC Interstate Council agreed that conditions were in place to ensure accession of the Kyrgyz Republic to the Eurasian integration project. In 2013, a Memorandum was signed between the Eurasian Economic Commission (hereafter, "EEC" or "Commission") and the Kyrgyz Republic aimed at deepening cooperation between the Kyrgyz Republic and the CU and CES member States in various economic sectors. In October 2014, the road map for the accession of the Kyrgyz Republic to the CU and CES was signed; it provided for the adoption of more than 180 measures in various fields, including customs administration; technical regulations, sanitary, phytosanitary, and veterinary measures; transportation and infrastructure; tariff and non-tariff regulations; anti-dumping; trade, and financial policies; and statistics. The vast majority of these had a deadline for completion of either 2014 or 2015, while a few were left for 2017–2018.

2.9. The CU and the SES were terminated when the EAEU was established (Article 113 of the EAEU Treaty).⁷ Numerous legal instruments of the CU and the SES have however been incorporated into EAEU law; whenever relevant, they will be referred to in this Factual Presentation.

2.10. On 23 December 2014, given the significant progress in the implementation of the road map measures for its accession to the CU and the SES, the Treaty on Accession of Kyrgyz Republic to the EAEU was signed at the session of the Supreme Eurasian Economic Council (hereafter, the "Supreme Council"). Further elements were defined in two protocols signed at the Supreme Council meeting of 8 May 2015. On 12 August 2015, after implementation of all the required road map measures and the completion of the ratification procedures, the Kyrgyz Republic became a full member of the EAEU. On 11 April 2017, a new Protocol was signed revisiting the ratio of distribution of import customs duties amounts collected.

2.11. The structure of legal instruments relating to the Kyrgyz Accession to the EAEU is presented in Box 2.1.

⁷ Numerous other agreements were also terminated, including the EurAsEC Treaty. A full list of the terminated legal instruments is included in annex 33 to the EAEU Treaty.

Box 2.1 Structure of Legal Instruments on the Kyrgyz Republic's Accession to the EAEU

Treaty on Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May 2014 (dated 23 December 2014)

Annex List of International Treaties included into the Law of the EAEU to which Kyrgyz Republic joined

Protocol on Amendments to the Treaty on the EAEU of 29 May 2014 and Separate International Agreements Incorporated into the Law of the EAEU, in view of the Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May 2014 (dated 8 May 2015)

Annex Amendments to be introduced into the Treaty on the EAEU of 29 May 2014 and international treaties incorporated into the law of the EAEU

Protocol on the Conditions and Transitional Provisions on the Application by the Kyrgyz Republic of the Treaty on the EAEU of 29 May, 2014, Separate International Treaties, Incorporated into the Law of the EAEU, and the Acts of the Bodies of the EAEU due to the Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May, 2014 (dated 8 May 2015)

Annex 1 The Conditions and Transitional Provisions on the Application by the Kyrgyz Republic of the Treaty on the EAEU of 29 May, 2014, Separate International Treaties, Incorporated into the Law of the EAEU, and the Acts of the Bodies of the EAEU due to the Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May, 2014

Annex 2 List of Goods and Rates for which during Transition Period the Kyrgyz Republic Applies the Rates of Import Customs Duties Different from Duty Rates Established by the Common Customs Tariff of the EAEU

Protocol on the Application of Separate Provisions of the Treaty on Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May 2014, signed on December 23, 2014 (dated 11 April 2017)

3 PROVISIONS ON TRADE IN GOODS

3.1. Among members of the EAEU – and the Kyrgyz Republic since its accession – a customs union with a single internal market for goods, common customs regulations and a common external trade regime is in operation. The common customs regulations are implemented in accordance with the provisions of the EAEU Treaty and Kyrgyz Republic's Accession Treaty, international agreements and acts constituting the law of the EAEU governing customs relations.

3.1 Trade liberalization between the Parties

3.2. Prior to its accession to the EAEU, all trade between the Kyrgyz Republic and each of the EAEU member States was already duty-free, in accordance with various bilateral and plurilateral free trade agreements (FTAs) in force between them (see Section 5.5).

3.3. Table 3.1 and Table 3.2 show the duty free treatment provided between the EAEU and the Kyrgyz Republic, disaggregated in terms of MFN and preferential treatment under existing FTAs. In 2015, the Kyrgyz Republic benefitted from MFN duty-free treatment in the EAEU for 14.9% of EAEU tariff lines,⁸ accounting for 23.7% imports by the EAEU from the Kyrgyz Republic during 2012-2014; duty-free preferential treatment was applied to 85.1% of lines in the EAEU tariff, corresponding to 76.3% of imports from the Kyrgyz Republic in 2012-2014. Figures on MFN/preferential duty-free treatment provided by the Kyrgyz Republic towards EAEU member States show a similar breakdown in terms of percentage of tariff lines – around 16% MFN and 84% preferential. In terms of trade, preferential trade is even more important, reaching 93.2% of average 2012-2014 imports.

⁸ In 2015, the Russian Federation's applied MFN tariff consisted of 11,711 lines at the HS 10-digit level, of which 85.2% had *ad valorem* rates of duty. Of the remainder, 1,440 had mixed duty rates, 274 specific duties, and 19 compound rates.

Table 3.1 EAEU: Duty-free treatment towards Kyrgyz Republic and corresponding average trade

Duty phase-out period	Number of lines	% of lines in EAEU's Tariff Schedule	Value of EAEU's imports from Kyrgyz Republic (US\$ million) 2012-2014	% of total EAEU's imports from Kyrgyz Republic 2012-2014
MFN (2015)	1,746	14.9	114.2	23.7
Preferential duty-free	9,965	85.1	367.6	76.3
Total	11,711	100.0	481.8	100.0

Note: EAEU's tariff is based on Russia's MFN2015. EAEU - Armenia, Belarus, Kazakhstan and Russian Federation.
Based on HS 2012 nomenclature at the HS 10-digit tariff line level.

Source: WTO-IDB, WTO-TPR and UNSD, Comtrade database.

Table 3.2 Kyrgyz Republic: Duty-free treatment towards EAEU member States and corresponding average trade

Duty phase-out period	Number of lines	% lines in Kyrgyz Republic's Tariff Schedule	Value of Kyrgyz Republic's imports from EAEU (US\$ million) 2012-2014	% of total Kyrgyz Republic's imports from EAEU 2012-2014
MFN (2015)	1,898	16.2	174.9	6.8
Preferential duty-free	9,813	83.8	2,411.4	93.2
Total	11,711	100.0	2,586.3	100.0

Note: EAEU - Armenia, Belarus, Kazakhstan and Russian Federation.
Based on HS 2012 nomenclature at the HS 10-digit tariff line level.

Source: WTO-IDB and WTO-TPR.

3.4. The EAEU Treaty provides for an internal market with free movement of goods – with trade free of import and export duties and other charges having equivalent effect, non-tariff measures and trade defence instruments, except as otherwise provided for in the Treaty (Articles 3, 25 and 28 of the EAEU Treaty). Once a good is within the territory of the Union, trade is carried out without customs declarations and controls such as transport, sanitary, veterinary, etc. except as otherwise provided for in the Treaty of Accession or the EAEU Treaty.

3.5. The EAEU legal framework provides for the possibility to apply certain exceptions to the free movement of goods, as follows:

- a. goods imported from third-parties under temporary country-specific exceptions to the CET, as applied by the Kyrgyz Republic, Armenia and Kazakhstan (see Section 3.2). The tariff differential between the Kyrgyz Republic's lower tariffs and the CET may be paid to allow further circulation of goods within other EAEU parties;
- b. goods exported from the Kyrgyz Republic which benefit from any of the transition periods provided for in the Accession Treaty, in accordance with the terms and conditions specified therein and addressed in various sections of this Factual Presentation; and
- c. in accordance with Article 29 of the EAEU Treaty, goods to which the general and/or security exception clauses apply.

3.6. On the basis of the value of imports from third-parties (average for 2012-2014; for Belarus, 2012-2013 only), in 2015, 0.09% of extra-EAEU imports were of goods which correspond to the Kyrgyz Republic's temporary exceptions to the CET; in 2016 the average was 0.088%. However, information is not available on whether these imports were of products originating in the EAEU or from third-parties.

3.7. Free (special) economic zones (FEZs) and free warehouses, established in the Kyrgyz Republic in accordance with domestic legislation, are authorized under Article 27 of the EAEU Treaty. As of April 2018, there are five FEZs established in the Kyrgyz Republic: Bishkek, Karakol, Naryn, Lalick and Majmak.

3.2 Trade with third parties

3.2.1 Application by Kyrgyz Republic of the EAEU's CET

3.8. The application by the Kyrgyz Republic of the EAEU's CET is regulated by Sections IV and V and Annex 2 of the Protocol on Transitional Provisions, based on two underlying principles - namely the full harmonization of the Kyrgyz Republic's MFN rates with the CET following a transition period and respect for WTO obligations and of the Treaty on Functioning of the Customs Union within the Multilateral Trading System of 19 May 2011 (hereafter, "Treaty on the Multilateral System"), which is part of the EAEU legal framework. In short, the Treaty on the Multilateral System provides that from the date of accession of any EAEU member State to the WTO, the provisions of the WTO Agreement, as set-out in its Protocol of Accession, which related to matters that the member States had authorised the Supreme Council and the EEC to regulate in the framework of the EAEU, as well as to the legal relationships regulated by the international treaties constituting the legal framework of the EAEU, become an integral part of the legal framework of the CU and later the EAEU. EAEU member States are obliged, when concluding an international agreement within the EAEU, to ensure that such EAEU agreement is consistent with the WTO Agreement.

3.9. As per Section IV of Annex 1 to the Protocol on Transitional Provisions, the Kyrgyz Republic has committed to renegotiate its WTO bound rates, with renegotiations being conducted by a delegation appointed by the Council of the EAEU Commission (paragraph 41). A joint delegation, comprising representatives of Kyrgyz Republic, Armenia, Belarus, Kazakhstan, Russian Federation and the EAEU Commission⁹ was later appointed (Order of the Council of the Commission N° 16 of 9 August 2016). The results of the renegotiations shall first be approved by the Council of the Commission prior to their final adoption in the WTO; following that, the CET shall be modified accordingly.

3.10. Procedures under Articles XXIV:6 and XXVIII of the GATT 1994 for the modification of Kyrgyz Republic's Schedule CXLII were initiated by Kyrgyz Republic in April 2015,¹⁰ with in particular the circulation of relevant data.

3.2.1.1 Level of harmonization

3.11. Upon its accession, the Kyrgyz Republic has been given a number of temporary exceptions to the CET, and as of 2020, the CET will apply in full.¹¹ Until that time Kyrgyz Republic is to ensure that goods imported under rates lower than the CET remain in its territory, and to take measures ensuring that in case of exportation to other EAEU member States, tariff differentials are paid.¹² The Commission is responsible for compiling and updating the Kyrgyz Republic's CET exception list of goods/rates (paragraph 43 of Annex 1 to the Protocol on Transitional Provisions).

3.12. Chart 3.1 illustrates the level of harmonization of the CET – as applied by Belarus and the Russian Federation¹³ - and the Kyrgyz Republic's MFN rates for 2015-2021, by the number of tariff lines and extra-EAEU(5) imports (import data is based on the average 2012-2014, for Belarus, 2012-2013 only). A breakdown of the duty free/dutiable CET rates is also provided. Exceptions are

⁹ The Commission representatives are the Deputy-Director of the Department of Trade Policy, the Head and an Expert of the Division of Interaction with the WTO and other International Organizations of the Trade Policy Department.

¹⁰ G/SECRET/38.

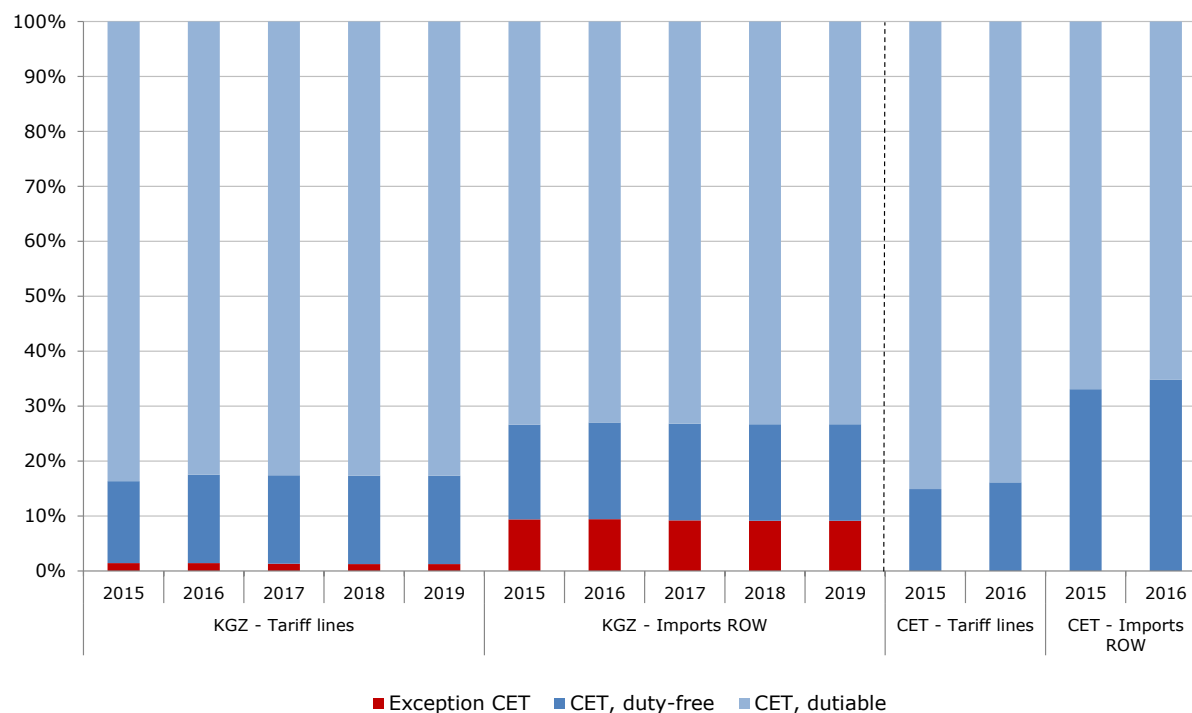
¹¹ Annex 2 to the Protocol on Transitional Provisions lists, for all of Kyrgyz's exceptions to the CET, the applied MFN rate for the period 2015-2020. The CET rates may however vary during this period; accordingly, it may happen that a CET exception becomes redundant.

¹² Other member States are free to establish procedures for the entry of such goods into their territory. Detailed provisions are provided for with respect to motor vehicles of HS 87; these are in accordance with what is described in paragraphs 3.53.

¹³ Armenia and Kazakhstan have CET exceptions; therefore, the CET is applied in its totality only by Belarus and the Russian Federation.

granted for less than 2% of the tariff lines and by 2018 their number will marginally decrease. Imports from third parties under tariff lines subject to these exceptions accounted for around 9% of the Kyrgyz Republic's third party imports during the 2012-2014 period (2012-2013 data for Belarus).

Chart 3.1 Kyrgyz Republic - Application of CET and exceptions and corresponding average trade, 2015-2019



Note: Based on HS 2012 nomenclature. Average imports 2012-2014; for Belarus, 2012-2013. Import data for Russian Federation and Armenia are at 8-digit level, while the tariff is at 10-digit level. Imports were aligned with the 10-digit tariff line data.

KGZ: Kyrgyz Republic.

ROW: Rest of the world.

CET: The Parties agreed that the Russian Federation MFN tariff is the CET. In this table, the CET is that as applied by Belarus and the Russian Federation (Kazakhstan and Armenia apply CET exceptions). As of 2017, 2016 CET rates are used.

KGZ 2015: Russian Federation MFN 2015 + Kyrgyz Republic's Exception for 2015

KGZ 2016-2019: Russian Federation MFN 2016 + Kyrgyz Republic's Exception for 2016-2019.

Source: Kyrgyz Republic authorities, WTO-IDB, WTO-TPR and UNSD, Comtrade database.

3.13. Additional details on CET exceptions are provided in Table 3.3, which shows that the vast majority will be eliminated at the end of the transition period. In 2015, the Kyrgyz Republic's CET exceptions were in force for 166 tariff lines, accounting for a negligible (0.09%) of extra-EAEU(5) imports (average of 2012-2014, 2012-2013 for Belarus); in 2019, the corresponding numbers will be 145 tariff lines, representing 0.087% of EAEU's imports from third parties during 2012-2014 and 2012-2013 for Belarus.

Table 3.3 Kyrgyz Republic: CET exceptions and trade with third parties, 2015-2019

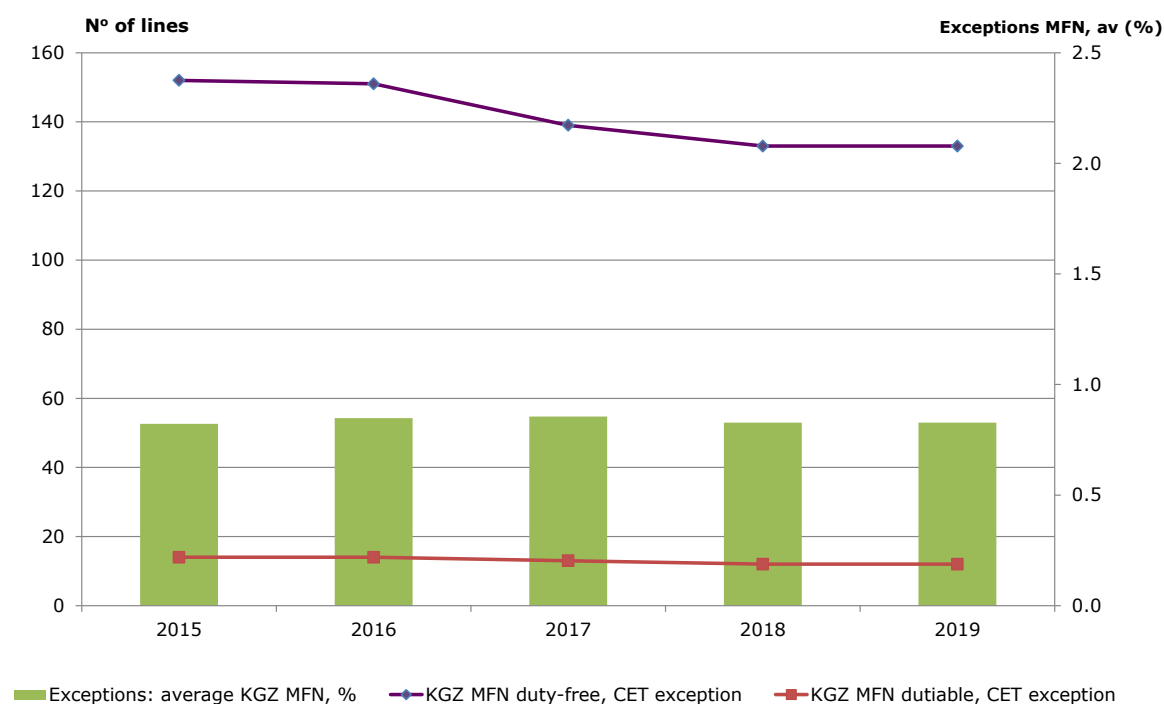
Tariffs (year)	N° of lines	% imports from ROW (2012-2014) ^a by	
		Kyrgyz Republic	EAEU(5)
2015	166	9.39	0.090
<i>of which: lower than the CET</i>	166		
2016	165		0.090
<i>of which: equal to the CET</i>	1	9.40	
<i>lower than the CET</i>	164		
2017	152	9.20	0.088
<i>of which: equal to the CET</i>	1		
<i>lower than the CET</i>	151		
2018	145	9.11	0.087
<i>of which: equal to the CET</i>	1		
<i>lower than the CET</i>	144		
2019	145	9.11	0.087
<i>of which: equal to the CET</i>	1		
<i>lower than the CET</i>	144		

Note: Based on HS 2012 nomenclature.

a Except for Belarus where import coverage is for 2012-2013.

Source: Kyrgyz Republic authorities, WTO-IDB, WTO-TPR and UNSD, Comtrade database.

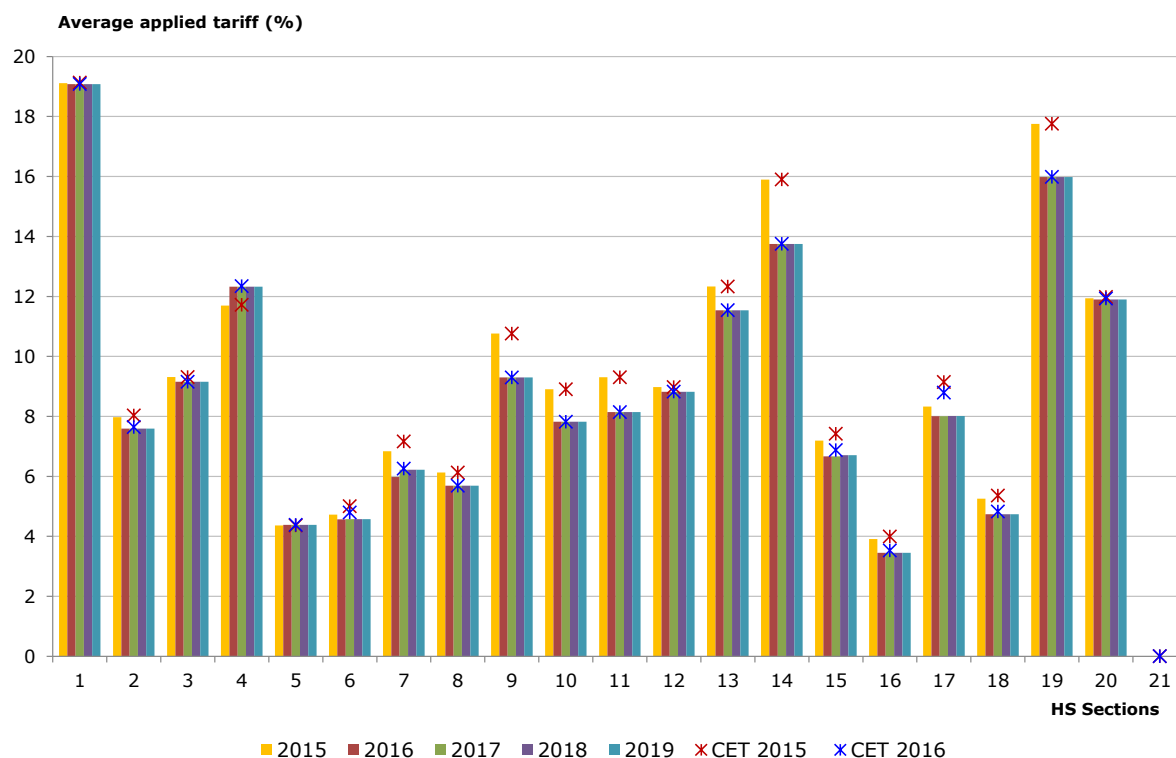
3.14. Elimination of the Kyrgyz Republic's exceptions are back-loaded – by 2019, exceptions would still be in force on 145 tariff lines (out of a total of 166 exceptions in 2015); all of these will be eliminated by 1 January 2020. In Chart 3.2, the evolution of the Kyrgyz Republic's CET exceptions is plotted jointly with its corresponding MFN average; it can be seen that there is no progressive increase of the MFN rates towards the CET and that the CET rate is rather attained in a single instalment.

Chart 3.2 Kyrgyz Republic: Evolution of CET exceptions and corresponding MFN rates, 2015-2019

Source: Kyrgyz Republic authorities, WTO-IDB, WTO-TPR.

3.15. Chart 3.3 provides details of the Kyrgyz Republic's CET exceptions by HS Section for 2015-2019. Average applied rates for the Kyrgyz Republic and under the CET are the same in HS Sections 1-5, 8-14, 19 and 21 for both years,¹⁴ and Section 20 (miscellaneous) for 2016. In other Sections, the Kyrgyz Republic's applied rates are lower than those of the CET.

Chart 3.3 CET and Kyrgyz Republic MFN rates, 2015-2019, by HS Section



Note: Averages have been calculated on the basis of Russian Federation MFN tariffs incorporating Kyrgyz Republic's temporary exceptions. For the calculation of averages, specific rates are excluded and the *ad valorem* equivalent or the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: Kyrgyz Republic authorities and WTO-TPR.

3.16. Table 3.4 indicates the Kyrgyz Republic's average tariffs and imports by HS Section before accession and during the transition period. The Kyrgyz Republic's average MFN applied rate has increased during this period for all HS Sections except 21 (works of art), for which the average MFN rate was reduced in that period.

Table 3.4 Kyrgyz Republic: Tariffs before and after accession to the EAEU and corresponding imports, by HS section

HS Section	Kyrgyz Republic's average MFN rates (%)						ROW imports US\$ million (2012-2014)
	2014	2015	2016	2017	2018	2019	
1	9.3	19.1	19.1	19.1	19.1	19.1	90.4
2	7.4	8.0	7.6	7.6	7.6	7.6	49.9
3	9.0	9.3	9.2	9.2	9.2	9.2	15.0
4	10.1	11.7	12.3	12.3	12.3	12.3	157.9
5	4.0	4.4	4.4	4.4	4.4	4.4	41.7
6	2.6	4.7	4.6	4.6	4.6	4.6	326.2
7	1.3	6.8	6.0	6.2	6.2	6.2	191.3
8	2.1	6.1	5.7	5.7	5.7	5.7	9.7
9	0.0	10.8	9.3	9.3	9.3	9.3	33.7
10	0.0	8.9	7.8	7.8	7.8	7.8	49.2

¹⁴ HS Section 1 (live animals), 2 (vegetable products), 3 (animal or vegetable fats), 4 (prepared foodstuffs), 8 (raw hides and skins), 9 (wood), 10 (pulp of wood), 11 (textiles), 12 (footwear), 13 (articles of stone), 14 (precious stones), 19 (arms and ammunition), and 21 (works of art).

HS Section	Kyrgyz Republic's average MFN rates (%)						ROW imports US\$ million (2012-2014)
	2014	2015	2016	2017	2018	2019	
11	7.8	9.3	8.1	8.1	8.1	8.1	346.8
12	9.1	9.0	8.8	8.8	8.8	8.8	67.8
13	7.8	12.3	11.5	11.5	11.5	11.5	73.9
14	10.0	15.9	13.8	13.8	13.8	13.8	9.1
15	1.5	7.2	6.7	6.7	6.7	6.7	285.9
16	2.6	3.9	3.4	3.4	3.4	3.4	560.4
17	6.4	8.3	8.0	8.0	8.0	8.0	722.5
18	3.1	5.3	4.7	4.7	4.7	4.7	45.4
19	0.0	17.8	16.0	16.0	16.0	16.0	0.4
20	5.0	11.9	11.9	11.9	11.9	11.9	64.3
21	2.9	0.0	0.0	0.0	0.0	0.0	0.0
Total	5.0	8.6	8.2	8.2	8.2	8.2	3,141.6

Note: For the calculation of averages, specific rates are excluded and the *ad valorem* equivalents or *ad valorem* parts of alternate rates are included.
Kyrgyz Republic's MFN rates for 2015 are the Russian Federation MFN rates for 2015 combined with Kyrgyz Republic's 2015 Exceptions. For 2016-2019, they are based on the Russian Federation MFN 2016 and Kyrgyz Republic's Exceptions for 2016 to 2019.
Based on the HS 2012 nomenclature.

ROW: Rest of the world.

Source: WTO estimates based on the WTO-IDB, WTO-TPR and Kyrgyz Republic authorities.

3.2.1.2 Other tariff-related matters

3.17. The Accession Treaty authorizes Kyrgyz Republic to grant (Section V of Annex 1 to the Protocol on Transitional Provisions):

- a. tariff exemptions up to May 2020, and for a maximum of 100,000 tonnes/year, on imports of raw sugar cane for industrial processing in the Kyrgyz Republic (HS 1701.13 and 1701.14),¹⁵ subject to confirmation by an authorized body from the Kyrgyz Republic, that the raw sugar is for industrial processing. The Kyrgyz Republic shall inform the Commission of the annual import volumes and consumption balance; it shall also ensure that neither the raw nor the transformed sugars are subsequently exported to other EAEU member States. In no case shall these provisions be used by Kyrgyz Republic to restrict sugar imports from other EAEU member States (paragraph 44);
- b. preferential treatment:
 - i. in accordance with international treaties concluded prior to 1 April 2015 (paragraph 45:1);
 - ii. in the framework of various construction projects listed in paragraph 45:2-7 – namely modernization of a thermal power plant, construction of a transmission line and substation and the rehabilitation and construction of roads. The duration of exemptions vary, the last exemptions terminating in December 2019; and
 - iii. in accordance with the relevant provisions of the EAEU Treaty.
- c. tariff exemptions up to 2022 for the following imports, provided import licences are issued by the authorized body of the Kyrgyz Republic (paragraph 46):
 - i. goods for military use, provided similar goods are not produced in other EAEU member States and subject to a confirmation by the Kyrgyz Republic's Ministry of Defence of that those goods are imported for the needs of its Armed Forces;
 - ii. transport equipment used for providing transport services (helicopters, passenger and cargo airplanes). A detailed description of the goods, together with their HS codes and other requirements is also provided; and

¹⁵ As from accession, the Kyrgyz Republic started applying the CET for these items, with specific rates varying from 140 to 250 US\$/metric tonne, while the corresponding HS2007 headings were bound duty-free.

- d. up to 2016, to grant tariff exemptions for other plates and sheets of ethylene, propylene and styrene polymers classified under HS 3920.1025.00, 3920.2021.00 and 3923.3010.10 for respectively 820, 75 and 200 tons/year), provided import licences are issued by the authorized body of the Kyrgyz Republic (paragraph 46).

3.18. The Kyrgyz Republic is to ensure that all goods referred to above, except transport equipment, remain in its territory, and is to take measures ensuring that in case of exportation to other EAEU member States, the tariff differentials are paid. Temporary importation of transport equipment by other EAEU member States is possible without any payment provided the objectives of the tariff exemptions are attained. However, in other cases, as well as in the case of sale or transfer for use in other EAEU member States, tariff differentials have been paid.

3.2.1.3 Revenue-sharing

3.19. As of 1 January 2017, the ratio of distribution of import customs duties is the following: 1.220% for Armenia, 4.560% for Belarus, 7.055% for Kazakhstan, 1.900% for the Kyrgyz Republic and 85.26% for the Russian Federation ("Protocol on the application of separate provisions of the Treaty on Accession of the Kyrgyz Republic to the Treaty on the EAEU of 29 May 2014, signed on December 23, 2014"). From accession up to December 2016, and in accordance with Article 8 of the Accession Treaty, a different ratio was applied.¹⁶

3.2.2 Non-tariff measures

3.20. The Accession Treaty has no provision regarding non-tariff measures; thus, the EAEU disciplines apply.

3.21. The EAEU's common external trade regime is also extended to non-tariff measures (NTMs), though unilateral NTMs may in certain cases be imposed, as stated in Article 47 of the EAEU Treaty.

3.2.3 Other export-related measures

3.22. The Accession Treaty has no provision regarding other export-related measures; thus, the EAEU disciplines apply without any transition period.

3.23. Export duties are not applied on intra-EAEU trade; on trade with third-parties, member States are free to unilaterally apply export duties in accordance with their respective domestic legislation and international commitments, in particular those under the WTO. The Kyrgyz Republic generally does not apply permanent export duties, though it may implement them temporarily, in particular as seasonal export duties.¹⁷ As of April 2018, export duties are applied by all other EAEU member States.

3.2.4 Fees and charges connected with importation and exportation

3.24. The Accession Treaty has no provision regarding fees and charges connected with importation and exportation; thus, the EAEU disciplines apply. Imports originating from the member States are not subject to the payment of fees and charges connected with importation. According to the Tax Code of the Kyrgyz Republic, importation of goods to the territory of the Kyrgyz Republic shall be subject to value-added tax, except for the appropriate exceptions determined by the Tax Code of the Kyrgyz Republic.

3.2.5 General incidence of the formation of the EAEU

3.25. In the context of "[t]he evaluation under paragraph 5(a) of Article XXIV of the general incidence of the duties and other regulations of commerce applicable before and after the formation of a customs union", paragraph 2 of the Understanding on the Interpretation of Article XXIV of the GATT 1994 directs the Secretariat to calculate "the weighted average tariff

¹⁶ While the ratio for Belarus and Kyrgyz were the same, those of Armenia, Kazakhstan and Russian Federation differed (respectively 1.11%, 7.11% and 85.32%).

¹⁷ Source: WT/TPR/S/288/Rev.1, 21 January 2014.

rates and customs duties collected in accordance with the methodology used in the assessment of tariff offers in the Uruguay Round".

3.26. Given the proximity of the establishment of the EAEU and the two successive accessions, the Secretariat has calculated the general incidence of the formation of the EAEU, with the four member States which were WTO Members in 2015 but excluding Belarus. This document has been circulated as WT/REG366/2.

3.3 Rules of origin

3.27. The Accession Treaty has no provision regarding rules of origin. Therefore, the disciplines are those of the EAEU Treaty.

3.4 Regulatory provisions on trade in goods

3.4.1 Standards

3.28. Pending full harmonization of EAEU member States technical barriers to trade (TBT), conformity assessment procedures and sanitary and phytosanitary measures, three systems coexist: a national system, one based on mutual recognition and finally the EAEU harmonized system. The Accession Treaty provides that EAEU disciplines in this field apply, as modified by the relevant provisions of the Accession Treaty. In particular, it foresees transition periods for the Kyrgyz Republic to apply certain common EAEU technical regulations. The relevant disciplines are described in the sub-sections below.

3.4.1.1 Sanitary and phytosanitary measures

3.29. In accordance with Article 7 of the Accession Treaty, with the entry into force on 18 November 2015 of the Supreme Council Decision N° 6/15 and Decision N° 56/15 of the Council of the Commission,¹⁸ conformity assessment conducted by the Kyrgyz Republic's authorized bodies is considered as equivalent to those issued by bodies of other EAEU member States (Section VIII of Annex 1 to the Protocol on Transitional Provisions, paragraph 59).

3.30. Pending the application of common EAEU rules on the circulation of veterinary medical products and feed additives, their circulation is subject to the Kyrgyz Republic's domestic legislation in cases of movement within its own territory or alternatively to corresponding EAEU member State's legislation if movement takes place therein (paragraph 58 of Annex 1 to the Protocol on Transitional Provisions).

3.4.1.2 Technical barriers to trade

3.31. Disciplines on technical regulations - dealt with in Section VII of Annex 1 to the Protocol on Transitional Provisions - define transition periods for the Kyrgyz Republic to adopt EAEU technical regulations. Upon the expiry of the transition period, products destined for the Kyrgyz market are to carry a label of Eurasian conformity.

3.32. A general transition period of six months – that is, by 12 February 2016 - has been given to the Kyrgyz Republic to apply existing common EAEU technical regulations (paragraph 50). Longer transition periods apply however with regard to the following regulations:

¹⁸ Decision N° 6 "On abolishment of quarantine, veterinary and sanitary and phytosanitary quarantine control (supervision) at the Kyrgyz-Kazakhstan section of the state border" of 8 May 2015, available at https://docs.eaeunion.org/docs/en-us/0147667/scd_12052015_6 (in Russian). As foreseen therein, the entry into force of this Decision was subject in particular to a Commission's approval of the results of an audit of the Kyrgyz's veterinary and sanitary control system. That approval is contained in Decision N° 56 of the Council of the Commission of 21 August 2015 "On approval of the results of the assessment of the quarantine phytosanitary control system, as well as familiarization with the sanitary-epidemiologic surveillance (control) of the Kyrgyz Republic", available at https://docs.eaeunion.org/docs/en-us/0148783/cncd_19102015_56 (in Russian).

- a. for machinery and equipment; agricultural, forestry tractors and trailers; and for equipment for operation in an explosive environment, the Kyrgyz Republic had up to 12 August 2016 to comply with technical regulations;
- b. compliance with, *inter alia*, safety of railway rolling stock, transport infrastructure, packaging, pyrotechnical products, toys, elevators, food products was delayed until 12 August 2017; and
- c. the longest period (four years) has been granted for compliance with technical regulations applied to automobile and aviation gasoline, diesel and marine fuel, jet fuel and fuel oil¹⁹ – i.e. by 12 August 2019.

During the specified transition periods, either the Kyrgyz Republic's or the EAEU technical regulations may be used.

3.33. As defined in paragraph 52 of Annex 1 to the Protocol on Transitional Provisions, the Collegium of the Commission adopted Decision No 11/16²⁰ "On the Procedure for Implementation of Technical Regulations of the Customs Union in the Kyrgyz Republic". The implementing Decision provides as follows:

- a. the issuance of conformity assessment certificates in accordance with the Kyrgyz Republic's domestic legislation is not allowed upon the expiry of the transition period;
- b. following the expiry of the transition period, the production and release of goods for circulation within the territory of the Kyrgyz Republic based on the Kyrgyz Republic's legislation are temporarily still possible, as follows:
 - i. for goods subject to mandatory conformity, for two years after the end of the transition period (i.e. 12 February 2018, and later for other products in paragraph 3.32. above); this good must be accompanied by a Certificate of conformity issued by an authorized Kyrgyz body and carry a label indicating Kyrgyz conformity; and
 - ii. for goods not subject to mandatory conformity, for one year after the end of the transition period; certificates or labels of conformity are not required; and
- c. circulation of products within the territory of the Kyrgyz Republic benefitting from a longer transition period specified in paragraph 3.32. above is allowed during the lifetime of the products, as provided for in the Kyrgyz Republic's domestic legislation.

3.34. The Kyrgyz Republic's requirements on technical regulations will apply with respect to products included in the Unified List of products subject to mandatory conformity assessment within the EAEU (Decision of the CU Commission N° 620 of 7 April 2011, as amended).²¹

3.35. During the transition period, both the Kyrgyz Republic's and the Customs Union's legislation on technical regulations can be applied for products destined for circulation in the Kyrgyz

¹⁹ Technical regulations of the Customs Union numbers a. 010/2011, 012/2011 and 031/2012; b. 001/2011, 003/2011, 005/2011, 006/2011, 007/2011, 008/2011, 011/2011, 017/2011, 021/2011, 022/2011, 023/2011, 024/2011, 025/2012, 027/2012, 028/2012, 029/2012, 033/2013, 034/2013; and c. 013/2011, respectively.

²⁰ In this Factual Presentation, decisions taken by the different bodies will be referenced through Body, number and year, as follows: Decision N° 9/12, which was adopted on 16 October 2015. This approach is used as a simplification but does not represent the official EAEU reference of Decisions. For some of the EAEU Decisions for which only the Russian text is available in the EAEU website, the Secretariat has been provided with an unofficial translation of the Decision that can be shared with WTO Members upon request.

²¹ CU Commission Decision N° 620 "On the Unified List's Update with Regard to Products Subject to Mandatory Conformity Assessment (Confirmation) within the Framework of the CU with Issuance of Single Documents, Approved by CU Commission Decision No. 319 of 18 June 2010", of 7 April 2011. Decision 69 excluded "Furniture" (Chapter 13) from the list, reducing the number of "groups" of products to 24. Various subsequent Decisions excluded from the Unified List those products for which EAEU technical regulations had been adopted. The very first unified list had been established by CU Commission Decision N° 319 "On Technical Regulation in the Customs Union" of 18 June 2010.

Republic's territory. If a good imported into the Kyrgyz Republic is to move to other EAEU member States, it shall conform to the EAEU technical regulation.

3.36. Conformity assessment shall be performed by the Kyrgyz Republic's accredited bodies in accordance with EAEU legislation. Certificates of Conformity shall be issued by bodies authorized to perform such activities under the Kyrgyz Republic's legislation (paragraph 55).²² The Kyrgyz Republic has 13 certification bodies and 34 testing laboratories included in the EAEU Unified Register of Certification Bodies and Testing Laboratories.

3.4.2 Trade defence measures

3.37. The EAEU's trade defence regime took effect in the Kyrgyz Republic on the 12 of August 2015; the relevant national legislation ceased to apply on that date. These changes were notified to the WTO on 23 December 2015.²³

3.38. The Accession Treaty, particularly, Protocol on Transitional Provisions, provides the following information on anti-dumping, countervailing and safeguard measures (Section VI of Annex 1 to the Protocol on Transitional Provisions, paragraph 49):

- a. for any such measure in force in the EAEU's territory on the date of the Kyrgyz Republic's accession, the Department for Internal Market Defence of the Commission (the EAEU investigating authority) may, upon its own initiative or an application by an interested party, carry out a review of the investigation by adding the Kyrgyz Republic's data to the case, provided there is sufficient evidence that this could result in a material change in the grounds for introducing the respective measure;
- b. if the decision to apply any such measure is taken after Kyrgyz Republic's accession but following an investigation conducted prior to such accession, the measure shall be directly extended to the Kyrgyz Republic; a review may be conducted following the terms specified above; and
- c. if any such measure involves the application of a quota, its amount shall be modified in line with the Kyrgyz Republic's 2012-2014 import volumes from third countries.

3.39. The Kyrgyz Republic's December 2015 notification also included summary information on trade defence measures applied by the EAEU to be extended to the Kyrgyz Republic, as from its accession to the EAEU. In October 2016, the Kyrgyz Republic notified all the relevant instruments.²⁴

3.4.2.1 Safeguard measures

3.40. Intra-EAEU safeguards are prohibited. Global safeguards are applied in the entirety of the EAEU.

3.41. Prior to its accession to the EAEU, the Kyrgyz Republic conducted several safeguard investigations, including, *inter alia*, on white sugar and poultry eggs.²⁵ In 2009, the Kyrgyz Republic applied a safeguard measure on wheat flour, which ceased to apply as of the date of its accession to the EAEU.²⁶

3.42. On the date of accession of the Kyrgyz Republic to the EAEU, the EAEU applied two global safeguard measures, as indicated in Table 3.5. Following a Decision by the Collegium of the

²² The EAEU has an Unified Register of Certification Bodies and Testing Laboratories, http://www.eurasiancommission.org/en/docs/Pages/IL_OS.aspx, and Unified Registers of Issued Certificates of Conformity and of Registered Declarations of Conformity.

²³ G/ADP/N/1/KGZ/2-G/SCM/N/1/KGZ/2-G/SG/N/1/KGZ/2, 27 January 2016.

²⁴ G/ADP/N/1/KGZ/3 - G/SCM/N/1/KGZ/3 - G/SG/N/1/KGZ/3.

²⁵ WTO documents G/SG/N/6/KGZ/1 4 March 2009, and G/SG/N/6/KGZ/3, 25 October 2010.

²⁶ WTO document G/SG/N/7/KGZ/1, G/SG/N/8/KGZ/1, 30 June 2009.

Commission,²⁷ the quota on harvesters and modules was adjusted to take into account the Kyrgyz Republic. As regards tableware, safeguard duty was also applied by the Kyrgyz Republic. The application of these safeguards was notified to the WTO prior to their imposition.²⁸ The notifications indicated the Kyrgyz Republic's and the EAEU's readiness to hold consultations with Members having a substantial interest as exporters of the products concerned, and included references to relevant documentation, among which the public notice and the investigation report.

Table 3.5 Definitive Safeguard Measures applied by the EAEU and extended to Kyrgyz Republic on 12 August 2015

Investigation	Effective date and type of definitive measure	
	EAEU ^a	Kyrgyz Republic
Harvesters and modules thereof	01/01/2014 until 21/08/2016 Quota	As of 08/12/2015 until 21/08/2016 Quota, in addition to that of the EAEU
Tableware	29/09/2013 until 28/09/2016 Specific duty	As of 08/12/2015 until 28/09/2016 Specific duty, as applied by the EAEU

a Measures were also applied by Armenia following its accession to the EAEU, see WT/REG363/1.

Source: G/SG/N/6/KGZ/5, G/SG/N/8/KGZ/3, G/SG/N/10/KGZ/3, G/SG/N/11/KGZ/1; and G/SG/N/6/KGZ/6, G/SG/N/8/KGZ/4, G/SG/N/10/KGZ/4, G/SG/N/11/KGZ/2.

3.43. The Kyrgyz Republic had no "Special Safeguards in Agriculture" at the time of its accession to the EAEU.

3.4.2.2 Anti-dumping and countervailing measures

3.44. Whilst neither anti-dumping nor countervailing measures can be applied on intra-trade, "compensatory measures" may be applied in certain instances by a member State to counteract the negative impact of a specific subsidy of a member State on its domestic industry (Article 93 of the EAEU Treaty and Annex 28).

3.45. Prior to its accession to the EAEU, the Kyrgyz Republic had neither anti-dumping measures²⁹ nor countervailing measures in force. At the time of accession of the Kyrgyz Republic to the EAEU, the EAEU also did not apply countervailing measures.³⁰

3.46. At the entry into force of the EAEU, the EAEU applied 12 anti-dumping measures, as indicated in Table 3.6 below. Pursuant to Article 4 of the Accession Treaty, these anti-dumping duties were extended to the Kyrgyz Republic. Their application was duly notified to the WTO.³¹

Table 3.6 Definitive anti-dumping measures applied by the EAEU and extended to the Kyrgyz Republic on 12 August 2015

Country Affected	Product	Measure
Measures in force on 12 August 2015		
China	Cold-rolled flat steel products with polymer coating	Duties
	Citric acid	Duties
	Cold-worked seamless pipes and tubes of stainless steel	Duties
	Enamelled baths of cast iron	Duties
	Rolling-element bearings (excl. needle roller bearings)	Duties
	Stainless steel flatware	Duties
Germany	Light commercial vehicles	Duties

²⁷ Decision N° 69 of the Collegium of the Commission "Concerning certain issues of applying safeguards and anti-dumping measures due to accession of the Kyrgyz Republic to the EAEU Treaty dated May 29, 2014", dated 1 July 2015.

²⁸ G/SG/N/6/KGZ/5, G/SG/N/8/KGZ/3, G/SG/N/10/KGZ/3, G/SG/N/11/KGZ/1; and G/SG/N/6/KGZ/6, G/SG/N/8/KGZ/4, G/SG/N/10/KGZ/4, G/SG/N/11/KGZ/2.

²⁹ WT/TPR/S/288 and G/ADP/N/223/Add.1.

³⁰ WT/TPR/S/288.

³¹ G/ADP/N/1/KGZ/2 and G/ADP/N/280/KGZ.

Country Affected	Product	Measure
India	Graphite electrodes	Duties
Italy	Light commercial vehicles	Duties
Turkey	Light commercial vehicles	Duties
Ukraine	Certain steel pipes and tubes	Duties
	Forged work-rolls	Duties

Source: G/ADP/N/1/KGZ/2 and G/ADP/N/280/KGZ.

3.47. Following the Kyrgyz Republic's accession, conduct of anti-dumping and countervailing duty investigations and application of anti-dumping and countervailing measures pertain to the competence of the EAEU.

3.4.3 Subsidies and State-aid

3.48. The EAEU Treaty includes disciplines regarding subsidies, in the industrial (Section XXIV, Article 93 of the EAEU Treaty and its Annex 28, the "Protocol on Common Rules for Granting Industrial Subsidies") and agricultural sectors (Section XXV, Article 95 of the EAEU Treaty and its Annex 29, the "Protocol on Measures of State Support to Agriculture"). These will also apply to Kyrgyz Republic, as specified in the Accession Treaty.

3.49. In accordance with paragraph 6 of Amendments Protocol to the Accession Treaty, State support measures for agriculture are extended to Kyrgyz Republic.³²

3.50. The EAEU Treaty authorizes temporary exemptions from the EAEU's disciplines on industrial subsidies. In the case of the Kyrgyz Republic, customs duties and tax exemptions applied in FEZs and free warehouses were authorized up to 1 January 2017 (paragraph 5 of Amendments Protocol to the Accession Treaty).

3.4.4 Customs-related procedures

3.51. The EAEU Customs Code entered into force on 1 January 2018; pending its entry into force, the Customs Code of the CU was applied. Domestic customs regulations remain in force to the extent that they do not conflict with the EAEU Customs Code.

3.52. As from the Kyrgyz Republic's accession to the EAEU, customs controls on the Kyrgyz-Kazakhstan border were abolished.³³

3.53. Section II of Annex 1 to the Protocol on Transitional Provisions on "The issues of customs relationships" provides disciplines on the following:

- a. for legal entities and individual entrepreneurs who carry out customs-related activities (e.g. customs brokers, owners of customs warehouses or temporary storage warehouses, etc.), a transition period of 18 months is granted for aligning the Kyrgyz Republic's national regulations to those of the EAEU;
- b. customs operations to be carried out on goods which, at the date of entry into force of the Accession Treaty, were either under customs control in the Kyrgyz Republic or located in the EAEU territory under temporary storage;
- c. transportation of goods for which, at the date of entry into force of the Accession Treaty, a transit declaration (or equivalent) had been issued by the Kyrgyz Republic or which were under customs control;

³² Additional information can be found in Sections 3.4.4 and 3.5.1 of WT/REG358/1.

³³ See in particular Decision N° 5 "On abolishment of customs control in respect of goods and vehicles transferred across the Kyrgyz-Kazakhstan section of the state border" of 8 May 2015, available at: https://docs.eaeunion.org/docs/en-us/0147665/scd_12052015_5 (in Russian).

- d. adapting the customs regimes of goods in the Kyrgyz Republic to the EAEU regime³⁴ and subjecting them to the appropriate EAEU customs law; particular disciplines apply to combines, tractors, car and other motor vehicles imported from third parties. Vehicles under HS 8701-8705, 8716 and 8433.5100.01, 8433.5100.09 imported into the Kyrgyz Republic from third-parties with a tariff lower than the EAEU CET,³⁵ and classified as "release for domestic consumption", will not be allowed free circulation within the EAEU until such time as either (i) the tariff differential is paid upon re-exportation to another EAEU member State; or (b) five years after the Kyrgyz Republic's CET exceptions for these goods have been terminated – i.e., except in the case of one tariff line,³⁶ by 2025, since the Kyrgyz Republic will apply the CET for these goods as of January 2020 (paragraph 24);
- e. procedures for vehicles providing international transportation for passengers and/or goods (paragraph 25); and
- f. from the Kyrgyz Republic's accession up to 1 January 2020, customs duty and taxes on cars for personal use registered in the Kyrgyz Republic are those reflected in its CET exceptions. As under d. above, free circulation within the EAEU is only possible either following the payment of the tariff differential or after 2025; however, any such payment is not due in case of cars registered in the Kyrgyz Republic which are temporarily imported into other EAEU member States by permanent residents of the former. The Kyrgyz Republic's customs bodies are to inform their counterparts in other EAEU member States about automobiles imported and released for free circulation after the signature of the Accession Treaty, as well as about the amount of customs duties and taxes paid (paragraphs 26-31);
- g. the registration, sale or transfer for use in EAEU member States of motor vehicles under HS 87 imported into the Kyrgyz Republic from third countries and placed under the customs regime of "release for free circulation" during the period from 1 January 2014 to 11 August 2015 is only possible provided the tariff differentials (in respect of the CET or the tariff prevailing under Kazakhstan's exceptions) have been paid. The Kyrgyz Republic's customs bodies are to inform their counterparts in other EAEU member States about automobiles imported and released for free circulation after the signature of the Accession Treaty, as well as about the amount of customs duties and taxes paid (paragraph 40); and
- h. timeframes regarding decision on classification of goods, as well as for performing customs control and for payments of customs duties and taxes (paragraphs 32-34).

3.54. The modernization of Kyrgyz Republic's customs – towards the use of modern technologies and digitalization – as well as the improvement of checkpoint infrastructure and logistics has been coupled with EAEU accession. Annex 2 to the Protocol on Transitional Provisions (paragraphs 35-37) provides the completion of these objectives within two years from accession (i.e. by August 2017). In accordance with the plan and schedule, early implementation of the following elements has taken place:

- a. upon EAEU accession, electronic calculation of customs payments (including special, anti-dumping and countervailing duties, control of transportation of goods in transit on its territory, and accounting of goods under customs control;³⁷
- b. by February 2016:

³⁴ E.g. "release of goods for free circulation" in the Kyrgyz Republic becomes "release for domestic consumption" in EAEU.

³⁵ If the tariff rates paid in the Kyrgyz Republic were the same as the EAEU CET, these provisions do not apply. This system is in general needed to avoid trade deflection, since Kyrgyz Republic's MFN rates on these products are lower than those of the CET.

³⁶ For HS 8702.1011.99, the CET is applied as of 2018 and free circulation will occur on 2022.

³⁷ It is further specified that customs declarations adopted before accession remain subject to the legislation of the Kyrgyz Republic, while those adopted thereafter were to conform with the CU or later the EAEU Customs Code.

- i. electronic issuing of mandatory prior information as regards distribution of goods imported into the EAEU customs territory by road transport;
 - ii. availability of adapted and modern equipment in selected road and railway checkpoints between the Kyrgyz Republic and another EAEU member State;³⁸ and
- c. by August 2017, all customs procedures were performed electronically.

The last element foreseen in the plan and schedule provides that at the latest by August 2019, all the remaining checkpoints between the Kyrgyz Republic and another EAEU member State are to be equipped with the required equipment.³⁹

3.55. Finally, the Protocol (paragraphs 38 and 39) also provides for improving the interaction between the customs authorities of the Kyrgyz Republic and of the other EAEU member States. Upon accession, the Kyrgyz Republic were to ensure its electronic connection to the EAEU integrated information system; the electronic exchange of information relating to the control of common customs processes with other EAEU customs authorities; and the exchange of normative and reference information with customs authorities of other EAEU member States.

3.56. In order to allow monitoring of the implementation of provisions of Annex 1 to the Protocol on Transitional Provisions, the Kyrgyz Republic is to authorize customs authorities of other EAEU member States to be present at checkpoints in the Kyrgyz section of the customs border, as well as at another Kyrgyz Republic's customs locations – but without the establishment of customs offices of these other States.

4 PROVISIONS ON TRADE IN SERVICES AND INVESTMENT

4.1. The EAEU aims at progressively achieving a single services market between its member States. The member States maintain their autonomy on trade in services and investment with third parties.

4.2. Upon its accession to the EAEU, the Kyrgyz Republic started applying EAEU disciplines on trade in services and investment, as provided for in the EAEU Treaty and EAEU Decisions, as amended by relevant provisions of Annex of "Amendments Protocol" and Annex 1 to the Protocol on Transitional Provisions. All of these provisions are described below.

4.3. This Section describes the provisions contained in the Accession Treaty. For a detailed description of the trade in services and investment disciplines of the EAEU, see the Factual Presentation on the EAEU (WT/REG358/1).

4.1 Scope and definitions

4.4. The Accession Treaty has no provision regarding these elements; thus, the EAEU disciplines apply.

4.2 Denial of benefits

4.5. The Accession Treaty has no provision regarding denial of benefits; thus, the EAEU disciplines apply.

4.3 General provisions on trade in services and investment

4.6. The following provides a summary of the EAEU's trade in services and investments disciplines:

³⁸ Including weighing equipment, X-ray inspection systems, video recording system for transported goods and vehicles, stationary and (or) portable radiation detection equipment, detection of narcotic and explosive substances, technical means and communication channels that ensure the operation of information systems on-line, as well as the engineering equipment necessary for uninterrupted the work of checkpoints.

³⁹ The Protocol, which originally foresaw that objective to be fully implemented within 2 years from accession, was later modified and the time-frame was extended to 48 months (Order N° 19 of the Council of the Commission dated 28 April 2017).

- a. the "Protocol on Trade in Services, Establishment, Activities and Investments" (Annex 16 to the Treaty, hereafter the "Services and Investment Protocol") provides the EAEU's overall disciplines, with some services sectors being however regulated separately – e.g. financial services disciplines are spelled out in the EAEU's "Protocol of Financial Services" (Annex 17).
- b. disciplines apply to all four GATS modes of supply; and
- c. intra-EAEU trade liberalization based on a three-pronged approach (see section 4.4) - namely a positive list of sectors/sub-sectors under a single market; a negative list of non-conforming measures (the "Schedules of Additional Limitations"); and plans for their removal, including the procedures and stages of single market formation within the sectors in question; and
- d. as is the case with all EAEU member States, the Kyrgyz Republic's Schedule of Horizontal Limitations apply in all instances.

4.3.1 Market Access

4.7. The Accession Treaty has no provision regarding market access; thus, the EAEU disciplines apply. Market access restrictions not authorized under the EAEU Treaty may be applied by the Kyrgyz Republic on the condition that they are listed in its Schedule of Additional Limitations or of Horizontal Limitations.

4.3.2 National and MFN treatment

4.8. The Accession Treaty has no provision regarding national and MFN treatment; thus, the EAEU disciplines apply. The Kyrgyz Republic may apply national treatment and MFN exceptions, provided they are listed in its Schedule of Additional Limitations or of Horizontal Limitations.

4.3.3 Commercial presence

4.9. The Accession Treaty has no provision on commercial presence; thus, the EAEU disciplines apply. Exceptions to these disciplines may be applied provided they are listed in the Kyrgyz Republic's Schedule of Additional Limitations or of Horizontal Limitations.

4.3.4 Movement of natural persons

4.10. The EAEU disciplines - free movement of personnel (mode 4), subject to member States' Schedules of Additional Limitations or of Horizontal Limitations and to disciplines in Section XXVI of the EAEU Treaty on "Labour Migration" - apply to the Kyrgyz Republic. Its mode 4 commitments and limitations are addressed in Section 4.4.1.

4.3.5 Performance requirements

4.11. The Accession Treaty has no provisions on performance requirements; thus, the EAEU disciplines apply. Exceptions to these disciplines may be applied provided they are listed in the Kyrgyz Republic's Schedule of Additional Limitations or of Horizontal Limitations.

4.3.6 State enterprises and monopolies

4.12. Section XII of Annex 1 to the Protocol on Transitional Provisions states that the EAEU's natural monopoly provisions⁴⁰ apply upon the expiration of the 18 month transition period from the date of entry into force of the Accession Treaty – i.e. by February 2017. These provisions regulate relations involving the Kyrgyz Republic's natural monopoly entities, consumers and bodies, at all levels of government, to the extent they affect trade between EAEU member States.

⁴⁰ Article 78 of the EAEU Treaty and its Protocol 20 on the Common Principles and Rules of Regulating the Activities of Natural Monopoly Entities.

4.13. The Kyrgyz Republic's natural monopolies are those defined as public services in its domestic legislation; they are the following (paragraph 3 of Annex to Amendments Protocol):

- a. services related to transportation of oil and oil products through trunk pipelines, electrical energy transmission and distribution, services for operational and dispatching management of national energy system, and railway transportation (included in Appendix 1 to Protocol 20); and
- b. transportation, distribution, storage and sale of natural gas; aeronautical support for flights, ground handling for domestic air transport; public telecommunication services and postal communications; production, transmission, distribution and sale of thermal energy; centralised water supply and sanitation services (included in Appendix 2 to Protocol 20).

4.4 Liberalization commitments and the Single Market

4.14. A standstill clause is included in Article 66 of the Treaty, whereby member States agree not to adopt new discriminatory measures in relation to trade in services, establishment and activities from the date of entry into force of the Treaty. The standstill disciplines do not apply to national treatment for other forms of investment⁴¹ (paragraph 73 of the Services and Investment Protocol). As applied to the Kyrgyz Republic, the restrictive measures in force as of 23 December 2014 are therefore bound. However, new restrictive measures may be adopted in certain specific sectors if the Schedules of Additional Limitations provide for the possibility of future restrictive measures being taken; these exist for the three EAEU member States and for Armenia for a limited number of sectors, and no future restrictive measures are applicable for the Kyrgyz Republic.⁴²

4.15. Taken together, intra-EAEU trade liberalization in trade in services and investments provide as follows:

- a. a "negative list" approach, which means that national treatment, MFN treatment and prohibition of quantitative and investment measures are applied in accordance with the EAEU Treaty in respect of trade in services, establishment, activities and investments; non-conforming measures are only allowed to the extent they are included in their Schedules of Additional Limitations or of Horizontal Limitations; and
- b. a "positive list" of sectors in which a single market is in force. The single market for services will function on a reciprocal basis, through phased liberalisation of trade in services and investments and the gradual elimination of restrictions and reservations (paragraph 41 of the Services and Investment Protocol).

4.16. A single market in a given services sector encompasses the following among EAEU service suppliers (paragraph 38 of the Services and Investment Protocol):

- a. national and MFN treatment, as well as a prohibition on market access restrictions and performance requirements;
- b. supply of services without requiring the establishment of a legal entity;
- c. authorization to supply services on the basis of mutual recognition of permits;
- d. recognition of the professional qualifications of its personnel; but
- e. these remain subject to national Schedules of Horizontal Limitations.

Thus, in general terms, single market treatment implies significantly greater liberalization as compared to treatment provided to service suppliers in accordance with commitments generally undertaken within the WTO.

⁴¹ These provisions do not apply to establishment.

⁴² Limitations 6-7 and 9 for Armenia; limitations 27 and 28 for Belarus; 7, 25-26, 28-30 for Kazakhstan; and 5-6, 31-35 for the Russian Federation.

4.17. The Kyrgyz Republic's integration into intra-EAEU trade in services and investment liberalization is mainly defined through the following:

- a. the Kyrgyz Republic's Schedule of Horizontal Limitations, included in paragraph 1 of the Annex to Amendments Protocol, which applies across-the-board;
- b. the Kyrgyz Republic's Schedule of Additional Limitations (in accordance with paragraphs 60-61 of Annex 1 to the Protocol on Transitional Provisions) is provided for in the Supreme Council Decision N°32 "On Amending the Decision of the Supreme Council of 23 December 2014 N° 112" of 16 October 2015;⁴³
- c. as of 19 October 2015, the Kyrgyz Republic joined the single market for 43 services sectors/sub-sectors which were in operation from the EAEU's entry into force (Supreme Council Decision N° 31/15, in accordance with paragraph 62 of Annex 1 to the Protocol on Transitional Provisions), as follows:⁴⁴
 - i. in 23 services sectors, a single services market is in force in all EAEU member States (e.g. services related to agriculture, rental services of machinery and equipment without operators, consulting services in management, software development services);
 - ii. in six services sectors, a single services market is in force between Belarus and the Russian Federation as of 1 January 2015, Armenia as of 12 May 2015, and the Kyrgyz Republic as of 19 October 2015 (including services in wholesale and retail trade, franchising services, hotel and catering services). For Kazakhstan, they entered into force on 1 January 2016;
 - iii. in six services sectors, a single services market is in place only between Belarus and the Russian Federation as of 1 January 2015 Armenia as of 12 May 2015, and also the Kyrgyz Republic as of 19 October 2015 (all corresponding to auxiliary transport services); and
 - iv. in eight services sectors, a single services market is in force between Belarus and the Russian Federation as of 1 January 2015, Armenia as of 12 May 2015, and the Kyrgyz Republic as of 19 October 2015 (e.g. construction and engineering services). For Kazakhstan, they will enter into force in 2024, in accordance with the transition periods provided for under the liberalization plans.
- d. its inclusion in the single market for 21 services sectors/sub-sectors established within a transition period, as agreed in Supreme Council Decision N° 30/15⁴⁵ (in accordance with paragraph 59 of Annex 3 to the Accession Treaty), subject to exemptions in the national Schedules of Horizontal Limitations. The transition period, plan and schedule for the formation of a single market for 20 - out of 21 - services sectors/sub-sectors are specified in the Supreme Council's Decisions N°s 22/16 and 23/16;⁴⁶
- e. for those sectors where the single services market is not in operation, both national and MFN treatment apply. Besides, quantitative and investment restrictions cannot be applied; and

⁴³ https://docs.eaeunion.org/docs/en-us/0148771/scd_19102015_32 (in Russian).

⁴⁴ Decision "On Amending the List of Sectors (Subsectors) of Services, where the Single Services Market operates under the Eurasian Economic Union", https://docs.eaeunion.org/docs/en-us/0148769/scd_19102015_31 (in Russian).

⁴⁵ Decision N° 30/15 "On the approval of the list of sectors (sub-sectors) of services upon which the formation of a single services market within the framework of the Eurasian Economic Union will be carried out in accordance with the plans of liberalization (during the transitional period)" of 16 October 2015, https://docs.eaeunion.org/docs/ru-ru/0138767/scd_19102015_30 (in Russian). This Decision applied to all of the five EAEU member States.

⁴⁶ Decisions "On the approval of liberalization plans for service sectors, specified in the Decision of the Supreme Council of October 16, 2015, No. 30", https://docs.eaeunion.org/docs/ru-ru/01315046/scd_11042017_22 and https://docs.eaeunion.org/docs/ru-ru/01315047/scd_11042017_23 (in Russian).

- f. the creation of a common market for financial, transport and energy services is regulated by other plans stipulated in related Sections of the EAEU Treaty.

4.18. The sub-sections below provide an overview of the services liberalization commitments under the EAEU. They identify the main differences, by sector, between the Kyrgyz Republic's respective GATS schedules and the EAEU sector-specific commitments. The tables disregard MFN and horizontal limitations, as well as Mode 4 commitments/limitations. Sectors and sub-sectors for which the operation of a single market is foreseen, as well as their date of their entry into force in accordance with liberalization plans and the Supreme Council Decisions, are presented in Annex 4.

4.4.1 Kyrgyz Republic

4.4.1.1 Horizontal reservations

4.19. Under the GATS, the Kyrgyz Republic has scheduled only one horizontal market access and national treatment limitation on mode 4; these are lifted in the sectors/sub-sectors for which it has commitments under certain circumstances.⁴⁷ Also under the GATS, a limitation on national treatment is lifted for CIS citizens as well as for citizens from other countries with which the Kyrgyz Republic has agreements on entry without visas. Under the EAEU, mode 4 reservations have been lifted while other limitations remain in application. The Kyrgyz Republic's Horizontal Limitations introduced the following reservations that are different from those under the GATS:

- a. national treatment may not be accorded to EAEU investors and their investments with respect to (i) subsidies and other forms of State support; (ii) acquisition/ownership of agricultural, subsoil land and in border areas (leasing of plots of land in populated area, however, remains an option); (iii) all civil transactions, involving sale of all types of immovable property, in border areas; and (iv) acquisition of residential premises;
- b. with respect to subsoil use, market access limitations and performance requirements apply to production sharing agreements;⁴⁸ in addition, market access may not be accorded to foreign investors - winners of auctions/tenders for subsoil use;⁴⁹
- c. non-conforming market access limitations in areas of strategic resources, and in cases of transfer of part of the property of an enterprise to the concession.

4.20. Under the GATS, the Kyrgyz Republic has not listed any MFN exemptions. Under the EAEU, MFN exemptions are reserved for financial services and types of activities related to natural monopolies, energy and transport; some of these are however lifted in accordance with liberalization plans for the creation of single services markets.

4.4.1.2 Sectoral commitments

4.21. In its GATS schedule, the Kyrgyz Republic made specific commitments in generally all services sectors; compared to it, the Kyrgyz Republic's liberalization commitments under the EAEU are extended – particularly, with a single market operating in various sub-sectors and full liberalization in others.

4.22. Table 4.1 summarizes the Kyrgyz Republic's services commitments under the EAEU in comparison with its GATS commitments with the exception of horizontal limitations and mode 4. Additional details can be found in Annex 4 and the Decisions themselves. The column relating to

⁴⁷ Under the GATS, restrictions are lifted: (i) for a period of 90 days as regards services salespersons; and (ii) for a period of three years (with an additional extension of up to two years) as regards intra-corporate transfers of managers, executives and specialists.

⁴⁸ Agreements concluded before January 1, 2015, provide for the following obligations on investors (i) grant preference to Kyrgyz entities to participate in activities as a contractor, supplier, expeditor, or in another capacity; (ii) at least 80% of all employees in an entity must be of Kyrgyz nationality; and (iii) at least 50% of the total value of orders placed for manufacture of equipment for exploration, development etc. must be carried out by entities of Kyrgyz Republic and registered as taxpayers in the Kyrgyz Republic.

⁴⁹ To obtain a licence for subsoil use, foreign investors must open a subsidiary company with 100% ownership in the Kyrgyz Republic.

liberalization under the EAEU indicates whether a single market is/will be in operation, as well as the extent of liberalization in sectors not covered by the single market.

4.23. The Kyrgyz Republic's Schedule of Additional Limitations requires, for any type of activity that requires licensing, that services suppliers from other member States establish a legal entity in its territory; in addition national treatment and market access limitations may apply.⁵⁰ These limitations are lifted when a single market is/will be in force; if that is not the case, the Kyrgyz Republic will limit access from other EAEU member States and this will be reflected in the table below and referred to in the relevant paragraphs.

Table 4.1 The Kyrgyz Republic: Comparison between the GATS and EAEU liberalization commitments (excluding mode 4 and horizontal limitations)

Sectors and Sub-sectors	GATS	Compared to the GATS	EAEU- Accession of the Kyrgyz Republic ^a
1. Business Services			
A. Professional Services	Partial	Improved	SM (2015;2022)/Partial
B. Computer and Related Services	Full	Improved	SM*(2015)/Full
C. Research and Development Services	Full	Improved	SM*(2020)/Full
D. Real Estate Services	Partial	Improved	SM (2020)
E. Rental/Leasing Services without Operators	Full	Improved	SM*(2015;2019)/Full
F. Other Business Services	Partial	Improved	SM*(2015;2019)/Partial
2. Communication Services			
A. Postal Services	Partial	Similar	Partial
B. Courier Services	Full	Similar	Full
C. Telecommunication Services	Partial	Similar	Partial
D. Audiovisual Services	Partial	Improved	SM* (2015;2019)/Partial
E. Other	---	New	Full
3. Construction and Related Engineering Services			
A. General Construction Work for Building	Full	Improved	SM* (2015)/Partial
B. General Construction work for Civil Engineering	Full	Improved	SM (2015;2021)
C. Installation and Assembly Work	Full	Improved	SM* (2015)/Full
D. Building Completion and Finishing Work	Full	Improved	SM* (2015)/Full
E. Other	Full	New	SM* (2015)/Full
4. Distribution Services			
A. Commission Agents' Services	Full	Improved	SM (2015)
B. Wholesale Trade Services	Partial	Improved	SM* (2015)
C. Retailing Services	Partial	Improved	SM* (2015)
D. Franchising	Partial	Improved	SM (2015)
E. Other	---	New	Full
5. Educational Services			
A. Primary Education Services	Partial	Improved	Partial
B. Secondary Education Services	Partial	Improved	Partial
C. Higher Education Services	Partial	Improved	Partial
D. Adult Education	Partial	Improved	Full
E. Other Education Services	---	New	Full
6. Environmental Services			
A. Sewage Services	Full	Similar	Partial
B. Refuse Disposal Services	Full	Similar	Partial
C. Sanitation and Similar Services	Full	Similar	Partial
D. Other	Full	Similar	Full
7. Financial Services			
A. All Insurance and Insurance-related Services	Partial	Improved	SM (2015)
B. Banking and Other Financial Services (excluding insurance)	Full	Improved	SM (2015)
C. Other	---	New	Full

⁵⁰ Limitation 2 of the Schedule. More information on activities requiring licensing is available at Law of the Kyrgyz Republic as of October 19, 2013 No. 195 "On the Licensing system in the Kyrgyz Republic".

Sectors and Sub-sectors	GATS	Compared to the GATS	EAEU- Accession of the Kyrgyz Republic ^a
8. Health Related and Social Services			
A. Hospital Services	Full	Similar	Partial
B. Other Human Health Services	Full	Similar	Partial
C. Social Services	Full	New	Full
D. Other	---	New	Full
9. Tourism and Travel Related Services			
A. Hotels and Restaurants (including catering)	Full	Improved	SM (2015)
B. Travel Agencies and Tour Operators Services	Full	Improved	SM (2019)
C. Tourist Guides Services	Full	Similar	Full
D. Other	Full	Similar	Full
10. Recreational, Cultural and Sporting Services			
A. Entertainment Services (including theatre, live bands and circus services)	Full	Improved	SM (2015)
B. News Agency Services	Full	Similar	Full
C. Libraries, archives, museums and other cultural services	Full	Similar	Full
D. Sporting and Other Recreational Services	Full	Improved	SM* (2015)/Partial
E. Other	---	New	Full
11. Transport Services			
A. Maritime Transport Services	Full	Improved	SM (2025)
B. Internal Waterways Transport	---	New	Partial
C. Air Transport Services	Partial	Similar	Partial
D. Space Transport	---	New	Full
E. Rail Transport Services	Full	Improved	SM (2025)
F. Road Transport Services	Full	Improved	SM (2015; 2025)
G. Pipeline Transport	Full	Less	---
H. Services Auxiliary to All Modes of Transport	Partial	Improved	SM (2015; 2025)
I. Other Transport Services	---	New	Full
12. Other Services not Included Elsewhere	---	New	Full

General Note: MFN and Horizontal limitations, as well as Mode 4 commitments/limitations not considered. Under the EAEU, services are classified according to CPC (based on Version 1) which was further transferred into CPC Provisional and MTN.GNS/W/120 using the UN reference table available at:
https://unstats.un.org/unsd/publication/SeriesM/SeriesM_77ver1_1E.pdf

a The years in brackets indicate the starting year (any time in the year) of the functioning of a single services market in a specific sector/sub-sector; two years indicate that the sub-sectors involved have different final liberalization deadlines.

SM: Single services market in operation.

SM*: Single services market in operation in at least one of the sub-sectors.

Full: For sub-sectors where no SM is in operation, the specific commitments are not subject to limitation(s) under any of the three modes.

Improved: Overall improved commitments made under the EAEU compared to those under the GATS.

New: New commitments under the EAEU (full or partial, with or without limitations) which can be seen as "improved".

Partial: For sub-sectors where no SM is in operation, the specific commitments are subject to some limitation(s) under any of the three modes.

---: For GATS - no commitments, for EAEU - no project/liberalization plan is in place as of February-2018.

Similar: Similar commitments (EAEU vs GATS); though possibly, in individual cases, with limited improvements and/or limited additional reservations.

Source: WTO document GATS/SC/125, 22 April 1999; Decisions of the Supreme Council N^{os} 110/14, 111/14, 112/14, 30/15, 31/15, 32/15, 22/16 and 23/16; and Annex to Amendments Protocol.

4.24. The following sectors/sub-sectors, for which there are no GATS commitments, have been fully liberalized under the EAEU, *inter alia*: integrated engineering services, placement and supply of services personnel, investigation and security services, building-cleaning services, photographic, packaging services, and "other services" under professional, audiovisual and communication, distribution, recreational, cultural and sporting, and other transport services.

4.25. Business services liberalization has been broadly improved as compared to that under the GATS, in particular with full liberalization of mode 4. In addition, the Kyrgyz Republic joined the single market in some sectors/sub-sectors – e.g. taxation, advisory and pre-design architectural services, computer installation and software implementation, and services related to transport equipment. For other sub-sectors, generally fully liberalised under the GATS, e.g. accounting, auditing, bookkeeping, R&D and real estate services, the single market will start operating during the 2020-2022 period. For engineering and urban planning services the single market was in operation as of 2015, while for services pertaining to hazardous, technically complex and heritage objects⁵¹ it will function by 2021. For management consulting services – generally fully liberalised under the GATS – the single market was in operation only in specific sub-sectors, namely, general management, financial management except for business tax, marketing and human resources management. Mode 4 reservations, under the EAEU, have been scheduled for lawyers, private notaries, and judicial experts; these are generally subject to nationality requirements. Moreover, national treatment limitations apply to private detective and security activities. The supply of legal, private notary and auditing services and medical services conducted by private organisations and entrepreneurs remains subject to licensing.

4.26. Under postal and telecommunications services, partially liberalised under the GATS, various activities remain subject to licensing; in addition, non-conforming national treatment limitations apply in postal services. Audiovisual services liberalization has been improved due to the establishment of a single market in sound recordings as of 2015, and in motion picture and video tape production and distribution, as well as demonstration of video films as of 2019.

4.27. A single market was established in construction and related engineering services, fully liberalized under the GATS, in 2015, except for hazardous and complex objects and heritage objects, for which it will be established by 2021. In some urban construction, design, and installation works, where a single market is not in operation, license requirements apply.

4.28. Under distribution services, the Kyrgyz Republic improved substantially its GATS commitments by joining a single market in commission agents' and franchising services, as well as in some sub-sectors in wholesale and retail trade services. Apart from a prohibition on the sale of alcoholic beverages, tobacco, firearms and pharmaceuticals under the GATS, the EAEU list also contains, *inter alia*, explosive materials, scrap and precious metal waste, precious metals and stones.⁵² In addition, some performance requirements apply to ethyl alcohol, and national treatment and market restrictions – to narcotic drugs. Distribution of electricity, thermal energy, and natural gas remains subject to licenses.

4.29. Commitments regarding educational services have been generally improved. Under the EAEU, the Kyrgyz Republic extended its GATS commitments to also include services funded from State sources. Educational activity except for state and municipal organisations is subject to licensing.

4.30. With respect to environmental services, fully liberalized under the GATS, three out of four sectors remain restricted in relation to, *inter alia*, radioactive waste, explosive materials and articles, chemicals, and waste disposal – particularly, through licensing requirements. In addition, it reserves the right to take non-conforming market access measures on non-ferrous and ferrous metals waste collection

4.31. Financial services liberalization has been broadly improved as compared to GATS commitments. As of its accession to the EAEU, the Kyrgyz Republic fully liberalised some sectors/sub-sectors – e.g. insurance for international transportation of individuals and goods, services auxiliary to insurance, are fully liberalised for modes 1 and 2, whereas under the GATS, these are unbound for mode 1. With respect to banking and other financial services, fully

⁵¹ See footnotes to the Table A4.1 in Annex 4 for a complete list.

⁵² For more detailed information see note c in Annex 4.

liberalised under the GATS, national treatment limitations remain under the EAEU. Mode 4 has been liberalised throughout the sector. In addition, the single market for financial services will be in operation by 2025; thus EAEU financial services suppliers will benefit from an improved and more liberalized regime as compared to those from other WTO Members (see Section 4.3.1).

4.32. As regards health related and social services, the Kyrgyz Republic's GATS commitments are fully liberalised with respect to hospital, social and other human health services. Under the EAEU, sectoral liberalization remains subject to licencing requirements for any type of medical activity.

4.33. Commitments on tourism and travel related services, fully liberalised under the GATS, have been largely improved under the EAEU; mainly due to the establishment of a single market in hotel/motel lodging services, and food/beverage serving in 2015; and services of tour operators and travel agents in 2019.

4.34. Liberalization of recreational, cultural and sporting services has been improved. As of 2015, a single services market was in operation in entertainment, and sporting and other recreational services except for organization of a professional lottery, which was fully liberalised except for the requirement to get a license. The Kyrgyz Republic reserved the right to apply non-conforming market access limitations to mass media services.

4.35. Commitments on transport services have been broadly improved under the EAEU. In 2015, the Kyrgyz Republic joined the single market in some sectors/sub-sectors – e.g. cargo handling, storage and warehouse. Some road, air and maritime transport services require licences. A coordinated transport policy, conducted under the EAEU, aims to eliminate existing barriers and establish a single services market in maritime, rail, road, and auxiliary services by 2025 (see Section 4.3.3).

4.36. Investment in mass media, postal services, subsoil resources and resources of national importance, distribution of drugs and some environmental services are limited by various restrictions including non-conforming market access and national treatment reservations.

4.5 Regulatory provisions

4.37. The Accession Treaty has no regulatory provisions on domestic regulation, recognition, subsidies and safeguards; thus, the EAEU disciplines apply. In particular, they state that when a single services market is functioning in a specific sector, each member State shall:

- a. provide persons of any other member State the right to supply services and accordingly grant service suppliers a permit to do so; and
- b. recognise the professional qualifications of the services suppliers.

4.6 Sector specific provisions on trade in services

4.6.1 Financial services

4.38. The EAEU disciplines on financial service apply to the Kyrgyz Republic. In accordance with the provisions of Annex 17 of the EAEU Treaty – the "Protocol of Financial Services" - the Kyrgyz Republic has listed a number of limitations in financial services in paragraph 2 in the Annex to the Amendments Protocol. These limitations apply in respect of:

- a. commitments in non-life insurance; re-insurance; services of insurance agents and insurance brokers; and supporting insurance services. These were added to Supplement 1 of the EAEU's Protocol of Financial Services; and
- b. establishment in respect of all other types of financial services. These were added to Supplement 2 of the EAEU's Protocol of Financial Services.

4.39. As indicated in 4.31. au-dessus, a single market for financial services is foreseen by 2025; in all EAEU member States including the Kyrgyz Republic, work is being carried out to gradually

reduce financial services limitations as well as to coordinate member States' policy for financial markets.

4.6.2 Electricity services

4.40. The EAEU aims at establishing a common electric power market (CEPM); its initial phase was concluded with the adoption of the Supreme Council Decision N° 12/15 "On Concept of forming the common electric power market of the EAEU". Since that time, work has continued and it has been agreed that the CEPM will be implemented using the existing trading platforms of its members (instead of providing for the creation of a new one).

4.41. The Kyrgyz Republic has committed to apply EAEU disciplines as regards the methodology for interstate electricity transmission (Section XIII of Annex 1 to the Protocol on Transitional Provisions of the Accession Treaty, Section XX of the EAEU Treaty and in particular its Annex 21), on the basis of developments within EAEU legislation in that respect. The relevant provisions on the electricity market were to be effective from 17 February 2018; however, as of July 2018, that was not yet the case.

4.6.3 Rail transport services

4.42. Section XXI of the EAEU Treaty, which also applies to the Kyrgyz Republic, regulates transport services and applies to road, air, maritime and rail transport, taking into account the provisions of Sections XVIII (General Principles and Rules of Competition) and XIX (Natural Monopolies). Section XXI is complemented by the Protocol on the Coordinated Transport Policy of the member States (Annex 24). The EAEU Treaty sets the objective of the creation of a common transport area within the EAEU through the conclusion of international treaties between the EAEU member States.

4.43. Railway transport services are regulated in paragraphs 18-19 of Annex 24 and its Supplement 2. The latter contains further rules on access to rail transport and on tariff policies, while its two appendices provide rules requiring member States to ensure access, for carriers from other member States, to infrastructure services of rail transport (Appendix 1) and to the provision of infrastructure services for rail transport (Appendix 2). Following its accession, the Kyrgyz Republic has listed the provision of infrastructure and performance of necessary works for train traffic as well as for shunting movements in its Appendix 2 to Annex 24 (paragraph 4 of the Amendments Protocol).

5 GENERAL PROVISIONS OF THE AGREEMENT

5.1 Transparency

5.1. The Accession Treaty has no provision regarding transparency; thus, the EAEU disciplines apply to the Kyrgyz Republic.

5.2 Current payment and capital movement

5.2. The Accession Treaty has no provision regarding current payments and capital movements; thus, the EAEU disciplines apply to the Kyrgyz Republic.

5.3 Exceptions

5.3. The Accession Treaty has no provisions regarding exceptions; thus, the EAEU disciplines apply to the Kyrgyz Republic.

5.4 Accession and Withdrawal

5.4. Article 11 of the Accession Treaty provides that following its ratification, the Treaty will enter into force on the date on which the Commission (the Treaty's depositary) receives, through diplomatic channels, the last written notification of the Parties completing the domestic procedures necessary for its entry into force, but no earlier than the date of entry into force of the EAEU Treaty. The Accession Treaty entered into force on 12 August 2015.

5.5 Institutional framework

5.5. The institutional framework of the Union provides for four main institutions; their composition was modified upon Kyrgyz Republic's accession to ensure its full involvement in the governance activities of the EAEU (EAEU Treaty and Section I of Annex 1 to the Protocol on Transitional Provisions), as follows:

- a. the Supreme Eurasian Economic Council - the highest body of the Union composed of the Heads of the member States – was enlarged with Kyrgyz Republic's President becoming a fully-fledged Member. In accordance with the Protocol of 15 March 2018 amending the EAEU Treaty, the Supreme Council can also be composed of Prime Ministers which have the power of taking decisions at this level. The Supreme Council meets at least once a year and its decisions are taken by consensus;
- b. the Kyrgyz Republic's Prime Minister became a Member of the Eurasian Intergovernmental Council;
- c. the Eurasian Economic Commission, comprising the Council and the Collegium, was also enlarged. Upon its accession and up to February 2016, the Kyrgyz Republic was represented in the Commission's Collegium by three members, each holding a single vote, without assignment of areas of competence (Supreme Council Decision N° 8/15); and
- d. the size and structure of the Court of the EAEU were adapted, in particular with the addition of two Judges from the Kyrgyz Republic to the Court (Supreme Council Decision N° 7/15).

5.6. As of February 2016, a new Collegium has been nominated. The Collegium is composed of ten members, two from each member State, one of which acts as the Chair. The Commission's activities are divided into ten functional areas headed by its Members (Ministers), totalling 26 Departments. The Commission's headquarters are in Moscow.

5.6 Dispute settlement

5.7. The Accession Treaty provides that disputes related to the interpretation and/or application of the Accession Treaty shall be resolved in accordance with Article 112 of the EAEU Treaty (Article 10).

5.7 Relationship with other agreements concluded by the Parties

5.8. The EAEU Treaty's disciplines with respect to trade agreements with non-parties are contained in Articles 33-35 and 102; they apply to agreements concluded by the Kyrgyz Republic. Regional trade agreements (RTAs) to which the Kyrgyz Republic is a party are listed in Table 5.1 below.

Table 5.1 Kyrgyz Republic: Participation in other RTAs (notified and non-notified in force), as of 22 March 2018

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EAEU member States - Collectively				
EAEU – Viet Nam	05-Oct-16	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
Individual EAEU member States ^a				
KYRGYZ REPUBLIC				
Treaty on a Free Trade Area between members of the Commonwealth of Independent States (CIS) ^b	13-Dec-13	Goods	2013	GATT Art. XXIV
Kyrgyz Republic – Uzbekistan	20-Mar-98	Goods	1999	GATT Art. XXIV
Kyrgyz Republic - Ukraine ^c	19-Jan-98	Goods	1999	GATT Art. XXIV
Kyrgyz Republic - Moldova ^c	21-Nov-96	Goods	1999	GATT Art. XXIV

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
Kyrgyz Republic - Kazakhstan ^c	11-Nov-95	Goods	1999	GATT Art. XXIV
Kyrgyz Republic - Armenia ^c	27-Oct-95	Goods	2000	GATT Art. XXIV

- a For RTAs of the original EAEU member States, see the EAEU Factual Presentation, WT/REG358/1. For RTAs of Armenia, see the EAEU – Accession of Armenia Factual Presentation, WT/REG363/1.
- b Parties to this Treaty are as follows: Armenia, Belarus, Kazakhstan, Kyrgyz Republic, Republic of Moldova, Russian Federation, Tajikistan and Ukraine. The date indicated in the table is the entry into force for the Kyrgyz Republic.
- c Article 23.2 of the Treaty on a Free Trade Area between Members of the CIS states that: "The Parties have agreed that from the date of entry into force of this Treaty, they will take measures for terminating bilateral international treaties existing between them in the manner and within the terms stipulated by such treaties, unless the Parties have not agreed otherwise".

Source: WTO Secretariat.

5.8 Government procurement

5.9. Section XV of Annex 1 to Protocol on Transitional Provisions spells out provisions regarding the government procurement regulation in line with Section XXII of the EAEU Treaty.

5.10. National treatment in Government (municipal) procurement shall be provided by both the Kyrgyz Republic and the other EAEU member States upon the expiration of the transition period of two years from the accession date. In addition, the Kyrgyz Republic shall introduce electronic government procurement using an electronic digital signature upon the expiry of two years from the accession date.

5.9 Intellectual property rights⁵³

5.11. Provisions on Intellectual property rights are in Section XVI of the Annex 1 to the Protocol on Transitional Provisions. The Kyrgyz Republic started applying the relevant provisions of Section V of the Annex 26 to the EAEU Treaty upon the expiration of a two-year transition period, i.e. on 12 August 2017.

5.12. The Kyrgyz Republic has also committed to develop and approve an action plan on implementation of activities ensuring the application of the regional principle of exhaustion of the exclusive right to trademarks⁵⁴ within three months from the accession date. As of 4 November 2015, the Interdepartmental action plan on the establishment of conditions for adaptation of economic entities of the Kyrgyz Republic to carry out their activities within the conditions where the regional principle of exhaustion of the exclusive right to trademarks apply in the Kyrgyz Republic for the period of 2015-2017 has been adopted. According to the action plan a number of outreach campaigns for Kyrgyz businesses have been conducted and methodological guide has been developed. In addition, consultations have been provided to stakeholders on a regular basis.

5.10 Competition

5.13. Annex 1 to the Protocol on Transitional Provisions contains disciplines regarding competition policy; the provisions of Section XVIII of the EAEU Treaty are applied by the Kyrgyz Republic upon the expiration of the 18-month period after the entry into force of the Accession Treaty.

⁵³ Paragraph 2 of Annex 26 of the EAEU Treaty ("Protocol on Protection and Enforcement of Intellectual Property Rights") defines intellectual property objects as "works of science, literature and art, computer programs, phonograms, performances, trademarks and service marks, geographical indications, appellations of origin of goods, inventions, utility models, industrial designs, selective achievements, layout design of integrated circuits, know-how and other objects of intellectual property protected by international treaties and acts of the EAEU and legislation of the Member states".

⁵⁴ In accordance with paragraph 16 of the Protocol on Protection and Enforcement of Intellectual Property Rights, the principle of exhaustion of exclusive rights to trademarks provides that "the use of a trademark, trademark of the EAEU in respect of goods that have been lawfully introduced into the civil turnover on the territory of any of the member States directly by the owner of trademark owner and (or) the trademark of the EAEU or by other persons with his/her consent shall not constitute a violation of the exclusive right to such trademark, trademark of the EAEU".

5.11 Other

5.14. The Accession Treaty and its Protocol on Transitional Provisions (Section X) also contain disciplines regarding the collection of indirect taxes. These disciplines describe issues related to taxes and taxation, including the collection of value-added taxes and sharing of information on indirect taxes.

ANNEX 1

1. The structure of the Kyrgyz Republic's tariff in 2014-2016 is presented in Table A1.1. The average MFN applied rate initially increased from 5% to 8.6% when the Kyrgyz Republic acceded to the EAEU, and then decreased to 8.2% in 2016. In terms of categories of products, in 2014 WTO Members faced an average tariff of 8.5% when exporting an agricultural product to the Kyrgyz Republic, while the average for non-agricultural products was 4%. In 2014, 20.7% of the tariff lines on agricultural products were duty-free, while the equivalent figure for non-agricultural products was 55%; in 2015 the corresponding figures were 6.7% and 19% for agricultural and non-agricultural products respectively. If only dutiable lines are considered, the Kyrgyz Republic's partners in the Union benefitted in 2015 from an average margin of preference of 15.6% for agricultural products, and of 8.6% for non-agricultural.

Table A1.1 Kyrgyz Republic: Indicators of tariff rates

Year	All Products				Agricultural Products ^a				Non-agricultural products			
	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free
		Overall	On dutiable			Overall	On dutiable			Overall	On dutiable	
2014	11,167	5.0	9.4	47.4	2,454	8.5	10.7	20.7	8,713	4.0	8.8	55.0
2015	11,711	8.6	10.3	16.2	2,684	14.5	15.6	6.7	9,027	6.9	8.6	19.0
2016	11,610	8.2	10.0	17.4	2,683	14.4	15.5	6.6	8,927	6.4	8.1	20.6
2017-2019	...	...	...	...	...	...	...	...	...	...	...	...

a WTO Definition.

Note: For the calculation of averages, specific rates are excluded and the *ad valorem* equivalents or *ad valorem* parts of alternate rates are included.

Based on the HS 2012 nomenclature.

2015 Russian Federation's MFN 2015 which includes Kyrgyz Republic's exception for 2015.

2016 Russian Federation's MFN 2016 which includes Kyrgyz Republic's exception for 2016.

... Not available. No data yet on the MFN tariffs of Russia for the years 2017 to 2019. Tariffs as of 1 January.

Source: WTO estimates based on the WTO-IDB, WTO-TPR and Kyrgyz Republic authorities.

2. Table A1.2 presents the structure of the CET/Russian Federation applied tariff from 2014 to 2016. The average MFN applied rate has been progressively reduced from 9.4% in 2014 to 8.7% in 2015 and 8.3% in 2016. In terms of categories of products, in 2015 WTO Members faced an average tariff of 7.1% when exporting a non-agricultural product to the Russian Federation, while average tariffs imposed for agricultural products were twice as high (i.e. 14.5%). In 2015, slightly less than one-fifth of the tariff lines for non-agricultural tariffs were duty-free; the corresponding figure for agricultural products was 6.4%. If only dutiable lines are considered, other EAEU member States benefitted in 2015 from an average margin of preference of 15.6% for agricultural products and of 8.6% for non-agricultural products. Figures for 2015 and 2016 also apply to Belarus.

Table A1.2 CET: Indicators of applied tariff rates

Year	All Products				Agricultural Products ^a				Non-agricultural products			
	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free
		Overall	On dutiable			Overall	On dutiable			Overall	On dutiable	
2014	11,638	9.4	11.1	14.8	2,683	15.2	16.3	6.3	8,955	7.8	9.4	17.3
2015	11,711	8.7	10.2	14.9	2,684	14.5	15.6	6.4	9,027	7.1	8.6	17.4
2016	11,610	8.3	10.0	16.1	2,683	14.5	15.5	6.3	8,927	6.5	8.1	19.0

Year	All Products				Agricultural Products ^a				Non-agricultural products			
	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free	No. of lines	Average applied tariff		% of duty-free
		Overall	On dutiable			Overall	On dutiable			Overall	On dutiable	
2017-2019

a WTO Definition.

... No data yet on the MFN tariffs of Russian Federation for the years 2017 to 2019.
The Parties agreed that the Russian Federation MFN is the CET.
For the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included.
For 2016, the calculation of averages includes AVEs where the data is sourced from the WTO TPR of Russian Federation for 2016.
Based on the HS 2007 nomenclature (2010-2011) and HS 2012 nomenclature (2012-2016).

Source: WTO Secretariat estimates based on WTO-IDB, WTO-TPR and Trade Analysis Information Systems (TRAINS).

ANNEX 2**DEFINITIVE ANTI-DUMPING MEASURES IN FORCE IN THE EAEU AND EXTENDED TO
KYRGYZ REPUBLIC AS OF 12 AUGUST 2015****Table A2.1 Definitive anti-dumping measures in force in the EAEU and extended to
Kyrgyz Republic as of 12 August 2015**

Country/ Customs Territory	Product, investigation ID number	Measure(s)	Date of original imposition; publication reference ¹	Date(s) of extension; publication reference(s)
Measures in force as of 1 January 2015				
China	Cold-rolled flat steel products with polymer coating; ID: AD-8-CN	Duties	02.01.2015 Decision of the Commission No. 49 dated 24.05.2012	01.07.2017 Decision of the Commission No. 45 dated 11.05.2017
	Citric acid ID: AD-15-CN	Duties	12.08.2015 Decision of the Commission No. 15 dated 10.03.2015	
	Cold-worked seamless pipes and tubes of stainless steel; ID: AD-11-CN	Duties	02.01.2015 Decision of the Commission No. 65 dated 09.04.2013	
	Enamelled baths of cast iron; ID: AD-12-CN	Duties	02.01.2015 Decision of the Commission No. 64 dated 09.04.2013	
	Rolling-element bearings (excl. needle roller bearings); ID: AD-3-CN	Duties	02.01.2015 Decision of the Commission of the Customs Union No. 705 dated 22.06.2011	02.01.2015 Decision of the Commission No. 197 dated 17.09.2013
	Stainless steel flatware ID: AD-14-CN	Duties	12.08.2015 Decision of the Commission No. 56 dated 19.05.2015	
Germany	Light commercial vehicles; ID: AD-10-DE	Duties	02.01.2015 Decision of the Commission No. 113 dated 14.05.2013	
India	Graphite electrodes; ID: AD-9-IN	Duties	02.01.2015 Decision of the Commission No. 288 dated 25.12.2012	
Italy	Light commercial vehicles; ID: AD-10-IT	Duties	02.01.2015 Decision of the Commission No. 113 dated 14.05.2013	
Turkey	Light commercial vehicles; ID: AD-10-TR	Duties	02.01.2015 Decision of the Commission No. 113 dated 14.05.2013	

¹ All Decisions can be accessed at the Commission website, <http://eec.eaeunion.org>.

Country/ Customs Territory	Product, investigation ID number	Measure(s)	Date of original imposition; publication reference ¹	Date(s) of extension; publication reference(s)
Ukraine	Certain steel pipes and tubes; ID: AD-1-UA	Duties	02.01.2015 Decision of the Commission of the Customs Union No. 702 dated 22.06.2011	19.11.2015 Decision of the Commission No. 133 dated 06.10.2015 03.07.2016 Decision of the Commission No. 48 dated 02.06.2016
	Forged work-rolls; ID: AD-7-UA	Duties	02.01.2015 Decision of the Commission of the Customs Union No. 904 dated 09.12.2011	28.02.2015 Decision of the Commission No. 3 dated 20.01.2015

ANNEX 3SUMMARY OF SUPREME COUNCIL DECISIONS N^{OS} 112/14, 18/15 AND 32/15**Table A3.1 Number of non-conforming measures with the Protocol on Services and Investment, by EAEU member States and by type of measure**

	BLR	KAZ	RUS	ARM	KYR
TOTAL	28	30	38	28	13
<i>Of which:</i>					
State-owned enterprises (para. 16)	1	4	4	1	3
Exclusive rights (para. 17)	3	3	4	1	3
National treatment (para. 23)	20	21	27	5	9
Establishment (para. 26)	26	21	32	6	10
MFN (para. 28)	2	4	7	4	1
QRs (para. 31)	23	16	26	4	6
Performance requirements (para. 33)	2	4	3	2	3
Mode 4 (para. 35)	3	9	12	5	5

Source: Supreme Council Decisions N^{OS} 112/14, 18/15 and 32/15.

ANNEX 4**SERVICES SECTORS LIBERALIZED IN THE EAEU IN ACCORDANCE WITH COUNCIL DECISIONS AS OF MARCH 2018**

1. The Table below lists sectors and sub-sectors liberalized and the corresponding liberalization plans, in accordance with the Supreme Council Decisions N° 110 of 2014, N°s 17 and 18 of 8 May 2015, N°s 30 and 31 of 16 October 2015 and N°s 22 and 23 of 26 December 2016.

Table A4.1 EAEU services liberalization¹

Nº2	Sectors and Sub-sectors	From CPC³	EAEU liberalization				KYR
			BLR	KAZ	RUS	ARM	
BUSINESS SERVICES							
II.19	Services in the field of reporting and accounting	82213, 82219 and 82220	2021				2021
I.26	Taxation services	823	2015				2015
I.32	Consultation services related to architecture	83211	2015				2015
Professional Services, except services pertaining to hazardous, complex and heritage objects							
I.6.	Engineering services	8334	2015	2024	2015		
I.7.	Complex services	8331, 83342 and 83343					
I.8.	Urban planning services	83221, 83222, 83333					
I.9	Landscaping services (except heritage objects)	83222	2015				2015
Professional Services in relation to hazardous, complex and heritage objects							
II.2	Engineering services	8335 and 8339	2021	2024	2021		
II.4	Urban planning	8322					
All other business services							
II.3	Integrated services in engineering related areas With highways, streets, roads, railways, Runways, bridges, aboveground and underground Motorways, tunnels and harbours, waterways, Water facilities, main pipelines, Lines and lines of energy, pipelines And cables and associated structures	83312	2021	2024	2021		
I.31	Consultation services related to installation of computers		2015				2015
I.27	Software application services	83142					
I.28	Data processing services	84300 and 85960					
I.29	Database-related services	84300					
I.30	Services related to computing machines, including technical maintenance and repair of computing machines, and related data preparation services	83160					

¹ The table is structured in accordance with MTN.GNS/W/120. Sectors/sub-sectors are listed in a summary manner, as compared to the full text of each of the Decisions.

² The N° are structured as follows: "I" means the sectors/sub-sectors are listed in Decisions N° 110 of 2014 and N°s 17 and 31 of 2015; "II" refers to sectors/sub-sectors listed in Decisions N° 30 of 2015 and N°s 22 and 23 of 2016. The number after that refers to the number (of the sector/subsector) as reflected in the relevant Decisions.

³ The Decisions are based on CPC version 1.

N ^{o2}	Sectors and Sub-sectors	From CPC ³	EAEU liberalization				KYR
			BLR	KAZ	RUS	ARM	
II.21	Conducting research and development Experimental developments in the field of natural sciences in the part of applied research	81110, 81120, 81130, 81140, 81150 and 81190		2020			2020
II.20	Conducting research and implementation In the field of social and human sciences	81210, 81220, 81230, 81240 and 81290					
II.8	Services related to immovable property, own Or leased (with the exception of real estate brokerage services)	72111, 72 112, 72121, 72122, 72130 and 72212					
II.9	Property valuation services	72240 and 85990		2020			2020
II.5	Rental and leasing services for pleasure boats without operator	73240		2019			2019
I.24	Lease of cars and equipment without an operator as part of rent and leasing services	73112, 73114, 73121 - 73123		2015			2015
I.25	Hire of personal items as part of leasing services and rent of all types of consumer equipment, used for leisure	73210		2015			2015
II.6	Services in the field of advertising	83610, 83620, 83631 and 83690		2019			2019
II.7	Audit services	82211 and 82212		2022			2022
I.35	Market research and opinion polling services	83700		2015			2015
I.33	Consultation services in connection with managerial issues (excluding financial services specified in Part XVI of the EAEU Agreement)	83111					
I.34	Services (excluding financial services specified in Part XVI of the EAEU Agreement), related to consultations on managerial issues	83112 - 83114					
II.11	Services for technical testing and analysis (laboratory And on the ground) (with the exception of works for the purposes of evaluation (confirmation) Conformity of production to the established requirements)	83561 - 83564 and 83569		n.p.			n.p.
I.10	Services related to agriculture	861, 86110 and 86121		2015			2015
I.11	Service related to forestry and timber stockpiling	86140					
I.12	Services related to game management	86130					
I.36	Service on personnel accommodation and recruitment of personnel, excluding activity related to employment services for citizens of a EAEU member state outside of such member state	85111		2015			2015
I.23	Services related to maintenance and repair of equipment, including repair of personal items and household goods (excluding sea vessels and aircraft and other transport equipment)	8715 and 87290	2015	n.a.	2015		2015

Nº2	Sectors and Sub-sectors	From CPC³	EAEU liberalization				KYR
			BLR	KAZ	RUS	ARM	
I.37	Services related to cleaning of premises, specifically cleaning and hygiene of residential buildings or commercial, administrative and industrial buildings (excluding disinfection)	85330	2015				2015
I.38	Photographic services	8381, 83811 - 83815, 83819 and 83820					
I.39	Organization and conducting of negotiations and sessions	85970 and 85990					
I.40	Interpreting and translation services, related to translation of texts from one language into another	83910	2015				2015
II.12	Geological, geophysical and other services Research work in the part of scientific advisory services in Geology, geophysics, geochemistry and other sciences related to Search for deposits of solid minerals, oil, gas and Groundwater, except for field works	83510	2019	2024	2019	2019	
II.13	Services for underground surveying survey	83520					
II.14	Services for land surveying survey	83530					
II.15	Mapping services	83540					
II.16	Services for weather forecasting and meteorology	83550					
COMMUNICATION SERVICES							
II.17	Services associated with the production and distribution of Film and video films	96121 and 96141	2019				2019
II.18	Services for demonstration of video films	96152	2019				2019
I.42	Sound recording services	from 96111	2015	2016	2015	2015	
CONSTRUCTION AND RELATED ENGINEERING SERVICES							
General construction works (except hazardous and complex objects ^a and heritage objects ^b)							
I.1.	For erection of buildings of any purpose	54111, 54112, 54121, 54122 and 54129	2015	2024	2015	2015	
I.2.	Construction of civil engineering sites (except services pertaining to hazardous, complex and heritage objects)	542, 54210, 54220, 54230, 54241, 54242, 54251, 54252, 54260, 54270 and 54290					
I.3	Assembly and erection of buildings from prefabricated elements and works on equipment assembly	54400 and 546					
I.4.	Construction and finishing works at the closing stage	547, 54710, 54720, 54730, 54740, 54750, 54760, 54770 and 54790					
I.5.	Pre-construction works, special construction works, demolition of buildings and renting of construction equipment with an operator	543, 54310, 54320, 54330, 54341, 54342, 54511, 54512, 54521, 54522, 54530, 54540, 54550, 54560.					

№2	Sectors and Sub-sectors	From CPC ³	EAEU liberalization				KYR
			BLR	KAZ	RUS	ARM	
		54570, 54590 and 54800					
General construction works							
II.1	For the construction of facilities of Civil construction	54210, 54220, 54230, 54241, 54242, 54251, 54252, 54260, 54310, 54320, 54330, 54342 and 54800	2021	2024	2021	2021	
DISTRIBUTION SERVICES							
I.13 I.14	Retail trade services ^c	611 and 612 621 – 623	2015	2016	2015	2015	
I.15	Services of commission agents, including broker services, excluding financial services specified in Part XVI of the agreement on the EAEU	612					
I.16	Franchise services	73340					
TOURISM AND TRAVEL RELATED SERVICES							
I.17	Services of hotels and public catering enterprises (excluding sale (serving) of alcohol)	63110, 63210, 63220, 63230 and 6330	2015	2016	2015	2015	
II.10	Services travel agency and travel agencies (Services of tour operators and travel agents)	67811 and 67812	2019			2019	
RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)							
I.41	Entertainment services (theatres, concerts, circuses, etc.)	96210	2015			2015	
I.43	Service related to organization of sports and other recreational activities (excluding gambling services)	96510, 96520, 96590, 96610, 96620 and 96990	2015			2015	
TRANSPORT SERVICES							
I.22	Technical maintenance and repair of equipment for car transport	87141	2015	n.a.	2015	2015	
I.18	Cargo treatment services	67190 and 64339					
I.19	Services of warehouses and goods sheds	67290					
I.20	Services of cargo agencies	67910					
I.21	Other intermediary services, services related to processing of shipping documents, cargo inspection, weighing and other similar services						

n.a. Not available.

n.p. Not provided.

- a "Hazardous and complex objects" includes hazardous, highly dangerous and technically complex objects of capital construction, including e.g. nuclear facilities, subway systems, pipelines, etc.
- b "Heritage objects" refer to the conservation of cultural heritage objects (historical and cultural sites).
- c With the exception of: (i) for Belarus: sale of ethanol, alcohol and alcohol-containing products, tobacco products; and (ii) for Kazakhstan and Russian Federation: sale of weapons and weapons systems, military equipment and munitions, explosives and associated equipment, precious metals and stones, drugs and psychotropic substances, sturgeon and caviar, ethanol, alcohol and alcohol-containing products, tobacco and tobacco-containing products, parapharmaceutical and medicinal products (exception – until 2016), etc.