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**Committee on Regional Trade Agreements**

**FACTUAL PRESENTATION**

**TREATY ON ACCESSION OF THE REPUBLIC OF ARMENIA 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 Republic of Armenia 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**

<b>Parties to the Agreement:</b>	Republic of Armenia, Republic of Belarus, Republic of Kazakhstan and Russian Federation
<b>Date of Signature:</b>	10 October 2014
<b>Date of Entry into Force:</b>	2 January 2015
<b>Date of Notification:</b>	29 December 2014
<b>Full implementation:</b>	2025 (G&S)

**1 TRADE ENVIRONMENT**

1.1. On 2 January 2015, the Republic of Armenia (hereafter, "Armenia") became the fourth full-fledged Member of the Eurasian Economic Union (EAEU) together with the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation.

1.2. With 2.9 million inhabitants in 2016, Armenia is the smallest EAEU Member.<sup>1</sup> Its GDP was estimated at US\$10,499 million in 2016; the corresponding figure for the EAEU(3)<sup>2</sup> was US\$1,463 billion. In 2016, Armenia ranked 108<sup>th</sup> as regards both global exports and imports of goods; and for trade in services, it ranked 83<sup>rd</sup> and 88<sup>th</sup> (excluding intra-EU trade). In the same year, Armenia's world exports reached US\$1.8 billion and imports US\$3.3 billion.<sup>3</sup> Also in 2016, the EAEU's global ranking was 9<sup>th</sup> and 12<sup>th</sup> for merchandise exports and imports; and 13<sup>th</sup> and 10<sup>th</sup> for exports and imports of commercial services (excluding intra-EU trade).<sup>4</sup> Its world merchandise exports and imports were estimated at US\$341.9 billion and US\$244.2 billion, respectively.

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

**1.1 Merchandise trade**

1.4. In 2016, Armenia accounted for a relatively small share of EAEU global exports and imports, ranking 27<sup>th</sup> and 34<sup>th</sup>, respectively; in contrast, the EAEU is Armenia's second and largest export and import market. On average, one-fifth of Armenia's trade is carried out with the EAEU.<sup>5</sup>

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 Armenia'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 *vis-à-vis* the world. In contrast, Armenia has persistently run a trade deficit, reaching a peak of US\$2.8 billion in 2012, followed by a narrowing of the deficit in 2013 – 2016. Bilateral trade follows the same profile, and in relative terms, Armenia's trade deficit with the EAEU widened during the 2004-2012 period, before narrowing in 2016.

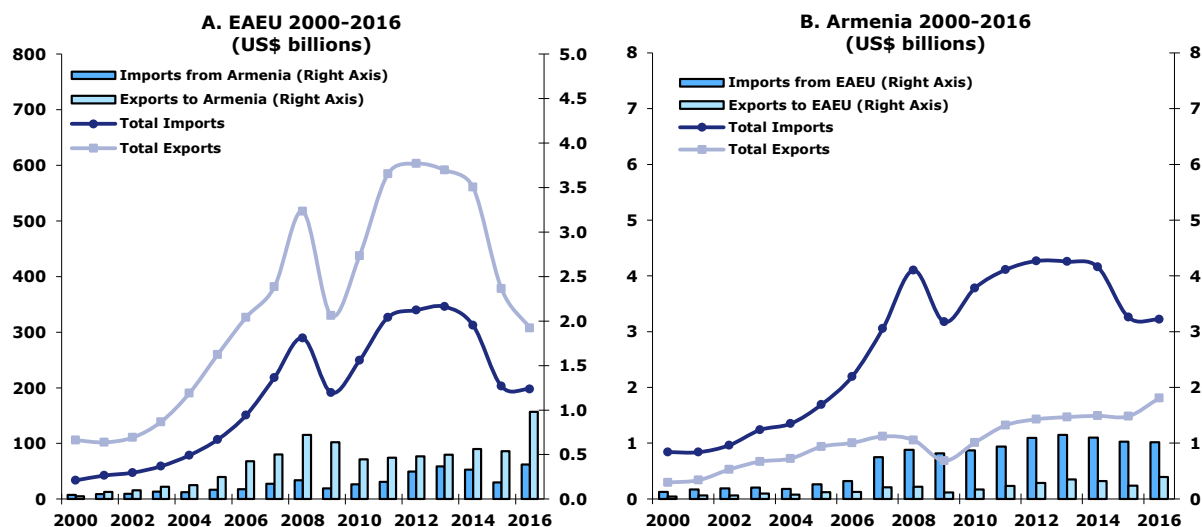
<sup>1</sup> World Bank data. Viewed at: <https://data.worldbank.org/country/armenia>.

<sup>2</sup> In this Factual Presentation, EAEU(3) includes the EAEU original member States – Belarus, Kazakhstan, Russian Federation – while EAEU(4) also includes Armenia.

<sup>3</sup> Trade statistics from WTO trade profiles 2017. Viewed at: [https://www.wto.org/english/res\\_e/booksp\\_e/trade\\_profiles17\\_e.pdf](https://www.wto.org/english/res_e/booksp_e/trade_profiles17_e.pdf).

<sup>4</sup> WTO World Trade Statistical Review 2017. Viewed at: [https://www.wto.org/english/res\\_e/statis\\_e/wts2017\\_e/wts17\\_toc\\_e.htm](https://www.wto.org/english/res_e/statis_e/wts2017_e/wts17_toc_e.htm).

<sup>5</sup> UNSD, Comtrade Database. Excludes intra-EU trade.

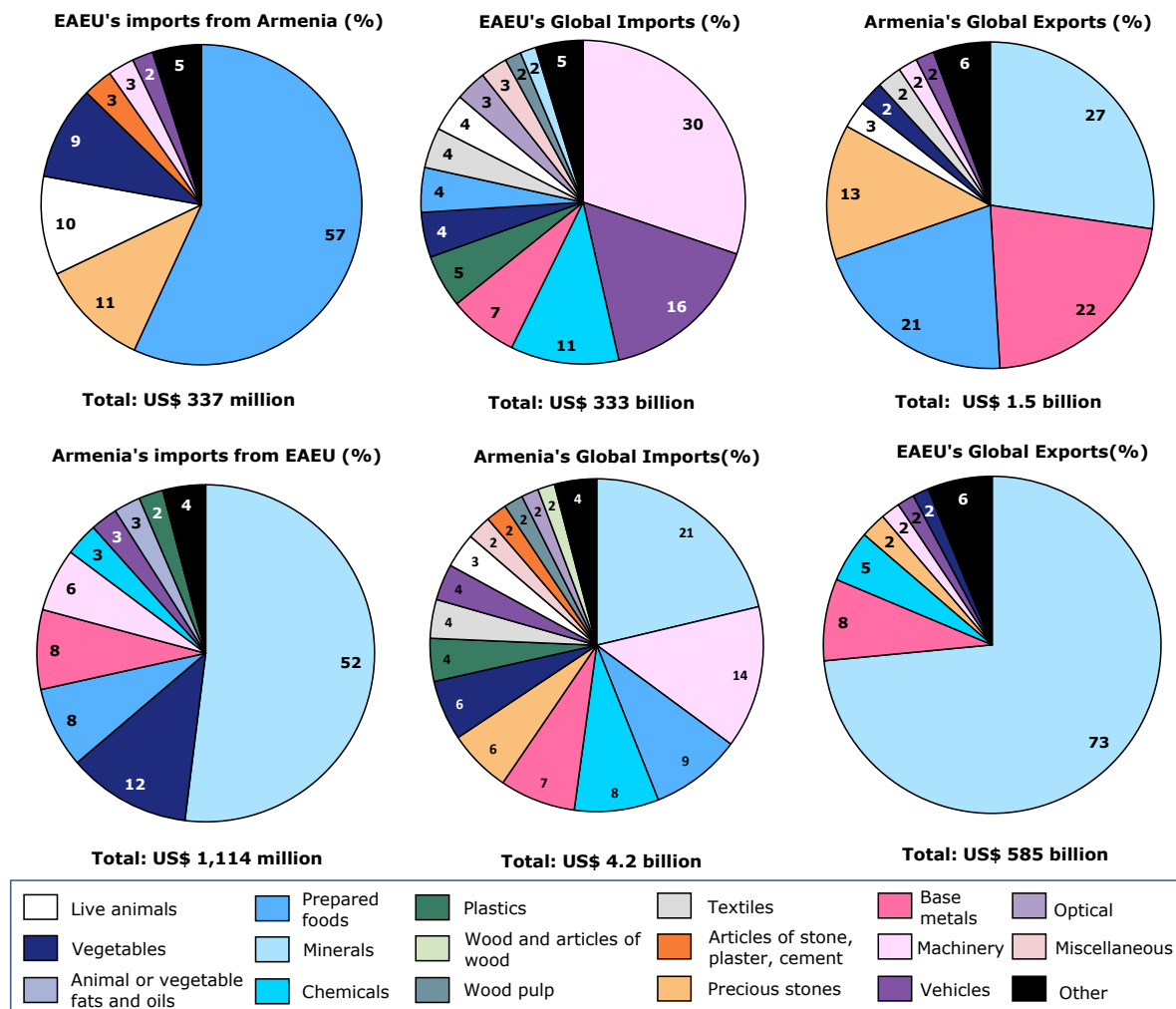
**Chart 1.1 EAEU-Armenia: Merchandise bilateral trade and with world, 2000-2016**

Note: EAEU- Belarus, Kazakhstan, Russian Federation.

Source: UNSD Comtrade database.

1.6. Chart 1.2 depicts the composition of global and bilateral trade between the Parties during the three year period 2012-2014 by HS section. While the EAEU's imports from Armenia are largely dominated by prepared food (57%), followed by precious stones (11%) and live animals (10%), Armenia's global exports appear to be generally less concentrated, with minerals, base metals and prepared food accounting for 27%, 22% and 21%, respectively.

1.7. Throughout the same period, Armenia's largest import from the EAEU, and the EAEU's main global export – minerals – accounted for 52% and 73%, respectively of Armenia's imports from the EAEU and EAEU exports. The penetration of the EAEU's exports of vegetables in the Armenian market is six times that of in the world market (12% of Armenia's imports but only 2% of EAEU global exports). The third category – base metals – represents the same percentage of both bilateral imports and global exports (8%).

**Chart 1.2 EAEU and Armenia: product composition of merchandise trade, annual average (2012-2014)**

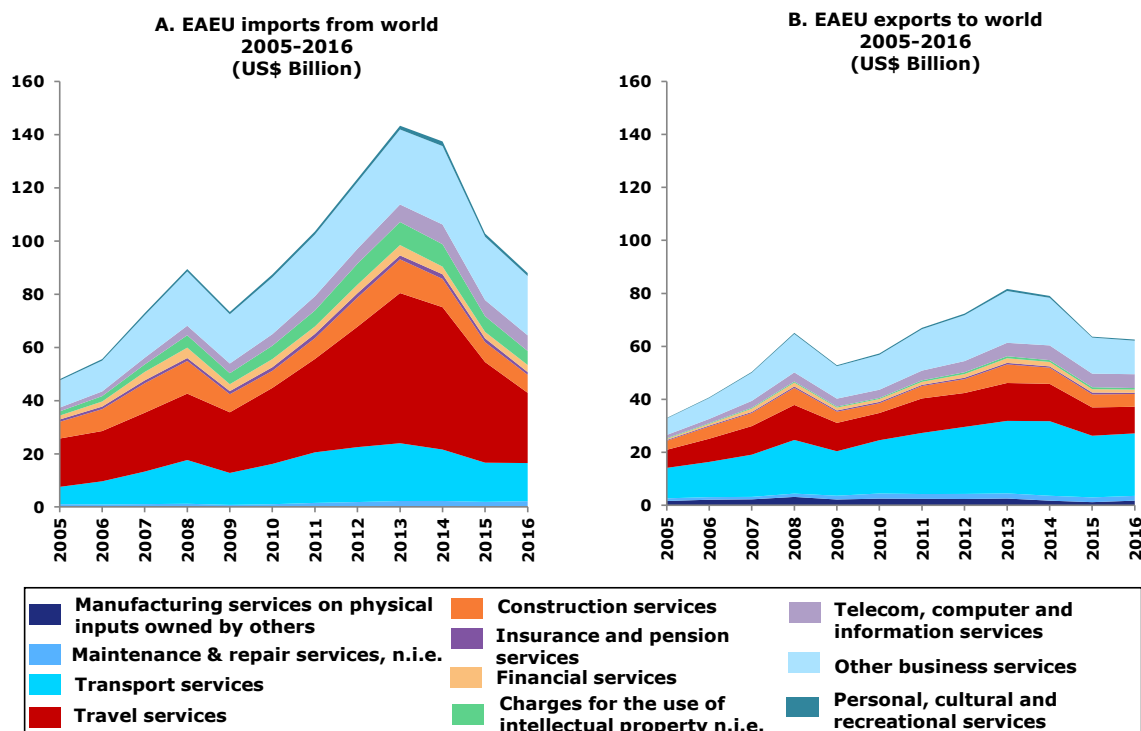
Note: EAEU - Belarus, Kazakhstan, Russian Federation.

Source: UNSD, Comtrade database.

## 1.2 Trade in services and investment

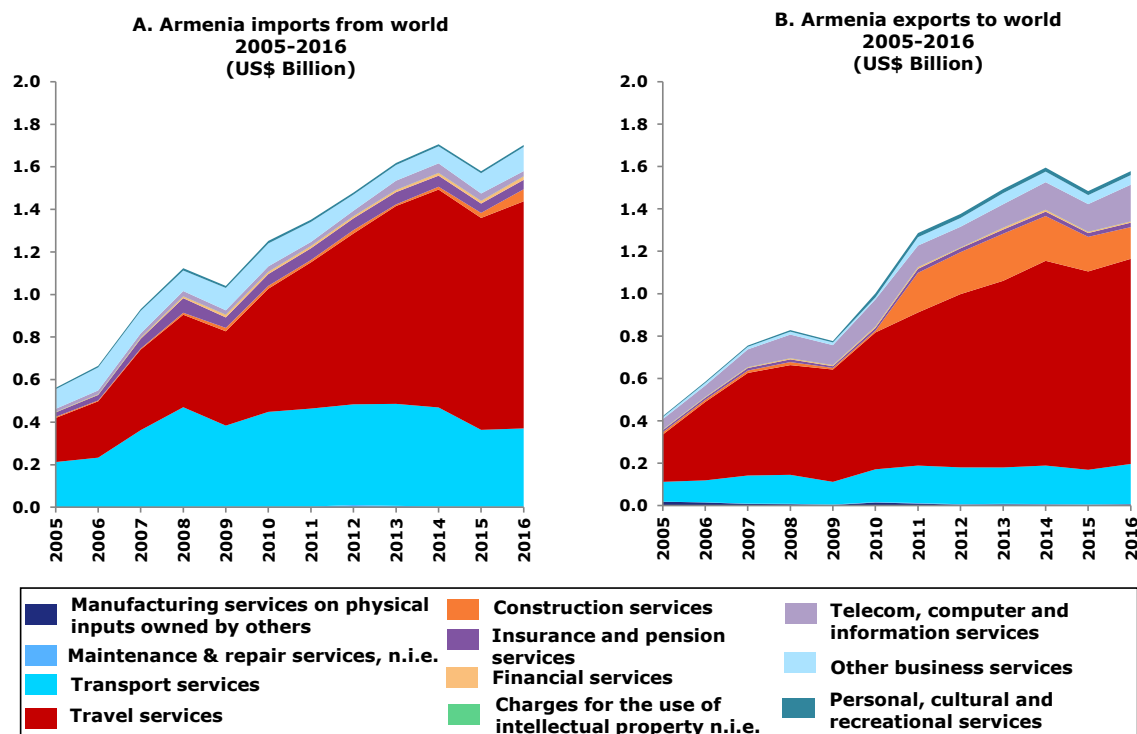
1.8. Charts 1.3-1.4 show the composition of global commercial services trade for the EAEU and Armenia in 2005-2016. Bilateral statistics for trade in services are not available. During this period, the EAEU was a net importer of travel, construction, financial and telecommunication services and charges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

1.9. Throughout the same period, Armenia was a net importer of transport, maintenance and repair, insurance and financial (except for a surplus in 2005-2006) services. It had a surplus in manufacturing, travel (except for 2013-2016), construction (with the exception of 2009-2010), and telecommunications services. Travel, transport, and construction remain the major sectors for Armenia.

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

Note: Based on BPM6, EAEU - 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>).

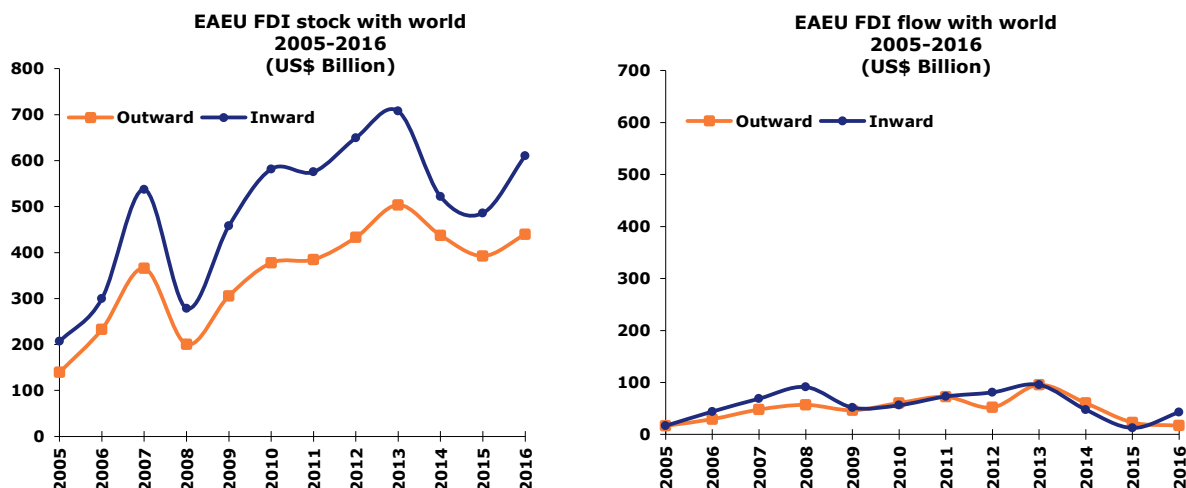
**Chart 1.4 Armenia: Trade in commercial services data with world, 2005-2016**

Note: Based on BPM6.

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, Armenia was a net importer of global FDI stocks and flows, as shown in Chart 1.6. While Armenia's inward and outward FDI stock generally increased during this period, inward FDI flows decreased significantly since 2008. Bilateral FDI information is not available.

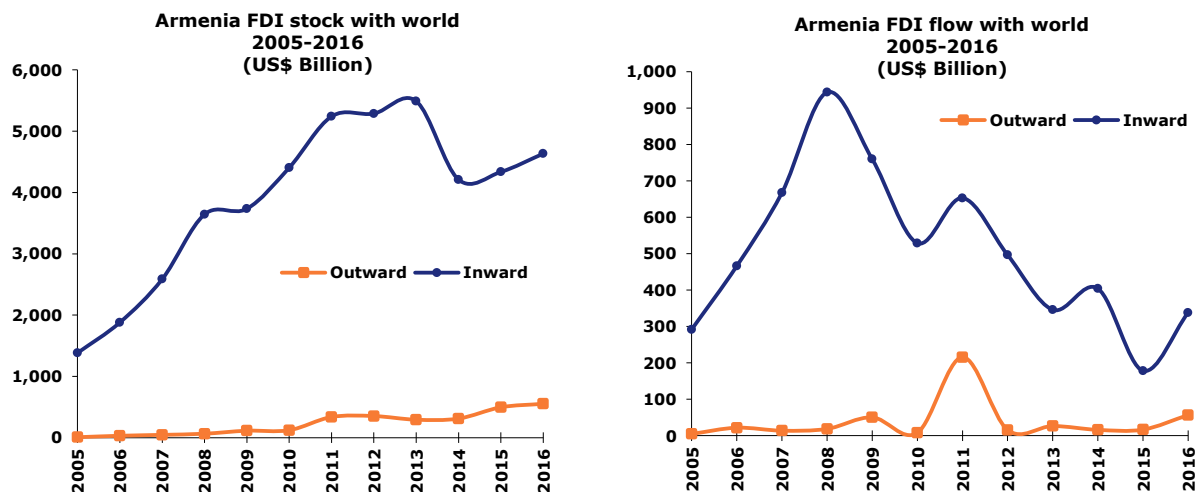
**Chart 1.5 EAEU: FDI stock and flow with world, 2005-2016**



Note: EAEU - 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 Armenia: FDI stock and flow with world, 2005-2016**



Source: UNCTAD.

## 2 CHARACTERISTIC ELEMENTS OF THE TREATY

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



- a. 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 Annex 1 to the Accession Treaty.<sup>6</sup> In the period between the signature of the Accession Treaty and its entry into force, and in accordance with paragraph 4 of Article 1 of the Accession Treaty, Armenia has acceded to three international treaties previously concluded between Belarus, Kazakhstan and the Russian Federation – namely on the circulation of pharmaceuticals and medical articles in the EAEU and on the on Accession of Armenia to the Treaty on the Accession of the Kyrgyz Republic to the EAEU Treaty;<sup>7</sup>
- b. the required modifications to the EAEU legal framework following Armenia's accession are included in Annex 2 to the Accession Treaty ("Protocol on Amending, in Connection with the Accession of the Republic of Armenia, the Agreement on the Eurasian Economic Union dated 29 May 2014 and the International Treaties Concluded in the Framework of Forming the Contractual-Legal Basis for the Customs Union and the Common Economic Space", hereafter the "Amendments Protocol");
- c. while Annex 3 to the Accession Treaty specifies the transitional measures pending Armenia's full implementation of the EAEU legal framework, Armenia's temporary exceptions to the EAEU common external tariff (CET) are specified in Annex 4; and
- d. as of its accession, Armenia will implement all Acts and Decisions adopted by the bodies of the EAEU as well as those of the CU (Article 2).

2.2. The other elements addressed by the Accession Treaty are the relationship between Armenia's Accession to the EAEU and its WTO Membership (Article 3 and Annex 3), the movement of goods and vehicles through third parties (Article 4 and Annex 5) and dispute settlement (Article 5). Article 6 establishes that the Accession Treaty is integrated into EAEU law.

2.3. The Factual Presentation on the "Treaty on the Eurasian Economic Union" (hereafter, the EAEU Treaty), distributed under WT/REG358/1, explains in detail the functioning, rules and regulations of the EAEU. A full understanding of Armenia's accession to the EAEU, dealt with in the current Factual Presentation, will therefore benefit from a joint consideration of both documents.

## 2.1 Background Information

2.4. On 29 December 2014, Armenia and the Russian Federation notified the "Treaty on Accession of the Republic of Armenia to the EAEU" under both Article XXIV of the GATT 1994 and Article V of the GATS (WT/REG363/N/1 and S/C/N/790). The Accession Treaty was signed on 10 October 2014; following the completion of ratification procedures, it entered into force on 2 January 2015, when Armenia became a Member of the EAEU. The EAEU Treaty had entered into force the day before, on 1 January 2015.

2.5. At the time of the notification and entry into force of the Accession Treaty, only Armenia and the Russian Federation were WTO Members. Kazakhstan became a WTO Member on 30 November 2015. As of August 2018, Belarus remains in the process of acceding to the WTO.

2.6. Prior to its EAEU accession, Armenia had considered joining the Customs Union between Belarus, Kazakhstan and the Russian Federation. In September 2013, Armenia declared its intention to join the CU and the SES. At the Supreme Eurasian Economic Council (hereafter, the

<sup>6</sup> Annex 1 lists 29 legal instruments to which Armenia 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, intellectual property], etc. The specific language to be modified in such legal instruments – basically adding "Republic of Armenia" to countries to which the relevant provisions apply – is contained in Section II of Annex 2 to the Accession Treaty.

<sup>7</sup> "Protocol on the accession of the Republic of Armenia to the Agreement on uniform principles and rules for the circulation of pharmaceuticals within the framework of the EAEU of December 23, 2014", signed on 2 December 2015; "Protocol on the accession of the Republic of Armenia to the Agreement on uniform principles and rules for the circulation of medical articles (articles for medical use and medical equipment) within the framework of the EAEU of December 23, 2014", signed on 2 December 2015; and "Protocol on the accession of the Republic of Armenia to the Treaty on the Accession of the Kyrgyz Republic to the Treaty on the EAEU of May 29, 2014, signed on December 23, 2014", signed on 8 May 2015.

Supreme Council) meeting held in October 2013, the Heads of States instructed the Eurasian Economic Commission (hereafter, "EEC" or "Commission") to initiate the procedure on accession; a working Group was therefore established. Armenia was granted observer status in meetings of the Supreme Council and of the EEC's Council and Collegium, as well as the right to appoint a representative to the Commission.

2.7. In December 2013, the road map for Armenia's accession to the CU and the SES was adopted. The road map provided for Armenia to implement 267 measures – generally providing for the harmonization of its national legislation with the contractual and legal framework of the CU and SES - 126 of which had to be implemented prior to accession. At the Supreme Council Session held in April 2014, it was acknowledged that 111 measures had already been implemented, while the 15 remaining measures would be included in the accession treaty itself.

2.8. On 29 May 2014, the EAEU Treaty between the Russian Federation, the Republic of Belarus and the Republic of Kazakhstan was signed; it entered into force on 1 January 2015. The EAEU Treaty provides for a common market for goods, services, capital and labour as well as coordinated and agreed policy in different areas. The CU and the SES were terminated when the EAEU was established (Article 113 of the EAEU Treaty). 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.

2.9. Within that context, and given that Armenia had implemented the measures necessary for its accession to the CU and the SES, the Accession Treaty was signed before the entry into force the EAEU Treaty, with the understanding that the accession would take place simultaneously with the start of the functioning of the EAEU.

2.10. The structure of the Accession Treaty is presented in Box 2.1.

#### **Box 2.1 Structure of Armenia's Accession Treaty to the EAEU**

##### **Treaty on Accession of the Republic of Armenia to the EAEU**

###### **Annexes**

Annex 1	List of International Treaties, which were Concluded in the Framework of Forming the Contractual-Legal Basis for the Customs Union and the Single Economic Space, and to which the Republic of Armenia Accedes
Annex 2	Protocol on Amending, in Connection with the Accession of the Republic of Armenia, the Agreement on the Eurasian Economic Union dated 29 May 2014 and the International Treaties Concluded in the Framework of Forming the Contractual-Legal Basis for the Customs Union and the Single Economic Space
Annex 3	Conditions and Transitional Clauses
Annex 4	List of Goods and Rates in Relation to Which the Republic of Armenia Applies, during the Transition Period, Import Customs Tariff Rates that differ from the Tariff Rates of the Common Customs Tariff of the Eurasian Economic Union
Annex 5	Protocol on the Peculiarities of the Movement of Goods and Vehicles from the Customs Territory of the Eurasian Economic Union, including the Territory of the Republic of Armenia, to the Customs territory of the Eurasian Economic Union, including the Territory of the Republic of Armenia, through Territories that are Not the Customs Territory of the Eurasian Economic Union

### **3 PROVISIONS ON TRADE IN GOODS**

3.1. Among members of the EAEU – and Armenia 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 Armenia's Accession Treaty, agreements and acts concluded among EAEU member States, and the EAEU Customs Code (in force since 1 January 2018).

### 3.1 Trade liberalization between the Parties

3.2. Prior to its accession to the EAEU, all trade between Armenia 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 these countries (see Section 5.7).

3.3. Under Article 114 of the EAEU Treaty, bilateral international agreements between the member States envisaging deeper integration or additional benefits for their natural and/or juridical persons - as compared to the provisions of the EAEU Treaty or of international treaties within the Union - shall be applied to relations between the contracting parties of such bilateral international agreements, provided this does not affect the rights and obligations under the EAEU Treaty and international treaties within the EAEU.

3.4. Table 3.1 and Table 3.2 show the duty free treatment provided by the EAEU and Armenia towards each other, in terms of MFN and preferential treatment under existing FTAs. In 2015, Armenia<sup>8</sup> benefitted from MFN duty-free treatment in the EAEU on 14.9% of EAEU tariff lines, accounting for 4.1% of imports by the EAEU from Armenia during 2012-2014; duty-free treatment was applied to 85.1% lines in the EAEU tariff, corresponding to 95.9% of imports from Armenia in 2012-2014. Figures on MFN/preferential duty-free treatment provided by Armenia towards EAEU member States show a similar breakdown in terms of percentage of tariff lines – around 20% MFN and 80% preferential. However, in terms of trade, the profiles are significantly different, with MFN duty-free imports accounting for as much as two-thirds of average 2012-2014 imports.

**Table 3.1 EAEU: Duty-free treatment towards Armenia and corresponding average trade**

Duty phase-out period	Number of lines	% of lines in EAEU's Tariff Schedule	Value of EAEU's imports from Armenia (US\$ million) 2012-2014	% of total EAEU's imports from Armenia 2012-2014
MFN (2015)	1,746	14.9	13.6	4.1
Preferential duty-free	9,965	85.1	319.7	95.9
Total	11,711	100.0	333.3	100.0

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

Source: WTO-IDB and Armenian authorities.

**Table 3.2 Armenia: Duty-free treatment towards EAEU member States and corresponding average trade**

Duty phase-out period	Number of lines	% lines in Armenia's Tariff Schedule	Value of Armenia's imports from EAEU (US\$ million) 2012-2014	% of total Armenia's imports from EAEU 2012-2014
MFN (2015)	2,349	20.1	750.4	65.7
Preferential duty-free	9,362	79.9	392.5	34.3
Total	11,711	100.0	1,142.9	100.0

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

Source: WTO-IDB, WTO-TPR and Armenian authorities.

3.5. 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

<sup>8</sup> 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.

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.

3.6. 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 Armenia and Kazakhstan (see Section 3.2). The tariff differential between Armenia's lower tariffs and CET may be paid to allow further circulation of goods within other EAEU parties;
- b. goods exported from Armenia which benefit from any of the transition period 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.

3.7. On the basis of the value of imports from third-parties (average of 2012-2014; for Belarus, 2012-2013 only), in 2015, 0.37% of extra-EAEU imports took place in goods which correspond to Armenia's temporary exceptions to the CET; in 2016, that figure was 0.36%. However, information is not available on whether these imports were of originating products or products from third-parties.

3.8. Free economic (special) zones and free warehouses, established in Armenia in accordance with domestic legislation, are authorized under Article 27 of the EAEU Treaty. As of June 2018, there are three operating free economic zones (FEZ) in Armenia.<sup>9</sup>

## **3.2 Trade with third parties**

### **3.2.1 Application by Armenia of the EAEU's CET**

3.9. The application by Armenia of the EAEU's CET is regulated by Sections IV and V of Annex 3 to the Accession Treaty, based on two underlying principles - namely the full harmonization of Armenia's MFN rates with the CET following a transition period and the respect of 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 making an international agreement within the EAEU, to ensure that such EAEU agreement is consistent with the WTO Agreement.

3.10. As per the Accession Treaty, Armenia has committed to renegotiate its WTO bound rates, with renegotiations being conducted by a delegation appointed by the Council of the EAEU Commission (paragraph 38 of Annex 3 to the Accession Treaty). A joint delegation, comprising representatives of Armenia, Belarus, Kazakhstan, Kyrgyz Republic, Russian Federation and the EAEU Commission<sup>10</sup> was later appointed (Order of the Council of the Commission N° 30 of 2 December 2015, which replaced Order 12 of 23 April 2015). 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.

<sup>9</sup> "Alliance" FEZ, launched in August 2013 for a duration of 10 years, is oriented towards the production and exports of high and innovative technologies. "Meridian" FEZ, launched in March 2015 for a duration of 10 years, is specialized in jewellery, stones cutting and watchmaking. "Meghri" FEZ, launched in December 2017 for a duration of 50 years, operates in the industrial and logistic fields.

<sup>10</sup> The Commission representatives are the Head of the Department of Trade Policy and of the Division of Interaction with the WTO and other International Organizations of the Trade Policy Department.

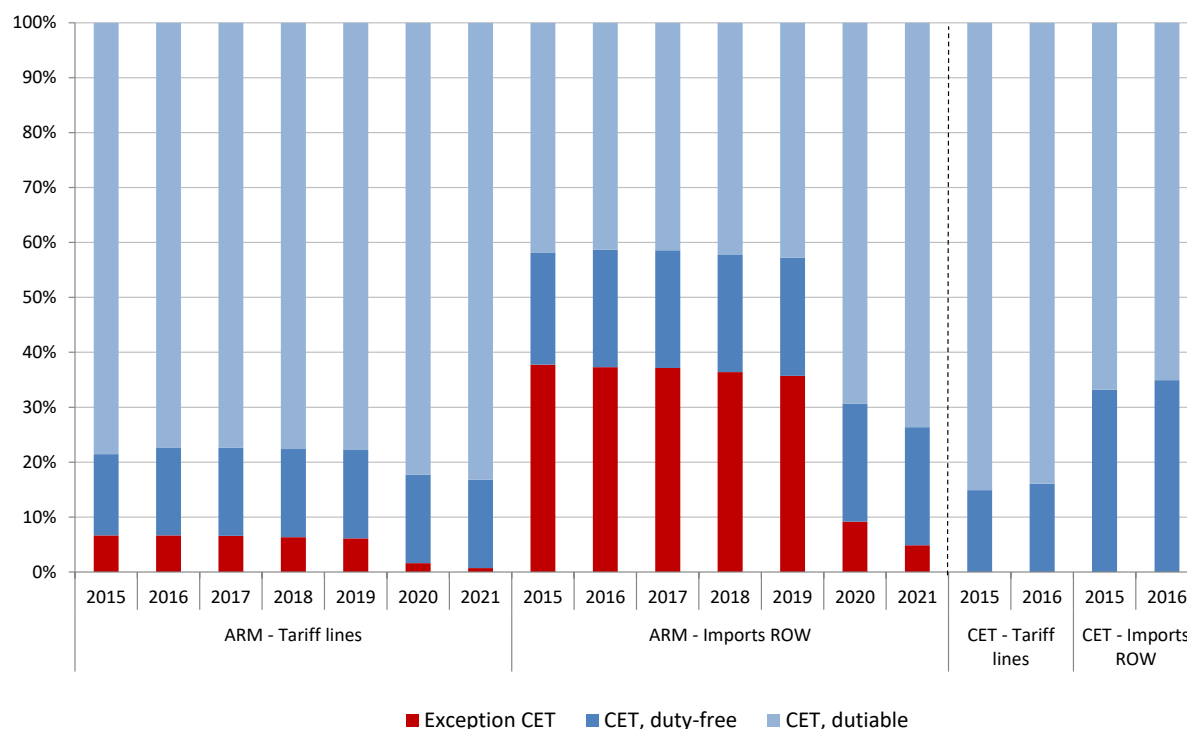
3.11. Procedures under Articles XXIV:6 and XXVIII of the GATT 1994 for the modification of Armenia's Schedule CLV were initiated by Armenia in November 2014,<sup>11</sup> with in particular the circulation of relevant data.

### 3.2.1.1 Level of harmonization

3.12. Upon its accession, Armenia has been given a number of temporary exceptions to the CET; as of 2022, the CET will apply in full.<sup>12</sup> Until that time Armenia 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, the tariff differential is paid.<sup>13</sup> The Commission is responsible for compiling and updating Armenia's CET exception list of goods/rates (paragraph 40 of Annex 3 to the Accession Treaty).

3.13. Chart 3.1 illustrates the level of harmonization of the CET – as applied by Belarus and the Russian Federation<sup>14</sup> – and Armenia's MFN rates for 2015-2021, by the number of tariff lines and extra-EAEU(4) imports (average 2012-2014, for Belarus, 2012-2013 only). A breakdown of the duty free/dutiable CET rates is also provided. Exceptions, granted for less than 10% of the tariff lines, accounted in 2015 for more than two-thirds of Armenia's imports from third-parties. By 2020, with the number of exceptions to the CET significantly reduced, they will account for around 10% of third-parties imports.

**Chart 3.1 Armenia - Application of CET and Exceptions and corresponding average trade, 2015-2021**



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.

ARM Armenia.

<sup>11</sup> G/SECRET/37.

<sup>12</sup> Annex 4 lists, for all of Armenia's exceptions to the CET, the applied MFN rate for the period 2015-2022. The CET rates may however vary during this period; accordingly, it may happen that a CET exception becomes redundant.

<sup>13</sup> Other member States are free to establish procedures for the entry of such goods into their territory.

<sup>14</sup> Kazakhstan also has CET exceptions; therefore, the CET is applied in its totality only by Belarus and the Russian Federation.

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 applies CET exceptions). As of 2017, 2016 CET rates are used.
ARM 2015	Russian Federation MFN 2015 + Armenia's Exception for 2015.
ARM 2016-2022	Russian Federation MFN 2016 +Armenia's Exception for 2016-2021.

Source: WTO-IDB, WTO-TPR and Armenian authorities.

3.14. Additional details on CET exceptions are provided in Table 3.3. In 2015, Armenia's CET exceptions were in force for 780 tariff lines, accounting for 0.37% of extra-EAEU(4) imports (average of 2012-2014, 2012-2013 for Belarus); in 2021, the corresponding numbers will be 82 tariff lines, representing 0.05% of EAEU's imports from third parties.

**Table 3.3 Armenia: CET exceptions and trade with third parties, 2015-2021**

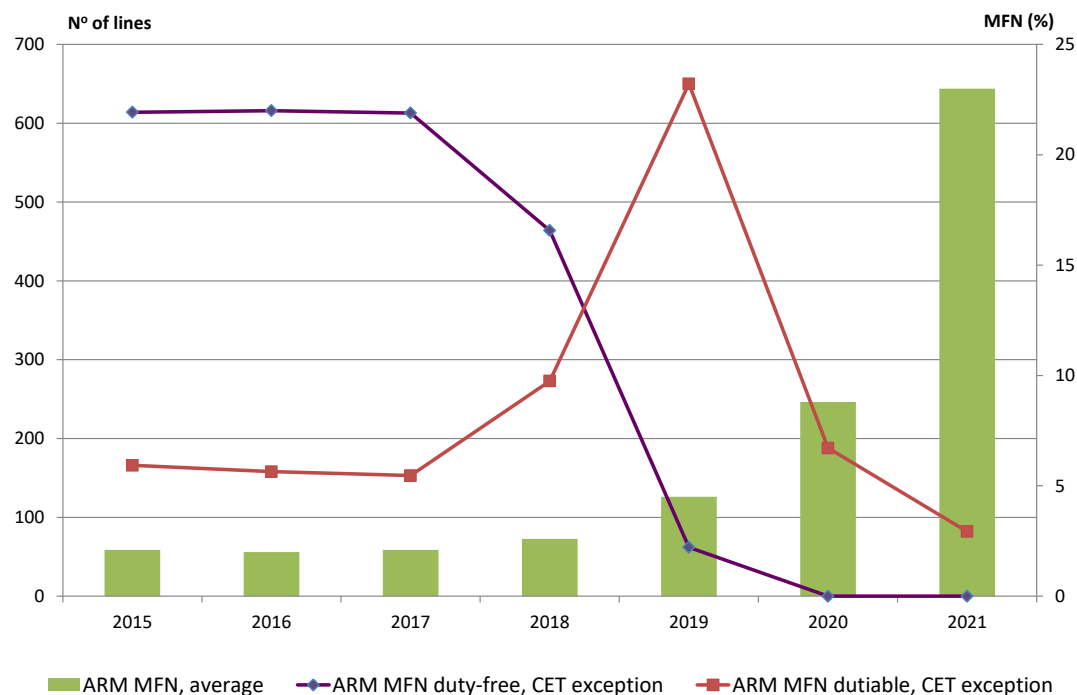
Tariffs (year)	N° of lines	% imports from ROW (2012-2014) <sup>a</sup> by	
		Armenia	EAEU(4)
2015 <i>of which:</i> equal to the CET lower than the CET higher than the CET not comparable <sup>b</sup>	780 8 732 21 19	37.8%	0.37
2016 <i>of which:</i> equal to the CET lower than the CET higher than the CET not comparable <sup>b</sup>	774 5 729 22 18	37.3%	0.36
2017 <i>of which:</i> equal to the CET lower than the CET higher than the CET not comparable <sup>b</sup>	766 5 721 22 18	37.2%	0.36
2018 <i>of which:</i> equal to the CET lower than the CET higher than the CET not comparable <sup>b</sup>	737 1 709 9 18	36.4%	0.36
2019 <i>of which:</i> lower than the CET higher than the CET not comparable <sup>b</sup>	712 688 6 18	35.7%	0.35
2020 <i>of which:</i> lower than the CET higher than the CET	188 187 1	9.2%	0.09
2021 <i>of which:</i> lower than CET	82 82	4.9%	0.05

Note: Based on HS 2012 nomenclature.

- a Except for Belarus where import coverage is for 2012-2013.  
b Rates are not comparable because of differences in duty type.

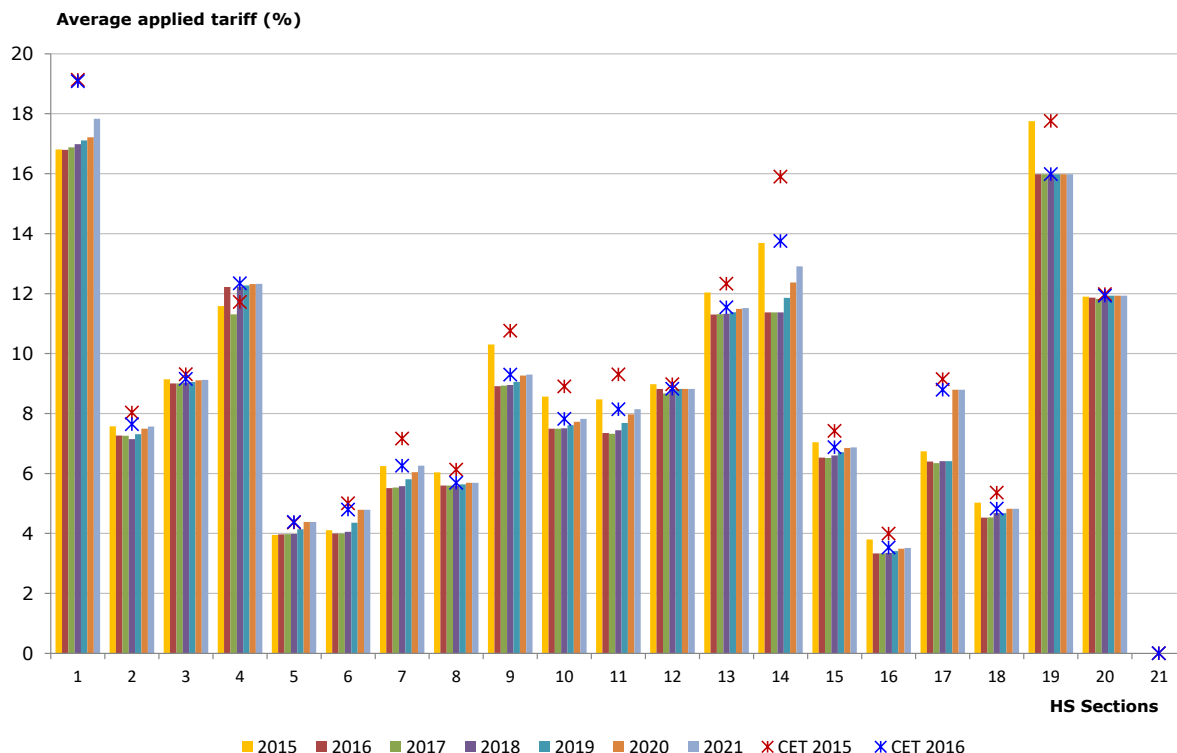
Source: Armenian authorities, WTO-IDB and WTO-TPR.

3.15. Convergence of the exceptions towards the CET is not linear; around 20% of the tariff is to be aligned in one instalment; around 40% is to be aligned in two instalments; for the reminder, convergence is achieved in three or more instalments. In Chart 3.2, the evolution of Armenia's CET exceptions is plotted jointly with its yearly MFN average; it can be seen that by 2019, a significant number of tariff lines that were previously MFN duty-free in Armenia have become dutiable, in order to progressively reach the CET.

**Chart 3.2 Armenia: Evolution of CET exceptions and MFN rates, 2015-2021**

Source: Armenian authorities, WTO-IDB, WTO-TPR.

3.16. Chart 3.3 provides details of Armenia's CET exceptions by HS Section for the 2015-2021 period. Applied rates for Armenia and under the CET are the same in HS Sections 12 (footwear), 19 (arms and ammunition) and 21 (works of arts) for both years, and Section 20 (miscellaneous) for 2016. In other Sections, Armenia's applied rates are lower than those of the CET.

**Chart 3.3 CET and Armenia MFN rates, 2015-2021, by HS Section**

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

Source: Armenian authorities, WTO-TPR and UNSD, Comtrade databases.

3.17. Table 3.4 indicates Armenia's average tariffs and imports by HS Section before accession and during the transition period. Armenia's average MFN applied rate has increased during this period for all HS Sections except 3 (oils and fats) and 12 (footwear), for which the average MFN applied rate was reduced in that period, and 21 (works of arts), for which the average MFN rate has remained duty-free.

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

HS Section	Armenia's average MFN rates (%)								ROW imports US\$ million (2012-2014)
	2014	2015	2016	2017	2018	2019	2020	2021	
1	9.3	16.8	16.8	16.9	17.0	17.1	17.2	17.8	136.0
2	7.2	7.6	7.3	7.3	7.1	7.3	7.5	7.6	114.3
3	9.9	9.1	9.0	9.0	9.0	9.1	9.1	9.1	29.8
4	8.6	11.6	12.2	11.3	12.2	12.3	12.3	12.3	286.6
5	0.7	3.9	4.0	4.0	4.0	4.1	4.4	4.4	325.1
6	0	4.1	4.0	4.0	4.1	4.4	4.8	4.8	309.7
7	4.4	6.2	5.5	5.5	5.6	5.8	6.0	6.3	149.9
8	2.7	6.0	5.6	5.6	5.6	5.6	5.7	5.7	12.4
9	1.6	10.3	8.9	8.9	9.0	9.1	9.3	9.3	63.6
10	0.8	8.6	7.5	7.5	7.5	7.6	7.7	7.8	67.5
11	3.9	8.5	7.4	7.3	7.4	7.7	8.0	8.1	155.6



HS Section	Armenia's average MFN rates (%)								ROW imports US\$ million (2012-2014)
	2014	2015	2016	2017	2018	2019	2020	2021	
12	10	9.0	8.8	8.7	8.8	8.8	8.8	8.8	30.2
13	7.6	12.0	11.3	11.3	11.3	11.4	11.5	11.5	79.3
14	2.9	13.7	11.4	11.4	11.4	11.9	12.4	12.9	251.1
15	2	7.0	6.5	6.5	6.6	6.7	6.9	6.9	226.0
16	3.2	3.8	3.3	3.3	3.4	3.4	3.5	3.5	518.7
17	4.3	6.7	6.4	6.3	6.4	6.4	8.8	8.8	250.9
18	1.4	5.0	4.5	4.5	4.7	4.7	4.8	4.8	67.5
19	0	17.8	16.0	16.0	16.0	16.0	16.0	16.0	0.9
20	9.4	11.9	11.9	11.8	11.9	11.9	11.9	11.9	103.6
21	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8

Note: For the calculation of averages, specific rates are excluded and the *ad valorem* equivalents or *ad valorem* parts of alternate rates are included.  
Armenia's MFN rates for 2015 are the Russian Federation MFN rates for 2015 combined with Armenia's 2015 Exceptions. For 2016-2021, they are based on the Russian Federation MFN 2016 and Armenia's Exceptions for 2016 to 2021.  
Based on the HS 2012 nomenclature.

ROW: Rest of the world.

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

### 3.2.1.2 Other tariff-related matters

3.18. The Accession Treaty authorizes Armenia to grant (Section V of Annex 3):

- a. tariff exemptions (i) in accordance with international treaties concluded prior to 1 January 2015 (see Table 5.1); (ii) in the context of an education programme concluded with India; and (iii) in the context of a domestic education programme, which lasted up to 1 January 2018, with the exception of vehicles, bicycles, and water and air transport (paragraph 41);
- b. tariff exemptions up to 2025 on imports of raw sugar cane for industrial processing in Armenia (HS 1701.13 and 1701.14),<sup>15</sup> subject to confirmation by an Armenian authorized body that the raw sugar is for industrial processing. Armenia shall inform the Commission of the annual import volumes and consumption balance. Armenia is to ensure that neither the imported raw nor the transformed white sugars are subsequently exported to other EAEU member States. In no case shall these provisions be used by Armenia to restrict sugar imports from other EAEU member States (paragraph 42);
- c. tariff exemptions up to 2022, for the following imports (paragraph 44):
  - i. goods for military use, provided similar goods are not produced in other EAEU member States and subject to the issuance of an end-use certificate by Armenia's Ministry of Defence;
  - 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
  - iii. goods used in the construction, modernization and operation of nuclear power in the territory of Armenia, in accordance with the list of such goods under Decision N° 9/12 of the Council of the Eurasian Economic Commission.

<sup>15</sup> As from accession, Armenia started applying the CET for these items, with specific rates varying from 140 to 250 US\$/metric tonne. Armenia's bound rates for the corresponding HS2007 headings are 10%.

3.19. Armenia is to ensure that all goods under 3.18. above, except sub-paragraph b., remain in its territory, and to take measures ensuring that in case of exportation to other EAEU member States, the tariff differential is paid.

### **3.2.1.3 Revenue-sharing**

3.20. The original EAEU revenue-sharing formula<sup>16</sup> was modified following Armenia's accession to the EAEU, to the following ratio: 1.13% for Armenia, 4.65% for Belarus, 7.25% for Kazakhstan and 86.97% for the Russian Federation: (paragraph 1 to Amendments Protocol to the Accession Treaty). Any revenue collected by Armenia is to be distributed on the next business day following payment of the import duties.

3.21. Following accession of the Kyrgyz Republic to the EAEU, the revenue-sharing was again modified to the following ratio: 1.11% for Armenia, 4.56% for Belarus, 7.11% for Kazakhstan, 1.9% for the Kyrgyz Republic and 85.32% for the Russian Federation. This ratio has been applied until the end of 2016. In 2017 the formula was again modified; as of July 2018, the ratio applied was 1.220% for Armenia, 4.560% for Belarus, 7.055% for Kazakhstan, 1.9% for the Kyrgyz Republic and 85.265% for the Russian Federation.

### **3.2.2 Non-tariff measures**

#### **3.2.2.1 Tariff rate quotas**

3.22. Armenia was authorized to apply, up to 1 January 2017, a tariff-rate quota of 4,000 metric tonnes/year for white sugar (HS 1701.99.1001 and 1701.99.1009), with an in-quota rate of 10%, subject to the issuance of an import license by an authorized body in Armenia (paragraph 43 of Annex 3 to the Accession Treaty).<sup>17</sup>

### **3.2.3 Other export-related measures**

3.23. The Accession Treaty has no provision regarding other export-related measures; thus, the EAEU disciplines apply.

3.24. Export duties are not applied on intra-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. As of April 2018, export duties are applied by all EAEU countries except Armenia.

### **3.2.4 Fees and charges connected with importation and exportation**

3.25. The Accession Treaty has no provision regarding fees and charges connected with importation and exportation; thus, the EAEU disciplines apply. Goods in intra-trade originating from the member States are not subject to the payment of fees and charges connected with importation.

### **3.2.5 General incidence of the formation of the EAEU**

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

<sup>16</sup> The original EAEU fixed customs revenue sharing, established by Article 26 and Annex 5 of the EAEU Treaty, provided for 4.70% for Belarus, 7.33% for Kazakhstan and 87.97% for the Russian Federation.

<sup>17</sup> Average imports of HS 1701.99 in 2012-2014 reached 4,656 tons. These items are bound in Armenia's schedule at 15%. As from Armenia's accession, the CET - 340 US\$/ton - was applied for these items.

3.27. 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 was circulated as WT/REG363/2.

### **3.3 Rules of origin**

3.28. 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**

3.29. 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 Armenia 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**

3.30. Disciplines on sanitary, veterinary and phytosanitary measures are defined in Section VIII of Annex 3 to the Accession Treaty. They do not provide for any transition period; therefore, as of its accession, Armenia is to fully apply the EAEU legislation and requirements regarding sanitary, veterinary and phytosanitary measures.

3.31. Certificates of Conformity shall be issued by bodies authorized to perform such activities under Armenia's legislation (paragraph 53). These bodies are included in the Unified Register of Certification Bodies and Testing Laboratories.

##### **3.4.1.2 Technical barriers to trade**

3.32. The Accession Treaty disciplines (Section VII of Annex 3) provide transition periods for Armenia to apply EAEU technical regulations; upon the expiry of the transition period, products destined for the Armenian market will have to carry a label of Eurasian conformity.

3.33. A general transition period of one year – namely, by 2 January 2016 – has been agreed upon for Armenia to apply the EAEU disciplines on technical regulations (paragraph 48); longer transition periods have however been agreed upon for some specific cases, as follows:

- a. for machinery and equipment, furniture production and agricultural and forestry tractors and their trailers, Armenia had up to 2 January 2017 to comply with technical regulations;
- b. compliance with technical regulations for materials for automotive road construction has been delayed until 2 January 2019; and
- c. the longest transition period (5 years) has been granted for compliance with technical regulations applied to wheeled vehicles<sup>18</sup> – i.e. by 2 January 2020.

3.34. As required by paragraph 49 of Annex 3, the Collegium of the Commission adopted Decision N° 28/15 "On the Procedure for the Implementation of Technical Regulations of the Customs Union in the Republic of Armenia".<sup>19</sup> The implementing Decision provides as follows:

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<sup>18</sup> Technical regulations of the Customs Union numbers a. 010/2011, 025/2012 and 031/2012; b. 014/2011; and c. 018/2011, respectively.

- a. issuance of conformity assessment certificates in accordance with Armenia's domestic legislation is not possible after the expiry of the transition period;
- b. following the expiry of the transition period, production and release of goods for circulation within the customs territory of Armenia (or their installation in the case of "objects and elements of the railway transport infrastructure") based on Armenia's requirements 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. generally 2 January 2018, but later for products listed in paragraph 3.33. above), provided the good is accompanied by a Certificate of conformity issued by an authorized Armenian body and carries a label indicating Armenian 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 customs territory of Armenia benefitting from a longer transition period specified in paragraph 3.33. above is allowed during the lifetime of the product, as provided for in Armenia's domestic legislation.

3.35. Armenia'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.

3.36. During the transition period, both Armenia's and the Customs Union's legislation on technical regulations can be applied for products destined for circulation in Armenia's territory. If a good imported into Armenia is to move to other EAEU member States, it shall conform to the EAEU technical regulation.

3.37. Conformity assessment shall be performed by Armenia's accredited bodies in accordance with EAEU legislation. Certificates of Conformity shall be issued by bodies accredited to perform such activities under Armenia's legislation (paragraph 52).<sup>20</sup>

#### 3.4.2 Trade defence measures

3.38. The EAEU's trade defence regime took effect in Armenia on 2 January 2015; the relevant existing national legislation lapsed on that date. These changes were notified to the WTO on 29 December 2014.<sup>21</sup>

3.39. The Accession Treaty provides the following regarding anti-dumping, countervailing and safeguard measures (Section VI of Annex 3 to the Accession Treaty, paragraph 47):

- a. for any such measure in force in the EAEU's territory on the date of Armenia'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 Armenia'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;

<sup>19</sup> In this Factual Presentation, decisions taken by the different bodies will be referenced through Body, number and year, as follows: Collegium Decision N° 28/15, which was adopted on 14 April 2015, [https://docs.eaeunion.org/docs/ru-ru/0147530/clcd\\_16042015\\_28](https://docs.eaeunion.org/docs/ru-ru/0147530/clcd_16042015_28) (in Russian only). A typing error was corrected by the Collegium Decision N° 87 of 28 August 2016. 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.

<sup>20</sup> The EAEU has an Unified Register of Certification Bodies and Testing Laboratories, [http://www.eurasiancommission.org/en/docs/Pages/IL\\_OS.aspx](http://www.eurasiancommission.org/en/docs/Pages/IL_OS.aspx), and Unified Registers of Issued Certificates of Conformity and of Registered Declarations of Conformity.

<sup>21</sup> G/ADP/N/1/ARM/2 - G/SCM/N/1/ARM/2 - G/SG/N/1/ARM/2. This document, dated May 2016, had originally been circulated a year before but incorrectly symbolled.

- b. if the decision to apply any such measure is taken after Armenia's accession but following an investigation conducted prior to its accession, such measure shall be directly extended to Armenia; 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 Armenia's 2011-2013 import volumes from third countries.

3.40. Armenia's December 2014 notification also included summary information on trade defence measures applied by the EAEU to be extended to Armenia, as from its accession to the EAEU. Following the completion of the translation of the relevant instruments (in particular Articles 48-50 of the EAEU Treaty and the Trade Defence Protocol), Armenia has notified their text in full.<sup>22</sup>

#### 3.4.2.1 Safeguard measures

3.41. Intra-EAEU safeguards are prohibited. Global safeguards are applied in the entirety of the EAEU. Individual EAEU member States are authorized to adopt measures in cases of critical balance of payments conditions in accordance with section VIII of the "Protocol on Measures for Non-tariff Regulation with regard to Third Countries" (Annex 7 to the EAEU Treaty).

3.42. Prior to its accession to the EAEU, Armenia had no safeguard measures in force.

3.43. At the date of accession of Armenia to the EAEU, the EAEU applied two global safeguard measures, as indicated in Table 3.5. Following a Decision of the Collegium of the Commission,<sup>23</sup> the quota on harvesters and modules was adjusted to take into account Armenia. As regards tableware, the safeguard duty was also applied by Armenia. The application of these safeguards was notified to the WTO prior to their imposition.<sup>24</sup> The notification indicated Armenia's and EAEU's readiness to hold consultations with Members having a substantial interest as exporters of the product 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 Armenia on 2 January 2015**

Investigation	Effective date and type of definitive measure	
	EAEU	Armenia
Harvesters and modules thereof	01/01/2014 until 21/08/2016 Quota	02/01/2015 until 21/08/2016, Quota, in addition to that of the EAEU
Tableware	29/09/2013 until 28/09/2016 Specific duty	As of 02/01/2015 until 28/09/2016 Specific duty, as applied by the EAEU

Source: G/SG/N/6/ARM/1, G/SG/N/8/ARM/1, G/SG/N/10/ARM/1, G/SG/N/11/ARM/1; and G/SG/N/6/ARM/2, G/SG/N/8/ARM/2, G/SG/N/10/ARM/2, G/SG/N/11/ARM/2.

3.44. Armenia had no Special Safeguards in Agriculture at the time of its accession to the EAEU.

#### 3.4.2.2 Anti-dumping and countervailing measures

3.45. While 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).

<sup>22</sup> G/ADP/N/1/ARM/3 - G/SCM/N/1/ARM/3 - G/SG/N/1/ARM/3.

<sup>23</sup> Collegium Decision N° 230 of 9 December 2014 "On certain issues of application of safeguards and anti-dumping measures in connection with the accession of the Republic of Armenia to the Treaty on the Eurasian Economic Union dated May 29, 2014", [https://docs.eaeunion.org/docs/ru-ru/0144299/clcd\\_12122014\\_230](https://docs.eaeunion.org/docs/ru-ru/0144299/clcd_12122014_230) (in Russian only).

<sup>24</sup> G/SG/N/6/ARM/1, G/SG/N/8/ARM/1, G/SG/N/10/ARM/1, G/SG/N/11/ARM/1; and G/SG/N/6/ARM/2, G/SG/N/8/ARM/2, G/SG/N/10/ARM/2, G/SG/N/11/ARM/2.

3.46. Prior to its accession to the EAEU, Armenia had neither anti-dumping<sup>25</sup> nor countervailing measures in force. At that time, the EAEU also did not apply countervailing measures.

3.47. At the entry into force of the EAEU, the Union applied ten anti-dumping measures, as indicated in Table 3.6 below. Following a Decision of the Collegium of the Commission, these anti-dumping duties were extended to Armenia. Their application was duly notified to the WTO.<sup>26</sup>

**Table 3.6 Definitive Anti-dumping measures applied by the EAEU and extended to Armenia on 2 January 2015**

Country Affected	Product	Measure
<b>Measures in force on 31 December 2014</b>		
China	Cold-rolled flat steel products with polymer coating	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
Germany	Light commercial vehicles	Duties
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/ARM/2 and G/ADP/N/272/ARM.

3.48. Following Armenia'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

3.49. 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 Armenia, as specified in the Accession Treaty.<sup>27</sup>

3.50. The EAEU Treaty authorizes temporary exemptions from the EAEU's disciplines on industrial subsidies. In the case of Armenia, 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, which updates the Appendix to EAEU's Annex 28).

### 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. As of July 2018, Armenia was finalizing a draft law on customs regulation that takes into account the EAEU Customs Code requirements.

3.52. Section III of Annex 3 to the Accession Treaty on "Matters of Legal Relations in Customs" provides disciplines on the following:

- a. for persons carrying out activities in the customs sphere and other persons in Armenia, a transition period is granted (in general six months for customs forwarders and

<sup>25</sup> See G/ADP/N/265/Add.1/Rev.1.

<sup>26</sup> G/ADP/N/1/ARM/2 and G/ADP/N/272/ARM.

<sup>27</sup> Additional information can be found in Sections 3.4.4 and 3.5 of WT/REG358/1.

authorized economic operators and 18 months for customs representatives and owners of customs warehouses or temporary storage warehouses) for aligning Armenia's national regulations to those of the EAEU. As of July 2018, this transition period had lapsed;

- 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 Armenia 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 Armenia or which were under customs control;
- d. adapting the customs regimes of goods that were in Armenia to the EAEU regime<sup>28</sup> and subjecting them to the appropriate EAEU customs law; particular disciplines apply to vehicles imported from third parties and to duty-free shops. Vehicles under HS 8702-8704 imported into Armenia from third-parties with a tariff lower than the EAEU CET,<sup>29</sup> and classified as "importation for free circulation" or "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) three years after Armenia's CET exceptions for these goods have been terminated – i.e. by 2023, since Armenia will apply the CET for HS 8702-8704 as of January 2020 (paragraph 13 of Annex 3);
- e. procedures for vehicles providing international transportation for passengers and/or goods at the date of entry into force of the Accession Treaty (paragraphs 28 and 29 of Annex 3); and
- f. for automobiles for personal use registered in Armenia (under HS 8702, 8703, 8704.21, and 8704.31) and in transit/movement within the EAEU customs territory, where the payment of any differences in customs duty and tax rates in force in Armenia and in the other EAEU member States is due, or conversely waived.<sup>30</sup> It is further specified that customs duties and taxes applied on personal-use automobiles imported from third parties since the existence of the CU will only apply to imports into Armenia once the CET rates are in force, as of January 2020. As under d. above, free circulation within the EAEU is only possible either following the payment of the tariff differential or after 2023; however, any such payment is not due in case of cars registered in Armenia which are temporarily imported into other EAEU member States by permanent residents of the former. Their sale, transfer for use and disposition in the territories of other EAEU member States is allowed only after filing a customs declaration and payment of tariff differentials, as previously indicated. Armenian customs bodies are to inform their EAEU counterparts 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 30-37 of Annex 3).

#### 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. Following its accession to the EAEU, Armenia started applying EAEU disciplines on trade in services and investment, as provided for in EAEU Treaty and EAEU Decisions, as amended by relevant provisions of Annexes 2 and 3 of the Treaty of Accession. Further, certain transport services disciplines, as applied to Armenia, are included in paragraph 4 of the Kyrgyz Republic's Protocol on Amendments to the EAEU.

<sup>28</sup> E.g. "importation for free circulation" in Armenia becomes "release for domestic consumption" in EAEU.

<sup>29</sup> If the tariff rates paid in Armenia were the same as the EAEU CET, these provisions do not apply.

<sup>30</sup> This system is in general needed to avoid trade deflection, since Armenia's MFN rates on these products are lower than those of the CET.



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 its Factual Presentation (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:

- 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 it is the case with all EAEU member States, Armenia'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 Armenia 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. Armenia 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 Armenia'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 Armenia. Armenia's mode 4 commitments and limitations are addressed in Section 4.4.1.

#### **4.3.5 Performance requirements**

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

#### **4.3.6 State enterprises and monopolies**

4.12. Section XII of Annex 3 to the Accession Treaty states that the EAEU's natural monopolies disciplines (Article 78 of the EAEU Treaty and its Protocol 20 on the Common Principles and Rules of Regulating the Activities of Natural Monopoly Entities) apply to relations between Armenia's natural monopolies, consumers and bodies at all levels of government to the extent that they affect trade between EAEU member States.

4.13. Armenia's natural monopolies are those public services defined as such in its domestic legislation (paragraph 4 of Annex 2 of the Accession Treaty):

- a. electricity transmission and electricity system operator services and services ensuring use of the railway infrastructure (included in Appendix 1 to Protocol 20); and
- b. transportation and distribution of natural gas services, gas supply system operator services, non-competitive water supply services and sewerage, electricity distribution services and clearing centre 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 investment (paragraph 73 of the Services and Investment Protocol).<sup>31</sup> As applied to Armenia, the restrictive measures in force as of 10 October 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.<sup>32</sup>

4.15. 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.

<sup>31</sup> These provisions do not apply to establishment.

<sup>32</sup> Limitations 6-7 and 9 for Armenia; and limitations 27 and 28 for Belarus; 7, 25-26, 28-30 for Kazakhstan; 5-6, 31-35 for the Russian Federation.

4.16. Armenia's integration into intra-EAEU trade services and investment liberalization is mainly defined through the following:

- a. Armenia's Schedule of Horizontal Limitations, included in paragraph 2 of Annex 2 to the Accession Treaty, applies across-the-board;
- b. Armenia's Schedule of Additional Limitations (in accordance with paragraphs 56-57 of Annex 3 to the Accession Treaty) is provided for in the Supreme Council Decision N° 18 "On Amending the Decision of 23 December 2014 No 112" of 8 May 2015;<sup>33</sup>
- c. as of 12 May 2015, Armenia joined the single market for 43 services sectors/sub-sectors which were in operation as from EAEU's entry into force (Supreme Council Decision N° 17/15, in accordance with paragraph 58 of Annex 3 to the Accession Treaty), as follows:<sup>34</sup>
  - 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 and Armenia as of 12 May 2015, (including services in wholesale and retail trade, franchising services, hotel and catering services). For Kazakhstan, the single market 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 and also Armenia as of 12 May 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 and Armenia as of 12 May 2015 (e.g. construction and engineering services). For Kazakhstan, the single market 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 services for 21 services sectors/sub-sectors established within a transition period, as agreed in Supreme Council Decision N° 30/15<sup>35</sup> (in accordance with paragraph 59 of Annex 3 to the Accession Treaty), subject to exemptions in 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;<sup>36</sup>
- e. for those sectors in which the single services market is not in operation, both national and MFN treatment apply. Besides, quantitative and investment restrictions cannot be applied; and
- f. the creation of single markets for financial, transport and energy services is regulated by other plans stipulated in related Sections of the EAEU Treaty (see Section 4.6).

<sup>33</sup> [https://docs.eaeunion.org/docs/en-us/0147687/scd\\_12052015\\_18](https://docs.eaeunion.org/docs/en-us/0147687/scd_12052015_18) (in Russian).

<sup>34</sup> Decision "On Amending the List of Services Sectors (Subsectors) of Services, in which a Single Market of Services is Functioning within the Framework of the Eurasian Economic Union", [https://docs.eaeunion.org/docs/ru-ru/0147685/scd\\_12052015\\_17](https://docs.eaeunion.org/docs/ru-ru/0147685/scd_12052015_17) (in Russian).

<sup>35</sup> 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](https://docs.eaeunion.org/docs/ru-ru/0138767/scd_19102015_30) (in Russian). This Decision applied to all of the five EAEU member States.

<sup>36</sup> 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](https://docs.eaeunion.org/docs/ru-ru/01315046/scd_11042017_22) and [https://docs.eaeunion.org/docs/ru-ru/01315047/scd\\_11042017\\_23](https://docs.eaeunion.org/docs/ru-ru/01315047/scd_11042017_23) (in Russian).

4.17. The sub-sections below provide an overview of the services liberalization commitments under the EAEU. They identify the main differences, by sector, between Armenia'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 Armenia**

##### **4.4.1.1 Horizontal reservations**

4.18. Under the GATS, Armenia has scheduled three horizontal limitations – namely national treatment limitations on all modes of supply for subsidies and on modes 3-4 for land ownership; and market access limitations for movement of natural persons, lifted under certain circumstances.<sup>37</sup> Under the EAEU, the mode 4 limitation has been lifted while other limitations remain in application. Armenia's List of Horizontal Limitations introduces two new national treatment reservations on modes 3-4 – for activities related to the use of mineral resources and to mapping, geodesy, record keeping and land development.<sup>38</sup>

4.19. Under the GATS, Armenia has scheduled MFN exemptions for existing bilateral agreements for freight and passenger road transport services,<sup>39</sup> as well as for existing or future bilateral/multilateral agreements with European countries on audiovisual services relating to the production and distribution of motion picture and television programmes. Under the EAEU, MFN exemptions are granted to audiovisual services and reserved for financial services, natural monopolies, energy and transport; some of these are however lifted in accordance with the liberalization plans for the creation of single service markets.

##### **4.4.1.2 Sectoral commitments**

4.20. In its GATS schedule, Armenia made specific commitments in all services sectors; compared to it, Armenia's liberalization under the EAEU goes further – in particular with a single market operating in various sub-sectors and full liberalization in others.

4.21. Table 4.1 summarizes Armenia's services commitments under the EAEU in comparison with its GATS commitments, excluding mode 4 and horizontal limitations. Additional details can be found in Annex 4 and the Decisions themselves. The column relating to 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.

4.22. Armenia'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.<sup>40</sup> These limitations are to be lifted when a single market is/will be in force; if that is not the case, Armenia will limit access from other EAEU Member States and this will be reflected in the table below and referred to in the relevant paragraphs.

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<sup>37</sup> For a period up to three years as regards intra-corporate as well as suppliers of business services; and for a period up to three months as regards business visitors. The initial period of local presence can be renewed for successive periods.

<sup>38</sup> Similar to those under the GATS are the horizontal reservations on subsidies and land ownership, whereby the term of lease of land plots under state and/or municipal ownership cannot exceed 99 years with the exception of agricultural land plots, for which the term of lease cannot exceed 25 years.

<sup>39</sup> Other EAEU members States, with the exception of Kazakhstan, were also parties to these agreements.

<sup>40</sup> Limitation 2 of the Schedule. More information on activities requiring licensing is available at Law of the Republic of Armenia N° 3P-193 "On Licensing" as of 30 May 2001.

**Table 4.1 Armenia: 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 Armenia
<b>1. Business Services</b>			
A. Professional Services	Partial	Improved	SM (2015;2022)/Partial
B. Computer and Related Services	Partial	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	Partial	Improved	SM*(2015;2019)/Full
F. Other Business Services	Partial	Improved	SM*(2015;2019)/Partial
<b>2. Communication Services</b>			
A. Postal Services	---	New	Full
B. Courier Services	Full	Similar	Full
C. Telecommunication Services	Partial	Similar	Partial
D. Audiovisual Services	Partial	Improved	SM* (2015;2019)/Partial
E. Other	---	Similar	Full
<b>3. Construction and Related Engineering Services</b>			
A. General Construction Work for Building	Partial	Improved	SM* (2015)/Partial
B. General Construction work for Civil Engineering	Partial	Improved	SM (2015;2021)
C. Installation and Assembly Work	Partial	Improved	SM* (2015)/Full
D. Building Completion and Finishing Work	Partial	Improved	SM* (2015)/Full
E. Other	---	New	SM* (2015)/Full
<b>4. Distribution Services</b>			
A. Commission Agents' Services	Full	Improved	SM (2015)
B. Wholesale Trade Services	Full	Improved	SM* (2015)
C. Retailing Services	Full	Improved	SM* (2015)
D. Franchising	Full	Improved	SM (2015)
E. Other	---	New	Full
<b>5. Educational Services</b>			
A. Primary Education Services	---	New	Partial
B. Secondary Education Services	---	New	Partial
C. Higher Education Services	Full	Similar	Partial
D. Adult Education	Full	Similar	Full
E. Other Education Services	---	New	Full
<b>6. Environmental Services</b>			
A. Sewage Services	Partial	Similar	Partial
B. Refuse Disposal Services	Partial	Similar	Partial
C. Sanitation and Similar Services	Partial	Similar	Partial
D. Other	Partial	Improved	Full
<b>7. Financial Services</b>			
A. All Insurance and Insurance-related Services	Partial	Improved	SM (2025)
B. Banking and Other Financial Services (excluding insurance)	Partial	Improved	SM (2025)
C. Other	---	Improved	Full
<b>8. Health Related and Social Services</b>			
A. Hospital Services	Partial	Similar	Partial
B. Other Human Health Services	Partial	Similar	Partial
C. Social Services	---	New	Full
D. Other	---	New	Full
<b>9. Tourism and Travel Related Services</b>			
A. Hotels and Restaurants (including catering)	Partial	Improved	SM (2015)
B. Travel Agencies and Tour Operators Services	Full	Improved	SM (2019)
C. Tourist Guides Services	Full	Similar	Full
D. Other	---	New	Full

Sectors and Sub-sectors	GATS	Compared to the GATS	EAEU - Accession of Armenia
<b>10. Recreational, Cultural and Sporting Services</b>			
A. Entertainment Services (including theatre, live bands and circus services)	Full	Improved	SM (2015)
B. News Agency Services	---	New	Full
C. Libraries, archives, museums and other cultural services	---	New	Full
D. Sporting and Other Recreational Services	Full	Improved	SM* (2015)/Partial
E. Other	---	New	Full
<b>11. Transport Services</b>			
A. Maritime Transport Services	---	New	SM (2025)
B. Internal Waterways Transport	---	New	Full
C. Air Transport Services	Partial	Similar	Partial
D. Space Transport	---	New	Full
E. Rail Transport Services	Partial	Improved	SM (2025)
F. Road Transport Services	Partial	Improved	SM (2025)
G. Pipeline Transport	---	Similar	---
H. Services Auxiliary to All Modes of Transport	Partial	Improved	SM (2015;2025)
I. Other Transport Services	---	New	Full
<b>12. Other Services not Included Elsewhere</b>		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](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 July 2018.

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

Source: WTO document WT/ACC/ARM/23/Add.2, 6 December 2002; Decisions of the Supreme Council N<sup>os</sup> 110/14, 111/14, 112/14, 17/15, 18/15, 30/15, 31/15, 22/16 and 23/16; Supplement 2 to the Treaty on Accession of Armenia to the EAEU.

4.23. The following sectors/sub-sectors, for which there are no GATS commitments, have been fully liberalized under the EAEU, *inter alia*: rental and leasing services without operators relating to ships and aircraft, services incidental to fishing, packaging, printing and publishing services, postal and courier services, social, tourist guide, and "other services" under professional, research and development, communication, distribution, tourism and travel related services and recreational, cultural and sporting services.

4.24. Business services liberalization has been largely improved as compared to that under the GATS, particularly with full liberalization of mode 4. Beyond that, in respect of some sectors/sub-sectors in professional, computer and related and rental/leasing services without operators – e.g.

taxation, software implementation and data base services - Armenia joined the single market in 2015. For other sub-sectors, *inter alia*, accounting and auditing (book-keeping remains restricted to nationals in accordance with a horizontal reservation) and real estate, for which there are only partial commitments under the GATS, a single market will be in operation during the 2019-2022 period. In 2015, Armenia joined the single market in engineering and urban planning services; while for services pertaining to hazardous, technically complex and heritage objects<sup>41</sup> it will be established by 2021. Under other business services, new sub-sectors as compared to the GATS have been scheduled, including services incidental to agriculture, hunting and forestry; placement and supply services of personnel; building-cleaning and photographic services, for which a single market was established in 2015. The supply of auditing, medical and veterinary services, real estate and site and cadastre mapping remains subject to licences. Geodesy and mapping are restricted to nationals (horizontal limitations). Legal services remain subject to various nationality requirements, mode 4 reservations and licensing requirements.

4.25. Under communications services, Armenia has undertaken new commitments in postal services, which have been fully liberalised. In telecommunication services, partially liberalized under the GATS, various activities require obtaining a licence (as it is also the case under the GATS); however, all GATS mode 4 limitations have been lifted. Liberalization in audiovisual services has been improved due to the establishment of a single services market in sound recording as of 2015, and in motion picture projection services as well as production and distribution of films and videos as of 2019. However, and like the GATS, Armenia has reserved the right to apply non-conforming MFN measures in relation to audiovisual works and their suppliers. Further, non-conforming MFN and market access measures may apply with respect to foreign equity limitations (less than 50%) in TV and radio companies. Finally, also on audiovisual services, for which a single market is not in operation, selected activities require licensing.

4.26. Commitments on construction and related engineering services, only partially liberalised under the GATS, have been improved with single market liberalization as of 2015, except for hazardous, complex and heritage objects - for which a single market will be in place for civil engineering services by 2021. In some urban construction sub-sectors, where a single market is not in operation, licence requirements apply.

4.27. Under distribution services, Armenia joined a single market in commission agents' and franchising services, as well as in some sub-sectors in wholesale and retail trade services – though for the latter two, the sale of certain products (see footnote c of the Table Annex 4; these include weapons, military equipment, explosives, precious metals and stones, pharmaceuticals, alcohol and alcohol-containing products, etc.) remains restricted in accordance with its list of limitations. Energy distribution remains subject to licences.

4.28. Commitments regarding educational services have been generally improved. Under the EAEU, Armenia extended its GATS commitments to also include primary and secondary education. These sectors as well as higher education have been fully liberalized except for a requirement to obtain a licence - as it is also the case under the GATS for higher education and adult education services. Mode 4 is fully liberalized throughout the sector, while under the GATS it was unbound.

4.29. On environmental services, as is the case under the GATS, three out of four sub-sectors remain restricted in relation to nuclear power and radioactive waste management – in particular through licensing requirements. Armenia has also reserved the right to apply national treatment and market access limitations in relation to it.

4.30. In accordance with the EAEU disciplines, the single market for financial services will be operational by 2025; therefore, EAEU financial services suppliers will gradually benefit from an improved, more liberalised situation as compared to those from other WTO Members (see Section 4.6.1).

4.31. As regards health related and social services, Armenia's GATS commitments only apply for hospital and other human health services, which are partially liberalised. Under the EAEU, its commitments have been improved by fully liberalising social and other services. Sectoral liberalization remains subject to licence requirements for any type of medical activity.

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<sup>41</sup> See footnotes to the Table A4.1 in Annex 4 for a complete list.

4.32. Armenia's commitments on tourism and travel related services have been generally improved *vis-à-vis* its GATS commitments. In particular, it joined the single market in hotels and restaurants in 2015, while for travel agencies and tour operator services a single market will start operating in 2019.

4.33. Compared to the GATS, liberalization in recreational, cultural and sporting services is improved. A single services market is in place for entertainment services and the organization of sporting and other recreational activities – excluding gambling – as of 2015. Beyond a requirement to obtain a licence, gambling related services are fully liberalised.

4.34. Commitments on transport services have been largely improved under the EAEU. In 2015, Armenia joined the single market in, *inter alia*, cargo handling, storage and warehouse and freight transport agency services. Licensing is required in air and railroad transport. 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 4.6.3).

4.35. Investment in energy and certain environmental services is limited by various restrictions including by reserving the right to apply any non-conforming measure *vis-à-vis* mineral resources use; nuclear energy and handling of radioactive waste.

#### **4.5 Regulatory provisions**

4.36. The Accession Treaty has no regulatory provisions in terms of 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. recognize the professional qualifications of the services suppliers.

#### **4.6 Sector specific provisions on trade in services**

##### **4.6.1 Financial services**

4.37. The EAEU disciplines on financial services apply to Armenia. In accordance with the provisions of Annex 17 of the EAEU Treaty - the "Protocol of Financial Services" - Armenia has listed a number of limitations to financial services in paragraph 3 to Annex 2 to the Accession Treaty. These limitations apply in respect of:

- a. commitments in non-life insurance; re-insurance; supply and processing of financial data; and consulting and other auxiliary 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.

4.38. As indicated in 4.30. above, a single market for financial services is foreseen by 2025; in all EAEU member States including Armenia, 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**

4.39. 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).



### **4.6.3 Rail transport services**

4.40. Section XXI of the EAEU Treaty, which also applies to Armenia, 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.

4.41. 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, Armenia 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.

## **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 Armenia.

### **5.2 Current payments and capital movements**

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

### **5.3 Exceptions**

5.3. The Accession Treaty has no provision regarding exceptions; thus, the EAEU disciplines apply to Armenia.

### **5.4 Accession and Withdrawal**

5.4. Article 6 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 2 January 2015.

### **5.5 Institutional framework**

5.5. The institutional framework of the Union provides for four main institutions; their composition was modified upon Armenia's accession to ensure its full involvement in the governance activities of the EAEU (EAEU Treaty and Section I of Annex 3 to the Accession Treaty), 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 Armenia'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 in accordance with the legislation of a member State which have the power of taking decisions on matters falling under the competence of the Supreme Council, defined by the EAEU Treaty. The Supreme Council meets at least once a year and its decisions are taken by consensus;
- b. Armenia started its full participation in the work 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, Armenia was represented in the Commission's Council by one member and in the Collegium by three members, each holding a single vote, without assignment of areas of competence (Supreme Council Decision N° 1/15); and
- d. the size and structure of the Court of the EAEU were adapted, in particular with the addition of two Armenian Judges to the Court (Supreme Council Decisions N°s 2/15 and 3/15).

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 25 Departments. The Commission's headquarters are in Moscow.

## 5.6 Dispute settlement

5.7. The Accession Treaty (Article 5) provides that disputes related to the interpretation and/or application of the Accession Treaty shall be resolved in accordance with the EAEU Treaty's dispute settlement provisions (Article 112 of the EAEU Treaty).

## 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 Armenia in accordance with the Accession Treaty. Regional/free trade agreements (RTAs) to which Armenia is a party are listed in Table 5.1 below.

5.9. The Treaty on Free Trade Area between members of the Commonwealth of Independent States (CIS) provides in its Article 23.2 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". Upon mutual consent, the FTA between Armenia and the Russian Federation was terminated on 27 August 2015<sup>42</sup>; other bilateral agreements between Armenia and other CIS member States have not been formally terminated. As indicated in paragraph 3.3. above, Article 114 of the EAEU Treaty foresees this situation of overlapping membership.

5.10. The Comprehensive and Enhanced Partnership Agreement (CEPA), signed between Armenia and the European Union (EU) on 24 November 2017, entered provisionally into force on 1 June 2018. While the CEPA does not provide for tariff elimination or reduction, it includes provisions on *inter alia* customs cooperation, technical barriers to trade and sanitary and phytosanitary measures (Chapters 2, 3 and 4, respectively). Under Chapter 5, Armenia and the EU exchange preferential treatment commitments on trade in services and investment; a list of specific commitments is included as annexes to the Agreement. Intellectual property – including a list of geographical indications benefitting from protection under the Agreement's rules – and government procurement are also subject to disciplines under the Agreement (Chapters 7 and 8, respectively). As of early-August 2018, the CEPA had not been notified to the WTO.

**Table 5.1 Armenia: Participation in other RTAs (notified and non-notified in force), as of 30 July 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
EAEU - Accession of the Kyrgyz Republic	12-Aug-15	Goods & Services	2015	GATT Art. XXIV & GATS Art. V

<sup>42</sup> Termination of the FTA was notified to the WTO by the Russian Federation in WT/REG/GEN/N/8, 1 April 2016.

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
Individual EAEU member States <sup>a</sup>				
ARMENIA				
Treaty on a Free Trade Area between members of the CIS <sup>b</sup>	17-Oct-12	Goods	2013	GATT Art. XXIV
Armenia - Kazakhstan	03-Jan-02	Goods	2004	GATT Art. XXIV
Armenia - Georgia	11-Nov-98	Goods	2001	GATT Art. XXIV
Armenia - Ukraine	18-Dec-96	Goods	2004	GATT Art. XXIV
Armenia - Turkmenistan	07-Jul-96	Goods	2004	GATT Art. XXIV
Armenia - Moldova	21-Dec-95	Goods	2004	GATT Art. XXIV
Armenia - Kyrgyz Republic	27-Oct-95	Goods	2000	GATT Art. XXIV
Armenia - EU	01-Jun-18 <sup>c</sup>	Goods & Services	Non-notified	
Armenia - Belarus	28-Jul-03	Goods	Non-notified	
Armenia - Tajikistan	20-Jul-94	Goods	Non-notified	

a For RTAs of the original EAEU member States, see the EAEU Factual Presentation, WT/REG358/1.

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 Armenia.

c Date of provisional application.

Source: WTO Secretariat.

## 5.8 Government procurement

5.11. The Accession Treaty has no provision regarding government procurement; thus, the EAEU disciplines apply to Armenia. As from its accession, Armenia is to grant national treatment in all procurement of goods, works and services to all other EAEU member States. As it is the case for all EAEU Members, exemption from national treatment may be introduced by Armenia in exceptional cases and for a period not exceeding two years. As envisaged in the Accession Treaty, by 2016 all the procurement agreements/contracts were concluded in electronic form.

5.12. The scope of contracting authorities using the e-procurement system and the volume of purchases made through it have been expanded. The e-procurement system includes 301 contracting authorities (all the state bodies, municipalities, commercial organizations and foundations established by the government) which carry out all the competitive procurement procedures (except the two stages open tenders) through the electronic system, including in cases of procurement from a single source due to an urgent need. Further, modules of procurement planning, contract management, procurement accountability, procurement process as well as the process of accepting the results of procurement contracts are carried out electronically. An electronic auction system is expected to be implemented in 2018 stepwise.

## 5.9 Intellectual property rights

5.13. Armenia has been given a transition period of three years to apply the EAEU disciplines on matters of protection of and respect for intellectual property rights (Section XIV of Annex 3 to the Accession Treaty), which are included in Section V of the EAEU Treaty.

5.14. Armenia has also committed to the following:

- a. ensure that measures are implemented to prohibit the exportation towards other EAEU member States of goods imported from third parties if their trademark is included in the Common Customs Register of Intellectual Property Objects of member States of the Customs Union and in the customs register of intellectual property objects<sup>43</sup> of the

<sup>43</sup> 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".

destination country of such commodities, unless that it is done with the consent of the rights-holder. In that respect, Armenia is to submit to the Commission quarterly data on the volumes of trade turnover towards other EAEU member States, including goods of Armenian origin;

- b. at the latest by 2 January 2015, approve legislation in respect of the above-mentioned commitment; and
- c. at the latest by 1 July 2015, approve measures to ensure the application of the regional principle of exhaustion of the exclusive right to trademarks.<sup>44</sup>

5.15. If statistics indicate that the share of goods originating in third parties exceeds 15% of annual Armenian exports to other EAEU member States, any of these members may initiate a procedure aimed at reducing the original three-year transition period.

#### **5.10 Other**

5.16. The Accession Treaty and its annexes also contain some provisions regarding consumer rights' protection and collection of indirect taxes (Sections IX and XI of Annex 3). As regards the former, it is specified that the term "no-quality goods" in Armenia refers to "goods that do not conform to the accepted standards and rules of safety". As for the latter, disciplines are spelled out concerning taxes and taxation, including the collection of value-added taxes and sharing of information on indirect taxes.

5.17. The Accession Treaty has no provision regarding competition; thus, the EAEU disciplines apply to Armenia.

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<sup>44</sup> 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".

## ANNEX 1

1. The structure of Armenia's tariff in 2014-2016 is presented in Table A1.1. The average MFN applied rate initially increased from 4.3% in 2014 to 8.0% in 2015 when Armenia acceded to the EAEU, and then decreased to 7.6% in 2016. In terms of categories of products, in 2014 WTO Members faced an average tariff of 7.7% when exporting an agricultural product to Armenia, while the average for non-agricultural products was 3.4%. In 2014, 21% of the tariff lines on agricultural products were duty-free, while the equivalent figure for non-agricultural products was 66.2%; in 2015, the corresponding figures were 8.5% and 23.5% for agricultural and non-agricultural products respectively. If only dutiable lines are considered, Armenia's partners in the Union benefitted in 2015 from an average margin of preference of 14.5% for agricultural products and of 8.5% for non-agricultural products.

Table A1.1 Armenia: Indicators of tariff rates

Year	All Products				Agricultural Products <sup>a</sup>				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	9,484	4.3	10.0	56.2	2,103	7.7	10.0	21.0	7,381	3.4	10.0	66.2
2015	11,711	8.0	10.0	20.1	2,684	13.2	14.5	8.5	9,027	6.5	8.5	23.5
2016	11,610	7.6	9.7	21.3	2,683	13.3	14.5	8.3	8,927	6.0	8.0	25.2
2017-2022	...	...	...	...	...	...	...	...	...	...	...	...

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 Armenia's exception for 2015.

2016 Russian Federation's MFN 2016 which includes Armenia's exception for 2016.

... Not available. No data yet on the MFN tariffs of Russia for the years 2017 to 2022.  
Tariffs as of 1 January.

Source: WTO estimates based on the WTO-IDB, WTO-TPR and Armenian 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 <sup>a</sup>				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
2017-2022	...	...	...	...	...	...	...	...	...	...	...	...

Note:

a WTO Definition.

... No data yet on the MFN tariffs of Russian Federation for the years 2017 to 2022.

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 ARMENIA AS OF 2 JANUARY 2015****Table A2.1 Definitive anti-dumping measures in force in the EAEU and extended to Armenia as of 2 January 2015**

Country/ Customs Territory	Product, investigation ID number	Measure(s)	Date of original imposition; publication reference <sup>1</sup>	Date(s) of extension; publication reference(s)
<b>Measures in force as of 1 January 2015</b>				
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
	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
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	
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

Source: G/ADP/N/1/ARM/2 and G/ADP/N/272/ARM.

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

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

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

Source: Supreme Council Decisions N<sup>OS</sup> 112/14 and 18/15.

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

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 liberalization<sup>1</sup>**

№2	Sectors and Sub-sectors	From CPC <sup>3</sup>	Original EAEU liberalization			ARM
			BLR	KAZ	RUS	
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	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	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	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				

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The Decisions are based on CPC version 1.



№²	Sectors and Sub-sectors	From CPC³	Original EAEU liberalization			ARM
			BLR	KAZ	RUS	
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	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	2020	2020
II.5	Rental and leasing services for pleasure boats without operator	73240	2019	2019	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	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	2015	2015
II.6	Services in the field of advertising	83610, 83620, 83631 and 83690	2019	2019	2019	2019
II.7	Audit services	82211 and 82212	2022	2022	2022	2022
I.35	Market research and opinion polling services	83700	2015	2015	2015	2015
I.33	Consultation services in connection with managerial issues (excluding financial services specified in Part XVI of the EAEU Agreement)	83111	2015	2015	2015	2015
I.34	Services (excluding financial services specified in Part XVI of the EAEU Agreement), related to consultations on managerial issues	83112 - 83114	2015	2015	2015	2015
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.	n.p.	n.p.
I.10	Services related to agriculture	861, 86110 and 86121	2015	2015	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	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	...	2015	2015
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	2015	2015

№2	Sectors and Sub-sectors	From CPC <sup>3</sup>	Original EAEU liberalization			ARM
			BLR	KAZ	RUS	
I.38	Photographic services	8381, 83811 - 83815, 83819 and 83820	2015			2015
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				
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	96111	2015	2016	2015	2015
CONSTRUCTION AND RELATED ENGINEERING SERVICES						
General construction works (except hazardous and complex objects <sup>a</sup> and heritage objects <sup>b</sup> )						
I.1.	For erection of buildings of any purpose	54111, 54112, 54121, 54122, 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, 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 <sup>c</sup>	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				

№2	Sectors and Sub-sectors	From CPC <sup>3</sup>	Original EAEU liberalization			ARM
			BLR	KAZ	RUS	
TOURISM AND TRAVEL RELATED SERVICES						
I.17	Services of hotels and public catering enterprises (excluding sale (serving) of alcohol)	63110, 63210, 63220 and 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	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 and 96610, 96620 and 96990	2015			2015
TRANSPORT SERVICES						
I.22	Technical maintenance and repair of equipment for car transport	87141	2015	...	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					

... 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.