

AGREEMENT

on free trade in services, establishment, activity and investments

The Member States of the Commonwealth of Independent States, hereinafter referred to as the Parties,

Taking into account the Free Trade Area Agreement of 18 October 2011,

Recognizing the need for further expansion of the scope of economic integration,

Taking into account the growing importance of the services sector for economic development,

Desiring to create conditions for the expansion of mutual trade in services and for the enhancement of its liberalization,

Desiring to establish favorable conditions for investment by persons of one Party within the territories of other Parties,

Aiming to continuously improve the standards of living of their peoples,

Guided by the universally recognized principles and norms of international law and based on the provisions of the General Agreement on Trade in Services of 15 April 1994 (GATS), including Article V of the GATS,

Recognizing that the provisions of this Agreement are aimed at the development of trade in services, establishment and activity of companies, as well as investment cooperation between the Parties,

Have agreed as follows:

Article 1

Definitions

For the purposes of this Agreement, the following terms shall mean:

WTO – the World Trade Organization, established pursuant to the Marrakesh Agreement establishing the World Trade Organization of 15 April 1994;

GATS – the General Agreement on Trade in Services of 1994, contained in Annex 1B to the Marrakesh Agreement establishing the World Trade Organization of 15 April 1994.

When references are made in this Agreement to the provisions of the GATS or to other international agreements concluded within the framework of the WTO, the terms “contracting party/parties” or “member/members” contained therein shall mean, respectively, “Party/Parties” as defined in the Preamble to this Agreement;

Activity – commercial or professional activity carried out by juridical persons,

branches, representative offices specified in subparagraphs (a) – (c), and (or) natural persons specified in subparagraph (d) of the definition of the term "establishment", including activities related to trade in services and the production of goods and (or) services, excluding activity carried out in the exercise of governmental authority;

Returns – amounts derived from an investment, including, inter alia, profits, dividends, interest, capital gains, royalties and other remunerations;

Laws and regulations of a Party – the laws and other regulations of a Party;

Investments – assets invested by an investor of one Party in the territory of the other Party in accordance with the latter Party's laws and regulations, which has the characteristics of an investment, including such characteristics as commitment of capital or other resources, the expectation of profit, and assumption of risk, including but not limited to:

 funds, securities, movable and immovable property;

 rights to conduct business activity, conferred under the legislation of the Parties or pursuant to an agreement, including, in particular, rights to exploration, development, extraction and exploitation of natural resources;

 property rights and other rights having monetary value, including intellectual property rights.

The term "investment" does not include:

- a) loans to a Party or to a juridical person, owned or controlled by a Party;
- b) claims to money that arise solely from commercial contracts for the sale or lease of goods or services;
- c) claims to money, that arise solely from the extension of credit in connection with a commercial transaction, such as trade financing.

Any change in the form in which assets are invested doesn't affect their qualification as investments, provided that such change does not contradict the laws and regulations of the Party in which territory the investments were made.

The term "investment" includes investments by investors of one Party made in the territory of the other Party in the form of establishment, as defined and regulated in Chapter III "Establishment and activity" of this Agreement;

Investor of a Party – any person of a Party that has made or is making investments in the territory of the other Party.

The term "Investor of a Party" does not include:

- a) any natural person who is a citizen of the Party in territory of which the investments

is or were made;

b) any natural person who was a citizen of the Party in territory of which the investments were made on the date such investments were made;

c) any juridical person of a Party, which is owned or controlled, directly or indirectly, by a person of the other Party;

d) any juridical person of a Party which is not engaged in substantial business operations in the territory of the other Party or which is owned or controlled, directly or indirectly, by persons of a third state;

Investor of a third state – any natural or juridical person of a third state, which is not a Party to this Agreement;

Sole proprietor – a natural person of a Party registered as an individual entrepreneur in accordance with national laws and regulations;

Exclusive service supplier – any person of a Party, whether public or private, which in the relevant service market of that Party is formally authorized or in fact established as one of a small number of service suppliers of such a service, and competition among such services suppliers in the territory of that Party is substantially limited;

Licensing – procedure and activity carried out by competent authorities for the issuance, reissuance, renewal, denial, suspension, and revocation of licenses (authorizations) established by the laws and regulations of a Party;

Person – any natural or juridical person of the Parties;

Measure by a Party – laws and regulations of a Party, as well as any decision, action or inaction of an authority or official of that Party, adopted at any level of state power of that Party, its local self-government bodies, or organizations in the exercise of powers delegated to them by such authorities;

Measure by a Party affecting trade in services includes measures concerning:

1) the purchase, payment and use of a service;

2) access to and use of ,in connection with the supply of service, services which are required by Parties to be offered to the public generally;

Measure by a Party affecting establishment and activity includes measures concerning the establishment and activity of juridical persons, branches, representative offices and sole proprietors of one Party to this Agreement in the territory of any other Party to this Agreement;

Monopoly service supplier – any person of a Party, whether public or private, which in the relevant service market of that Party is formally authorized or in fact established as the sole supplier of such a service in the territory of that Party;

Service supplier – any person of a Party that supplies a service;

Service consumer – any person of a Party that receives or uses a service;

Authorization – confirmation, as provided by the laws and regulations of a Party, by a competent authority of that Party of the right of a person to engage in trade in services, establishment and activity;

Freely usable currency – a freely usable currency as defined by the International Monetary Fund in accordance with the Articles of Agreement of the IMF;

Service sector is defined and classified on the basis on the basis of the United Nations Central Product Classification adopted by the Statistical Commission of the UN Secretariat in 1991, and means:

a) with respect to a specific commitment – one or more, or all, subsectors of that service, as set out in a Party's Schedule;

b) otherwise the entire sector of such service, including all of its subsectors;

Articles of Agreement of the IMF – the Articles of Agreement of the International Monetary Fund of 22 July 1944;

Territory of a Party – the territory of a Party, as well as its areas, in which it exercises sovereign rights and jurisdiction in accordance with international law and its laws and regulations;

Economic needs test – the granting of authorization for establishment, activity or trade in services, depending on the existence of necessity and market demand, by means of an economic assessment of the efficiency of the service supplier's activities for compliance with the objectives of economic planning in a specific sphere or the interests of the national labor market, where provided under the domestic legislation of the Parties. Compliance with the interests of the national labor market is determined through verification of the absence therein of natural persons of the Party meeting the requirements of the service supplier;

Trade in services – supply of services, including production, distribution, marketing, sale, delivery of services, that is carried out in the following modes:

a) from the territory of one Party into the territory of any other Party;

b) in the territory of one Party to a service consumer of any other Party;

c) by a service supplier of one Party through the presence of natural persons of that Party in the territory of any other Party;

Service supplied in the exercise of governmental authority – any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;

Services include any service in any sector, except for services supplied in the exercise of governmental authority;

Establishment:

(a) the creation, organization and (or) acquisition of a juridical person (participation in the capital of established or created juridical person) of any organizational and legal form and form of ownership as provided for under the laws and regulations of the Party in which territory such juridical person is established;

b) the acquisition of control over juridical person of a Party, expressed in the ability, directly or through third persons, to determine and (or) influence the decisions made by such juridical person, including by exercising voting rights attached to voting shares (stakes), through participation in the management bodies of such juridical person (including the board of directors, supervisory board, or other management bodies); or

c) the creation of a branch or opening of a representative office in accordance with the laws and regulations of the Parties;

d) registration as a sole proprietor in accordance with the laws and regulations of of the Parties;

Natural person – a citizen of a Party in accordance with its laws and regulations of;

Juridical person – an organization established or incorporated in the territory of a Party in any organizational and legal form in accordance with the laws and regulations of of that Party.

Other terms and definitions used in the individual Schedules of the Parties shall be interpreted in accordance with the laws and regulations of of the respective Party.

CHAPTER I. GENERAL OBLIGATIONS

Article 2

Domestic Regulation

1. For the purposes of this Article, measures of the Parties affecting trade in services, establishment and activity in the relevant sectors and types of activity shall mean licensing requirements and procedures, as well as qualification requirements and procedures.

2. With respect to measures of the Parties affecting trade in services, establishment and activity in those sectors and types of activity in which commitments were undertaken or no exemptions are provided in accordance with the individual Schedules of the Parties in Annexes B, C, and D to this Agreement:

a) each Party shall ensure that any measures of that Party affecting trade in services, establishment and activity are applied in a reasonable, objective and impartial manner;

b) where authorization is required for trade in services, establishment, and activity, the competent authorities of a Party shall, within a reasonable period of time after the submission of an application considered complete in accordance with the requirements of the laws and regulations of that Party, inform the applicant of the decision concerning the application. Upon request of the applicant, the competent authorities of a Party shall provide information on the status of the application within a reasonable time and not later than the time limit prescribed by laws and regulations;

c) The Parties shall not apply licensing or qualification requirements that nullify or impair benefits accorded under the conditions included in Annexes B and C to this Agreement, in a manner which:

is not based on objective and transparent criteria, such as competence and ability to provide a service;

in the case of licensing procedures – is itself a restriction on the supply of a services;

is more burdensome than necessary to ensure the quality of the service.

Where commitments (absence of exemptions) concerning professional services are included in the individual Schedules of the Parties in Annexes B and C to this Agreement, each Party shall, in accordance with its laws and regulations, carry out procedures to verify the competence of professionals of any other Party.

3. With respect to measures of the Parties affecting trade in services, establishment and activity:

3.1. Where a Party applies licensing (authorization) procedures and requirements, such Party shall ensure that:

a) the names of the competent authorities responsible for issuing licenses (authorizations) for the conduct of activity are published or otherwise made publicly available;

b) licensing (authorization) procedures do not constitute, in themselves, a restriction on trade in services, establishment, and activity, and that licensing (authorization) requirements directly related to the right to trade in services or to conduct activity do not themselves constitute an unjustified barrier to trade in services or to activity;

c) all licensing procedures and requirements are established in the laws and regulations, and that such laws and regulations establishing or applying licensing procedures or requirements are published in advance, but no later than their entry into force (effect), in accordance with the provisions of Article 4 of this Agreement;

d) the competent authorities take a decision on granting (or refusing to grant) a license

(authorization) within the period of time established in the relevant legislative act, and that any fees charged in connection with the submission and consideration of an application for the issuance of a license (authorization) comply with the laws and regulations, do not themselves constitute a restriction on trade in services, establishment, and activity, and are based on the costs incurred by the competent authority in granting (or refusing to grant) the license (authorization), related to the consideration of the application and issuance of the license (authorization), except for license fees for the use of the radio frequency spectrum and numbering resources, the amount of which shall be determined by national laws and regulations;

e) upon expiry of the period of time referred to in subparagraph (d) of this paragraph, and at the request of the applicant, the competent authority of the Party concerned shall inform the applicant of the status of the application, as well as whether the application is considered duly completed. In any event, the applicant shall be given an opportunity to make technical corrections to the application. The application shall not be considered duly completed until all information and documents specified in the relevant legislative act of the Party are provided;

f) upon the written request of an applicant whose application has been rejected, the competent authority that refused to accept the application shall inform the applicant in writing of the reasons for such rejection. However, this provision shall not be construed to require the competent authority to disclose information, the disclosure of which would impede the enforcement of the law or would otherwise be contrary to the public interest or essential security interests;

g) where an application has been rejected, the applicant shall have the right to submit a new application for the issuance of a license (authorization) or to amend the previous application so as to remedy any deficiencies that prevented the issuance of the license (authorization).

3.2. Each Party shall maintain or establish, as soon as practicable, judicial, arbitral, or administrative tribunals or procedures which, upon request of a service supplier or person whose interests are affected, provide for the prompt review, and where justified, appropriate remedies for administrative decisions affecting trade in services, establishment, and activity. Where such procedures are not independent of the authority authorized to take such administrative decisions, the Party shall ensure objective and impartial review of such matters within such procedures.

4. Specific provisions on regulation of financial services are set forth in Annex D to this Agreement.

5. Specific provisions on regulation of telecommunications services are set forth in Annex E to this Agreement.

Article 3

Recognition

1. For the purpose of fulfilling their respective standards or criteria with respect to authorizations, licensing, or certification of service suppliers, as well as establishment and activity, each Party shall duly consider any requests of the other Party for recognition of education or experience obtained, compliance with the requirements of licenses (authorizations) or certificates granted by the other Party. Such recognition may be based upon an agreement or arrangement with the other Party, or may be accorded autonomously by a Party.

2. Where a Party recognizes, by agreement or arrangement, education or experience obtained, compliance with requirements, or licenses (authorizations) and certificates obtained in the territory of a third Party, such Party shall afford any other Party the opportunity to negotiate its accession to such agreement or arrangement or to negotiate comparable agreements or arrangements. Where a Party accords recognition autonomously, it shall afford any other Party an adequate opportunity to demonstrate that education, experience, licenses (authorizations), and certificates obtained in its territory should also be recognized in accordance with the laws and regulations of the Parties.

3. Recognition shall be accorded in such a manner that it does not constitute a means of discrimination between the Parties in the application of standards or criteria for authorizations, licensing, or certification of service suppliers, nor a disguised restriction on trade in services, establishment, and activity.

Article 4

Transparency

1. Each Party shall ensure that its legislative acts and international agreements to which it is a party and which affect or may affect matters covered by this Agreement are published in an official source and (or) on an internet site designated by the Party, in such a manner as to enable any person whose rights and (or) obligations may be affected by such legislative acts and international agreements of the Party to become acquainted with them.

2. The legislative acts referred to in paragraph 1 of this Article shall be published without undue delay, within a period ensuring legal certainty and legitimate expectations of persons whose rights and (or) obligations may be affected by such legislation, but in any event no later than the date of their entry into force (enactment).

Where such publication is not practicable, the legislative acts referred to in paragraph 1 of this Article shall be made otherwise publicly available provided for under laws and regulations.

3. Each Party shall ensure the provision of responses to written requests from any person concerning an existing and (or) planned legislative act on matters covered by this Agreement. Responses to such requests shall be provided to such interested person in accordance with the laws and regulations of the Party, but no later than 30 working days from the date of receipt of the written request. In exceptional cases, the Party shall notify the interested person of an extension of the prescribed period.

Article 5

Disclosure of Confidential Information

1. Nothing in this Agreement shall require any Party to provide confidential information, the disclosure of which would impede its laws and regulations enforcement, otherwise be contrary to the public interest, or cause prejudice to the legitimate commercial interests of particular juridical persons or sole proprietors.

2. Disclosure of confidential information in the financial services sphere shall be governed by Annex D to this Agreement.

Article 6

Monopolies and Exclusive Service Suppliers

1. Each Party shall ensure that any monopoly service supplier, in the supply of the monopoly service and (or) engaging in other monopolistic activity in the relevant market, does not act in a manner inconsistent with the obligations of that Party under Chapters II, III, and IV of this Agreement.

2. Where a juridical person that is a monopoly service supplier in the territory of one Party competes, either directly or through a controlled juridical person, outside the scope of its monopoly rights with persons of other Parties, the former Party shall ensure that such juridical person does not abuse its monopoly position to act in the territory of the former Party in a manner inconsistent with the commitments of that Party under this Agreement.

3. The provisions of this Article shall also apply to exclusive service suppliers.

Article 7

Principle of Equality

1. Where there exist in the territory of a Party persons in whose capital the State participates or which are controlled by this State, such Party shall ensure that such persons:

a) conduct their activities on the basis of commercial considerations, including price, quality, availability of the service or good, marketability, transportation conditions, and other terms of purchase, sale, or supply, and act in relations governed by this Agreement:

on the basis of the principle of equality with other participants in such relations;

on the basis of the principle of non-discrimination of other participants in such relations

on grounds of their citizenship, place of registration (establishment), organizational and legal form, or form of ownership; and

b) do not receive rights, privileges, or obligations solely by virtue of the participation in their capital or control over them by this State,

except where the activity of such State-participated or State-controlled persons is aimed at realization of social policy objectives, and

except as provided for in the individual Schedules of the Parties in Annexes B and C to this Agreement.

2. The provisions of paragraph 1 of this Article shall also apply to persons vested formally or in fact with exclusive rights, except for persons endowed with exclusive rights and included in the individual Schedules of the Parties in Annexes B and C to this Agreement pursuant to subparagraphs (b) and (c) of paragraph 1 of Article 21 of this Agreement, and persons possessing monopoly rights in accordance with paragraph 1 of Article 6 of this Agreement.

3. Each Party shall ensure that all of its authorities at any level of state power or local self-government are independent of, not subordinate to, and not accountable to any person engaged in economic activity in the sector of the economy that falls within the competence of the relevant authority. Measures of a Party, including decisions of the authority referred to in this paragraph, as well as rules and procedures established and applied by it, shall be impartial and objective in relation to all persons engaged in economic activity.

4. The provisions of this Article shall not apply to government procurement and to services supplied in the exercise of governmental authority.

Article 8

Restrictions or Prohibitions

1. Where a Party maintains, with respect to a third State, restrictions or prohibitions regarding establishment, activity, trade in services, or investment, nothing in this Agreement shall be interpreted as obliging such Party to extend the provisions of this Agreement to persons of the other Party if such person is wholly owned or controlled by a person of the said third State, and if extending the provisions of this Agreement would result in circumvention or violation of such restrictions or prohibitions.

2. A Party may withhold the application of its obligations assumed under this Agreement to persons of the other Party with respect to establishment, activity, trade in services, or investment, if such person of the other Party is not engaged in substantial business operations in the territory of that other Party and is owned or controlled by a person of the former Party or by a person of a State that is not a Party to this Agreement.

Article 9

General Exceptions

Provided that such measures are not applied in a manner which would constitute a

means of arbitrary or unjustifiable discrimination between States or a disguised restriction on trade in services, establishment, activity, or investment, nothing in this Agreement shall prevent any Party from adopting or enforcing measures:

a) necessary to protect public morals or maintain public order. Exceptions on grounds of public order may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society;

b) necessary to protect human, animal, or plant life or health;

c) necessary to secure compliance with laws and regulations of the Parties which are not inconsistent with the provisions of this Agreement, including those relating to:

the prevention of deceptive and fraudulent practices or the effects of non-fulfilment of contracts;

the protection of the privacy of individuals in relation to the processing and dissemination of personal data, and protection of the confidentiality of individual records and accounts;

safety;

d) inconsistent with Articles 15, 20, 25, and 30 of this Agreement, provided that such measures are aimed at non-discriminatory taxation of persons of the other Party with respect to trade in services, establishment, and activity.

Article 10

Security Exceptions

1. Nothing in this Agreement shall be construed to prevent any Party from taking any action which it considers necessary for the protection of its essential interests in the field of national defense or State security:

a) relating to the supply of services or goods carried out directly or indirectly for the purpose of supplying the armed forces;

b) relating to nuclear or thermonuclear arms or to materials from which they are derived;

c) taken in time of war or other emergency in international relations.

2. Nothing in this Agreement shall be construed to require any Party to provide any information the disclosure of which it considers contrary to its essential security interests.

3. Nothing in this Agreement shall be construed to prevent any Party from taking any action in pursuance of its obligations under the Charter of the United Nations for the maintenance or restoration of international peace and security.

Article 11

Restrictions to Safeguard the Balance of Payments

1. In the event of a serious balance-of-payments and external financial difficulties, a substantial reduction in gold and foreign currency reserves, sharp fluctuations in the national currency exchange rate, or the threat thereof, a Party may adopt and apply restrictions on

transfers and payments.

2. The restrictions referred to in paragraph 1 of this Article:

- a) shall not discriminate among the Parties;
- b) shall be consistent with the Articles of Agreement of the IMF;
- c) shall avoid unnecessary damage to the commercial, economic, and financial interests of any other Party;
- d) shall not exceed those necessary to deal with the circumstances referred to in paragraph 1 of this Article;
- e) shall be temporary and shall be phased out progressively as the circumstances referred to in paragraph 1 of this Article improve.

3. In determining the scope of such restrictions, the Parties may give priority to sectors of the economy which are more essential to their economic or development programmes. However, such restrictions shall not be adopted or maintained for the purpose of protecting a particular sector of the economy.

4. Any restrictions introduced by a Party under paragraph 1 of this Article, and any changes therein, shall be promptly notified to the other Parties and to the CIS Executive Committee no later than 15 calendar days from the date of introduction/modification of such restrictions.

Article 12

Payments and Transfers

1. Except under the circumstances provided for in Article 11 of this Agreement, the Parties shall not apply restrictions on international transfers and payments for current transactions relating to their individual Schedules of commitments.

2. Nothing in this Agreement shall affect the rights and obligations of the Parties that are members of the International Monetary Fund under the Articles of Agreement of the IMF, including the use of exchange actions which are in conformity with the Articles of Agreement of the IMF, provided that a Party shall not impose restrictions on capital transactions inconsistently with its individual commitments regarding such transactions, except under Article 11 of this Agreement or at the request of the International Monetary Fund.

CHAPTER II. CROSS-BORDER TRADE IN SERVICES

Article 13

Scope of Application

1. The provisions of this Chapter shall apply to measures of the Parties affecting cross-

border trade in services:

- a) from the territory of one Party into the territory of any other Party;
- b) in the territory of one Party to a service consumer of any other Party.

2. The provisions of this Chapter shall not apply:

a) to measures affecting air transport traffic rights, in whatever form granted, and (or) to services directly related to the exercise of air transport traffic rights, except for:

aircraft repair and maintenance services;

the selling and marketing of air transport services;

computer reservation system services;

b) to government procurement, as understood under Article XIII of the GATS;

c) to services supplied in the exercise of governmental authority;

d) to subsidies and other forms of state and municipal support.

3. Specific provisions on financial services are contained in Annex E to this Agreement.

4. Specific provisions on telecommunication services are contained in Annex F to this Agreement.

Article 14

Most-Favoured-Nation Treatment

1. With respect to any measure covered by this Chapter, each Party to this Agreement shall accord to services and service suppliers of any other Party to this Agreement treatment no less favourable than that it accords to like services and service suppliers of any non-Party, except for measures specified in its individual Schedule of such a Party in Annex A to this Agreement.

2. Nothing in this Agreement shall prevent the Parties from according advantages to adjacent countries in order to facilitate contiguous trade in services that are locally produced and consumed in contiguous frontier territories of each Party.

3. Nothing in this Agreement shall be construed to require a Party to extend to services and/or service suppliers of other Parties the advantages, benefits or privileges which such Party accords or may accord:

a) under economic integration, free trade in services, enhanced partnership and cooperation agreements of that Party, etc., consistent with the requirements of Article V of the GATS; or

b) under agreements on avoidance of double taxation or other arrangements on taxation matters.

Article 15

National Treatment

1. In the sectors inscribed in the individual Schedules of the Parties in Annex B to this

Agreement, and subject to the conditions and limitations set out therein, each Party shall accord to services and service suppliers of any other Party, in respect of all measures affecting cross-border trade in services, treatment no less favourable than that it accords to its own like services and service suppliers.

2. Parties may meet the requirements of paragraph 1 of this Article by according to services and service suppliers of any other Party either formally identical treatment or formally different treatment from that it accords to its own like services and service suppliers.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of the Party compared to like services or service suppliers of any other Party.

Article 16

Market Access

In the sectors inscribed in the individual Schedules of the Parties in Annex B to this Agreement, and subject to the conditions and limitations specified therein, no Party shall adopt or maintain, with respect to cross-border trade in services and in relation to services and (or) service suppliers of the other Party:

- a) limitations on the number of service suppliers in the form of numerical quotas, monopolies, exclusive service suppliers or requirements of an economic needs test;
- b) limitations on the total number of service operations or on the total quantity of service output expressed in designated numerical units in the form of quotas, an economic needs test, or in any other quantitative form;
- c) limitations on the total value of service transactions or assets in the form of numerical quotas or requirements of an economic needs test;
- d) requirements concerning establishment, including the organizational and legal form of establishment.

Where a Party undertakes a market access commitment in respect of the supply of a service from the territory of one Party into the territory of the other Party, and cross-border movement of capital is an essential part of the service itself, that Party shall thereby be committed to permit such movement of capital.

Article 17

Additional Commitments

Measures which shall not be scheduled under Articles 15 and 16 of this Agreement, including those relating to qualification, standards and licensing, shall be set out in the section "Additional Commitments" of the individual Schedules of the Parties in Annex B to this Agreement.

CHAPTER III. ESTABLISHMENT AND ACTIVITY

Article 18

Scope of Application

1. The provisions of this Chapter shall apply:
 - a) to any measures of a Party affecting establishment in its territory by persons of the other Party;
 - b) to any measures of a Party affecting the activity of juridical persons, branches or representative offices established (created, opened) in territory of this Party by persons of the other Party, and to natural persons of the other Party registered as sole proprietors in territory of the latter Party, on or after the date of entry into force of this Agreement.
2. The provisions of this Chapter shall not apply in the territory of a Party:
 - a) to government procurement, as understood under Article XIII of the GATS, and to activity which, under the laws and regulations of that Party, is connected with the exercise of governmental authority;
 - b) to subsidies and other forms of state and municipal support.
3. The provisions of this Chapter shall not apply in the territory of a Party to measures affecting air transport traffic rights, in whatever form they granted, and (or) to services directly related to the exercise of air transport traffic rights, except for:
 - aircraft repair and maintenance services;
 - the selling and marketing of air transport services;
 - computer reservation system services.
4. Specific provisions on financial services are contained in Annex E to this Agreement.
5. Specific provisions on telecommunication services are contained in Annex F to this Agreement.

Article 19

Most-Favoured-Nation Treatment

1. With respect to any measure covered by this Chapter, each Party shall, immediately and unconditionally, accord in relation to establishment and activity to persons of any other Party treatment no less favourable than that it accords to persons of any non-Party, except for measures specified in the individual Schedule of each Party in Annex A to this Agreement.
2. Nothing in this Agreement shall prevent the Parties from according advantages to adjacent countries in order to facilitate, within contiguous frontier territories, establishment and (or) activity within such territories.
3. Nothing in this Agreement shall be construed to require a Party to extend, in relation to establishment and activity, to persons of other Parties the advantages or benefits which such Party accords or may accord:
 - a) under on economic integration, free trade in services, enhanced partnership and cooperation agreements of that Party, etc., consistent with the requirements of Article V of

the GATS; or

b) under agreements on avoidance of double taxation or other arrangements on taxation matters.

Article 20

National Treatment

1. Each Party shall, in relation to establishment and (or) activity, accord to persons of any other Party treatment no less favourable than that accorded to its own persons in its territory, subject to limitations and conditions specified in the individual Schedule of each Party in Annex C to this Agreement.

2. Parties may meet the requirements of paragraph 1 of this Article by according to persons of any other Party either formally identical treatment or formally different treatment from that which it accords to its own persons.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of persons of that Party compared to persons of any other Party.

Article 21

Market Access Limitations on Establishment and Activity

Subject to the limitations and conditions specified in the individual Schedule of each Party in Annex C to this Agreement, no Party shall adopt or maintain, in connection with establishment and (or) activity to persons of the other Party, limitations concerning:

a) the form of establishment, including the organizational and legal form of juridical and natural person;

b) the number of established juridical persons, branches or representative offices, or registered sole proprietors;

c) the volume, share in the capital of a juridical person, or degree of control acquired over a juridical person;

d) transactions/operations of an established juridical person, branch, representative office, or registered sole proprietor in the course of their activity, in the form of quotas, economic needs tests or any other quantitative form;

e) limitations on the total number of natural persons who may be employed by an established juridical person, or which are necessary and are directly related to the activity, in the form of quotas or economic needs tests.

Where a Party undertakes a market access commitment in respect of the supply of a service by a service supplier of one Party through establishment in the territory of the other Party, it thereby undertakes to permit the related transfer of capital into its territory.

Article 22

Legalization of Documents

The Parties shall not require legalization or apostilization of documents submitted to the registering state authority of a Party for the establishment of juridical persons, branches, or representative offices with the participation of persons of any other Party.

CHAPTER IV. TEMPORARY PRESENCE OF NATURAL PERSONS

Article 23

Scope of Application

1. This Chapter shall apply to measures affecting the temporary entry and stay of categories of natural persons of one Party in the territories of other Parties, as specified in the individual Schedules of the Parties in Annex D to this Agreement, for the purposes of trade in services, establishment, activity and investment.

2. The provisions of this Chapter shall not apply in the territory of a Party to subsidies and other forms of state and municipal support.

3. Nothing in this Agreement shall prevent the Parties from applying measures regulating the entry of natural persons into their territory or their temporary stay therein, including those necessary to protect the integrity of their borders and to ensure the orderly movement of natural persons across borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms set out in its individual Schedule in Annex D to this Agreement.

4. The provisions of this Agreement shall not apply to entry or stay of natural persons of one Party in the territory of the other Party for the purposes of access to the labour market of the Parties' natural persons, permanent residence, obtaining a residence permit or citizenship, or to requirements or procedures for the issuance of visas to natural persons of the other Party, as well as to permanent employment.

Article 24

Most-Favoured-Nation Treatment

1. With respect to any measure covered by this Chapter, each Party shall accord to the categories of natural persons referred to in paragraph 1 of Article 23 of this Agreement treatment no less favourable than that it accords to like categories of natural persons of any non-Party.

2. A Party may maintain measures inconsistent with paragraph 1 of this Article, provided that such measures are specified in its individual Schedule in Annex A to this Agreement.

3. Nothing in this Agreement shall prevent the Parties from according advantages to

adjacent countries in order to facilitate adjacent trade in services that are locally produced and consumed contiguous frontier territories of the Parties, as well as to make investment.

4. Treatment accorded under paragraph 1 of this Article shall not extend to advantages which a Party accords or may accord in the future:

a) under economic integration, free trade in services agreements of such Party, or other similar arrangements, provided that such agreements are consistent with the criteria and conditions of Article V of the GATS; or

b) under agreements on avoidance of double taxation or other arrangements on taxation matters.

Article 25

National Treatment

1. With respect to any measure covered by this Chapter, in the sectors inscribed in the individual Schedules of the Parties in Annex D to this Agreement, and subject to the conditions and limitations specified therein, each Party shall accord to the categories of natural persons of other Parties referred to in paragraph 1 of Article 23 of this Agreement treatment no less favourable than that it accords to like categories of its own natural persons.

2. Parties may meet the requirements of paragraph 1 of this Article by according to the relevant categories of natural persons of other Parties either formally identical treatment or formally different treatment compared to that accorded to like categories of its own natural persons.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of the services, service suppliers, or investors of that Party compared to like services, service suppliers, or investors of any other Party.

Article 26

Market Access

In the sectors inscribed in the individual Schedules of the Parties in Annex D to this Agreement, and subject to the conditions and limitations specified therein, with respect to the categories of natural persons of other Parties referred to in paragraph 1 of Article 23 of this Agreement, no Party shall adopt or maintain:

limitations on the total number of natural persons of the other Party who may be employed in a specific sector (supply a service in the relevant sector);

requirements of an economic needs test.

Article 27

Additional Commitments

Measures which shall not be scheduled under Articles 25 and 26 of this Agreement, including those relating to qualification, standards and licensing, shall be inscribed in the section “Additional Commitments” of the individual Schedules of the Parties in Annex D to this Agreement.

CHAPTER V. INVESTMENTS

Article 28

Scope of Application

1. This Chapter shall apply to investments made by investors of one Party in the territory of the other Party after the entry into force of this Agreement.

2. This Chapter shall not apply to the granting of subsidies or other forms of State and municipal support by a Party.

Article 29

Promotion and Protection of Investments

1. Each Party shall, in accordance with its laws and regulations, create favourable conditions for investors of the other Party to make investments within its territory.

2. Each Party shall accord full protection and security, in accordance with its laws and regulations, to investments of investors of the other Party within its territory.

Article 30

National Treatment

1. Each Party shall accord in its territory to investments of investors of the other Party treatment no less favourable than that it accords to investments of its own investors.

2. Each Party reserves the right to introduce and apply, in accordance with its laws and regulations, exemptions from the national treatment provided for in paragraph 1 of this Article.

Article 31

Most-Favoured-Nation Treatment

1. Each Party shall accord in its territory to investments of investors of the other Party treatment no less favourable than that it accords to investments of investors of any third state.

2. Nothing in this Agreement shall be construed so as to oblige a Party to extend to

investments of investors of the other Party any advantages or privileges which the former Party provides or will provide in the future:

a) under economic integration agreements of the former Party, such as free trade agreements, customs unions, or arrangements leading thereto;

b) on the basis of agreements meant to avoid double taxation or other arrangements on taxation issues.

Article 32

Compensation for Losses

Each Party shall accord to investments of investors of the other Party, with respect to measures it adopts or maintains for compensation of losses suffered by investments of such investors in its territory as a result of war, armed conflict, civil disturbance, civil strife, revolution, a state of national emergency, insurrection, rebellion or other similar events, treatment no less favourable than that which it accords to:

a) investments of its own investors; or

b) investments of investors of any third state.

Article 33

Expropriation

1. Investments of investors of one Party made in the territory of the other Party shall not be subject, directly or indirectly, to expropriation, nationalization or to measures having equivalent effect that prevent such investor from the use, ownership or disposal of its investments (hereinafter referred to as "expropriation"), except where such measures are undertaken:

for a public purpose, in particular within the meaning of Article 9 of this Agreement;

in accordance with the procedure established by the laws and regulations of the former Party. Such procedure shall be officially published or otherwise made publicly available prior to the date of the expropriation;

on a non-discriminatory basis and against prompt, adequate and effective compensation in accordance with paragraph 4 of this Article.

2. The determination as to whether a measure (set of measures) of a Party constitutes expropriation shall require a case-by-case, fact-based assessment of:

a) the impact of such measure (set of measures) on the market value of the investments of an investor, although the sole fact that a measure (set of measures) of a Party has an adverse effect on the value of the investments of an investor of the other Party does not establish that an expropriation has occurred;

b) the nature of such measure (set of measures), including the duration of such measure (set of measures).

3. The following do not constitute expropriation:

a) interim measures applied to investments of an investor of a Party by law-enforcement or judicial authorities of the other Party in whose territory such investments were made;

b) measures of a Party relating to the imposition and collection of taxes and other charges, provided that such measures are not arbitrary and are not applied on a differential rate depending on the nationality of the investor or capital, without prejudice to the international agreements and arrangements on taxation which such Party is a party to;

c) requisition of an investments of an investor by a Party if such measures are applied during natural disasters, accidents, epidemics, epizootics and other similar emergencies, and the property subjected to requisition was returned to the investor of the other Party without undue delay after the emergency ceased to exist , with compensation of damages caused to such property in accordance with its market value;

d) customs regulation measures;

e) the issuance of compulsory licenses granted in accordance with the obligations of a Party under the WTO Agreement, in particular the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

4. The compensation referred to in paragraph 1 of this Article shall be equivalent to the market value of the expropriated investments, amount to the value on the date on which the expropriation, actual or impending, became publicly known. From the date of expropriation until the date of payment, such compensation shall include interest at a market-defined commercial rate. Compensation shall be paid without delay in the currency in which the investments were originally made. The investor should have the right to exchange such compensation into any freely usable currency of its choice.

5. A Party shall ensure the free transfer from its territory of the compensation referred to in paragraph 1 of this Article by an investor of the other Party, subject to the provisions of Article 12 of this Agreement.

Article 34

Subrogation

1. If a Party or its designated entity made a payment to an investor of such Party under an insurance contract guarantee, or under any other form of indemnity against non-commercial risks provided for in an agreement between the Party and the investor, in respect of compensation for damages from non-commercial risks related to an investment, the other Party recognizes the transfer of the right or claim of the investor in connection with such an investment to the former Party or its designated entity through subrogation.

2. The rights or claims transferred in accordance with paragraph 1 of this Article shall not exceed the original rights or claims of the investor. Such rights or claims shall be exercised in accordance with the laws and regulations of the Party in whose territory the investments were made, without prejudice to the provisions of Articles 30 and 31 of this Chapter and Articles 19 and 20 of Chapter III "Establishment and activity" of this Agreement.

3. If a Party or its designated entity made a payment to an investor of such Party and has thereby acquired the rights and claims of the investor, such investor shall not, unless duly authorized to act on behalf of the Party or its designated entity, pursue such rights and claims against the other Party.

Article 35

Transfer of payments

1. Notwithstanding the provisions of Article 11 of this Agreement, each Party shall guarantee to investors of the other Party, subject to their fulfillment of all tax and other obligations under the laws and regulations of the former Party, the free transfer abroad of payments related to their investments, including:

a) income;

b) payments on loans and credits recognized by each Party as investments, as well as any interest accrued thereon;

c) profits, dividends, capital contributions, capital gains and funds received from the sale of all or any part of the investments or from the partial or complete liquidation of investments;

d) compensation referred to in Articles 32, 33 and 36 of this Agreement;

e) salaries and other remunerations received by investors and by natural persons of the other Party, who have been granted a work permit in connection with investments in the territory of the former Party.

2. The transfer of payments mentioned in paragraph 1 of this Article shall be made without undue delay in a freely usable currency at the rate of exchange applicable on the date of the transfer in accordance with the foreign exchange laws and regulations of the Party in whose territory the investments were made.

3. Nothing in this Agreement shall affect the rights and obligations of any Party arising from its membership in the International Monetary Fund, including the rights and obligations related to measures regulating exchange actions, provided that such measures of the Party are in conformity with the Articles of the IMF Agreement, and (or) provided that the Party shall not impose restrictions on payments and transfers inconsistently with its obligations under this Agreement relating to such transactions, except under Article 11 of this Agreement, or in cases where such restrictions are applied at the request of the

Article 36

Settlement of disputes between one Party and an investor of the other Party

1. A dispute between a Party and an investor of the other Party concerning its investments in the territory of that Party shall be settled through negotiations. For this purpose, the investor of one Party shall submit a written request for such negotiations to the other Party.

2. The written request for negotiations referred to in paragraph 1 of this Article shall include:

a) the full name, actual and legal address of the investor that is a party to the dispute, and the full name of the investor's representative, its actual and legal address, as well as documents confirming the representative's right to act on behalf of and in favour of the investor in connection with the dispute (if there is a representative);

b) the legal and factual basis of the request, including all contested measures and circumstances;

c) the provisions of this Agreement, which, in the investor's view, are not in conformity with the contested measures of the Party;

d) the investor's proposals for a possible settlement of the dispute.

3. The request for negotiations referred to in paragraph 1 of this Article shall not be considered properly submitted if it does not contain the information specified in paragraph 2 of this Article, or if it is not submitted to the competent authority of the Party.

4. Each Party shall notify the depositary of the list of competent authorities specified in paragraph 3 of this Article within 30 days after the entry into force of this Agreement. The list of competent authorities of the Parties shall be published on the official website of the depositary. In the event of any change to the competent authorities, the relevant Party shall immediately notify the depositary of this Agreement.

5. If negotiations referred to in paragraph 1 of this Article have not been initiated or have not resulted in a mutually satisfactory settlement within six months from the date of submission of the request for negotiations under paragraph 3 of this Article, the dispute concerning an alleged breach of this Agreement shall be submitted to dispute settlement procedures agreed upon by the disputing parties. If such procedures were not agreed upon within the six-month period specified in this paragraph, the dispute may be submitted by the investor, who is a party to the dispute, to the court of the Party in whose territory the investments were made or to one of the following arbitration bodies (institutions):

a) the arbitration court of the Party (where applicable), in whose territory the investments were made;

b) ad hoc arbitration established under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL), effective on the date of commencement of the arbitration proceedings, unless the disputing parties have agreed to apply a specific edition of such Rules;

c) other permanent international arbitration body (institution) agreed upon by the disputing parties.

The investor's choice to submit the dispute to the court of the Party, the arbitration court of the Party, the ad hoc arbitration, or other agreed arbitration body (institution) shall be final.

6. To submit a dispute to one of the arbitration bodies (institutions) specified in subparagraphs "a" - "c" of paragraph 5 of this Article, an investor who is a party to the dispute shall send a written notification to the competent authority of the Party referred to in paragraphs 3 and 4 of this Article requesting submission of the dispute to an arbitration body (institution).

7. The request for the dispute to be submitted to an arbitration body (institution) referred to in paragraph 6 of this Article shall indicate whether negotiations were held between the disputing parties. Measures or circumstances not included in the written request for negotiations under paragraph 1 of this Article cannot be submitted to arbitration. The request for the dispute to be submitted to an arbitration body (institution) referred to in paragraph 6 of this Article, the claims set out in the written request for negotiations under paragraph 1 of this Article shall not be supplemented or amended.

The arbitration body (institution) has no jurisdiction to consider disputes and decide on the compliance of a Party's measure with the provisions of this Agreement, unless such measure or provisions were specified in the written request for negotiations under paragraph 1 of this Article.

8. Nothing in this Agreement, including Article 31 of this Agreement, shall be interpreted as granting an investor of one Party the right to use any dispute resolution mechanisms, institutions or procedures to settle disputes with the other Party arising in connection with this Agreement, other than those expressly provided in this Article.

9. The Parties may at any time agree on a joint interpretation of the provisions of this Agreement. At any stage of a dispute, including during negotiations or arbitration proceedings, a Party that is a party to the dispute may submit a written request to the other Parties for joint consultations on the interpretation of a provision of this Agreement that is the subject of the dispute with an investor of the other Party. A copy of the request for such consultations shall simultaneously be provided by the former Party to the investor, who is a party to the dispute, and to the arbitration body (institution) if the dispute has been submitted to one of the arbitration bodies (institutions) specified in subparagraphs "a" and "c" of paragraph 5 of this Article.

10. A dispute that is subject to negotiations under paragraph 1 of this Article shall not

be submitted to an arbitration body (institution) from the date of receipt of a request for consultations under paragraph 9 of this Article. In case of a dispute already submitted to one of the arbitration bodies (institutions) specified in subparagraphs (a) - (c) of paragraph 5 of this Article, the arbitration proceedings shall be suspended from the date of receipt of the request for consultations under paragraph 9.

11. Arbitration proceedings suspended in accordance with paragraph 10 of this Article may resume:

a) from the date when the other Party notifies the disputing parties of its intention not to initiate consultations on the interpretation of the provisions of this Agreement with the Party that is a party to the dispute;

b) from the date when any Party notifies the other Parties and the investor of a joint agreement on the interpretation of a specific provision of the Agreement;

c) from the date when any Party notifies the other Parties and the investor that an agreement on the interpretation of the relevant specific provision of the Agreement cannot be reached, but not earlier than 60 days from the date when the request for consultations on the interpretation of the provisions of this Agreement was submitted by the Party to the other Parties.

12. The Parties' joint interpretation of the provisions of this Agreement is binding upon the Parties, the Parties' investors, and the arbitration bodies (institutions), in which disputes between the investor of the Party and the other Party are submitted pursuant to this Agreement.

13. For arbitration proceedings conducted under the UNCITRAL Rules:

a) three arbitrators shall be appointed to the ad hoc arbitration body (institution);

b) the language of arbitration shall be Russian;

c) the place of arbitration shall be the capital of the Party that is a party to the dispute;

d) the time periods under paragraphs 2 and 3 of Article 9 of the UNCITRAL Arbitration Rules shall be 90 days;

e) the time period under paragraph 1 of Article 20 of the UNCITRAL Arbitration Rules, during which an investor who is a party to the dispute submits its claim in writing to the Party who is a party to the dispute and to each of the arbitrators, is determined by the arbitration institution;

f) the time period provided for in paragraph 1 of Article 21 of the UNCITRAL Arbitration Rules, during which the Party, who is a party to the dispute submits its objections to the claim in writing to the investor who is a party to the dispute and to each of the arbitrators, is determined by the arbitration body (institution);

g) neither party to the dispute nor the arbitration body (institution) or its members have

the right to disclose any information regarding the dispute, including the decision of the arbitration body (institution), without the written consent of both disputing parties. The UNCITRAL Rules on Transparency for investor-State arbitration based on international agreements shall not apply;

h) a plea that the arbitration body (institution) does not have the necessary jurisdiction, the appointment of an arbitrator by a Party that is a party to the dispute, or the participation of such a Party in the appointment of an arbitrator, submission by such a Party of its objection to the investor's claim shall in no case be considered as acceptance by such a Party of the jurisdiction of the arbitration body (institution);

i) the arbitration body (institution) shall decide on the objection as to jurisdiction as a preliminary question before considering the dispute on the merits.

14. Disputes between an investor of a Party and the other Party arising from other arrangements reached between such investor and the Party shall be settled in accordance with the procedures established under those arrangements.

15. Nothing in this Agreement shall prevent the disputing parties from settling it in out-of-court proceedings, including through the use of conciliation, mediation and other similar mechanisms, if both disputing parties agree to use them.

16. Each Party shall recognize the arbitral award as final and binding and shall ensure its enforcement within its territory in accordance with its laws and regulations, unless:

a) a Party to the dispute seeks to appeal, amend, revise, or annul such award in accordance with the rules and procedures applicable to the dispute; or

b) a Party against which recognition or enforcement of an award was sought submits a request for denial of recognition or enforcement of such an arbitral award under the provisions of an applicable international agreement of which it is a party to.

In the framework of arbitration (judicial) proceedings, a Party has the right to file a counterclaim on the subject of the dispute against the other party to the dispute.

17. No claim may be submitted to an arbitration body (institution) after more than three years from the date when the investor, who is a party to the dispute, first became aware or ought reasonably to have become aware of the alleged breach provided for in paragraph 1 of this Article, prior to the date of submitting a written request for negotiations under paragraph 1 of this Article.

18. A dispute between an investor of one Party and the other Party regarding a measure applied by the Party under Article 10 of this Agreement could not be subject to arbitration.

19. After the entry into force of this Agreement, Parties may agree on a list of arbitrators, which, by consent of the Parties, shall be mandatory for the appointment of arbitrators if a claim is submitted by an investor of one Party to an arbitration body

(institution) under subparagraph "c" of paragraph 5 of this Article.

CHAPTER VI. FINAL PROVISIONS

Article 37

Economic Integration

The provisions of this Agreement shall not apply between the Parties that are bound by bilateral and (or) multilateral international agreements establishing a deeper level of integration than that provided for under this Agreement, or granting additional advantages to their natural and (or) juridical persons.

Article 38

Reduction of Restrictions

In order to further improve the conditions provided for in this Agreement regarding trade in services, establishment and activity, the Parties shall at least once every five years conduct negotiations aimed at expanding the list of sectors and gradually reducing the number of restrictions specified in the individual schedules of the Parties to this Agreement.

The first such negotiations shall take place no later than five years after the entry into force of this Agreement.

Article 39

New Service Sectors and Types of Operations

The Parties reserve the right to impose or maintain any measure with respect to new sectors and types of activity, including services and activities related to the existing and new products or the method of delivery of products that are not supplied or carried out in the territory of the Party on the date of entry into force of this Agreement.

Article 40

Disputed Issues

Disputes between the Parties related to the interpretation and (or) application of this Agreement shall be settled through consultations and negotiations or through the procedures under Article 19 of the Free Trade Area Agreement of 18 October 2011.

Article 41

Amendments

By mutual consent of the Parties, amendments could be made to this Agreement. Such amendments shall constitute an integral part of the Agreement and shall be formalized by the corresponding protocols.

Article 42

Modification of Schedules

1. Upon a written request from a Party to this Agreement, Parties shall conduct consultations on modifying individual schedules under this Agreement. In the course of such consultations, Parties shall endeavour to ensure that the overall level of mutually advantageous commitments is no less favourable to trade than that reflected in their respective individual schedules in Annexes A, B, C and D to this Agreement prior to such consultations.

2. Parties that are not WTO Members on the date of entry into force of this Agreement undertake to review their individual schedules under this Agreement within two years after WTO accession, in order to ensure that market access conditions for the participants to this Agreement are no less favourable than those assumed by them in accordance with their WTO commitments.

Article 43

Monitoring the Implementation of the Provisions of the Agreement

The Parties shall monitor the implementation of the provisions of this Agreement and shall annually provide relevant information to the Executive Committee of the CIS for its consolidation and subsequent consideration at a meeting of the Council of Heads of Government of the Commonwealth of Independent States.

Article 44

Entry into Force

1. This Agreement enters into force upon the expiry of 30 days from the date of receipt by the Depositary of the third notification of completion by the signatory Parties of the intergovernmental procedures required for its entry into force.

2. For Parties that complete the domestic procedures at a later date, this Agreement shall enter into force upon the expiry of 30 days from the date of receipt by the Depositary of the relevant documents.

Article 45

Accession

1. Following its entry into force, this Agreement shall be open for accession to any state.

2. For a CIS Member State, this Agreement shall enter into force 30 days from the date of receipt by the Depositary of the document of accession, subject to the approval of its individual schedule of commitments by all Parties that have completed the intergovernmental procedures necessary for the entry into force of this Agreement.

3. For a State that is not a CIS Member State, this Agreement shall enter into force 30 days after the date of receipt by the Depositary of the document of accession, subject to the consent of all Parties that have completed the intergovernmental procedures necessary for the entry into force of this Agreement and their approval on an individual schedule of commitments of such state.

Article 46

Duration and Withdrawal

1. This Agreement is concluded for an indefinite period.

Each of the Parties shall have the right to withdraw from this Agreement by sending a written notification of its intention to the Depositary no later than 12 months prior to the withdrawal.

2. With respect to investments made prior to the date of withdrawal of a Party from this Agreement, the provisions of this Agreement shall remain in force for that Party for a period of 10 years from the date of its withdrawal.

Done at Sochi on 8 June 2023, in a single original copy in the Russian language. The original copy shall be deposited with the Executive Committee of the Commonwealth of Independent States, which shall send a certified copy to each signatory State of this Agreement.

For the Republic of Azerbaijan

For the Republic of Armenia

N.PASHINYAN

For the Republic of Belarus

R.GOLOVCHENKO

For the Republic of Kazakhstan

A.SMAILOV
With the reservation

For the Russian Federation

M. MISHUSTIN

For the Republic of Tajikistan

K.RASULZODA

For Turkmenistan

For the Republic of Uzbekistan

A.ARIPOV

For the Kyrgyz Republic

For Ukraine

A.ZHAPAROV

For the Republic of Moldova

**RESERVATION
THE REPUBLIC OF KAZAKHSTAN**

In the event of a claim arising from an alleged violation of Chapter 5 of this Agreement against the Republic of Kazakhstan in accordance with subparagraph a) of paragraph 5 of Article 36 "Dispute Settlement between one Party and an investor of the other Party" of this Agreement, instead of an arbitration court, the dispute is subject to consideration by the Court of the Astana International Financial Center (AIFC Court).

The Prime Minister
The Republic of Kazakhstan
A. SMAILOV

TRADE IN FINANCIAL SERVICES

This Annex applies to the measures of the Parties affecting trade in financial services.

The provisions of this Annex shall not apply to the services provided and to the activity carried out in the exercise of governmental authority on a non-commercial basis and not in competition, nor with respect to the provision of subsidies.

The terms used in this Annex shall have the following meanings:

government institution – either a governmental authority or a national (central) bank of a Party, or an organization of a Party that is owned or controlled by that Party, which exercises solely the powers delegated by that Party's governmental authority or by the national (central) bank of that Party;

license – specific authorization or document issued by the competent authority certifying, in accordance with the national laws and regulations of a Party, the right of a service supplier to carry out a particular activity in the territory of that Party;

trade in financial services – for the purposes of this Annex it means “trade in services” and “activity”, as defined in Article 1 of this Agreement;

financial services sector – the entire sector of financial services, including all its subsectors, and, with respect to exemptions from commitments, restrictions, and conditions of a Party – one or several or all subsectors of a particular financial service in accordance with the laws and regulations of that Party;

competent authority – an authority of a Party which, in accordance with its national laws and regulations, is empowered to regulate and (or) supervise and control the financial market and financial organizations (specific spheres of the financial market);

financial services – financial-type services, including:

A. Insurance and insurance-related services:

1) direct insurance (including co-insurance):

of life;

other than life insurance;

2) reinsurance and retrocession;

3) insurance intermediation, such as brokerage and agency;

4) auxiliary insurance services, such as consultancy, actuarial services, risk assessment,

and claim settlements services.

B. Banking and other financial and payment services (excluding insurance):

- 1) acceptance of deposits and other repayable funds from the public;
- 2) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions;
- 3) financial leasing;
- 4) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;
- 5) guarantees and commitments;
- 6) trading for own account and for account of customers on the foreign exchange market, in the over-the-counter market, or otherwise the following:
 - money market instruments (including cheques, bills, deposit certificates);
 - foreign exchange;
 - derivative products including, but not limited to, futures and options;
 - exchange rate and interest rate instruments, including swaps and forward rate agreements;
 - transferable securities;
 - other negotiable instruments and financial assets, including gold and silver in bullion form;
- 7) Participation in the issuance of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issuances;
- 8) Money brokering;
- 9) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management , custodial, depositary and trust services;
- 10) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;
- 11) Provision and transmission of financial information, and financial data processing , and related software by suppliers of other financial services;
- 12) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs 1–11 of paragraph B, including credit reference and analysis,

investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

Other terms used in this Annex shall have the meanings specified in this Agreement.

1. With respect to financial services listed by a Party in its individual schedule in Annexes B and C to this Agreement, that Party shall ensure that all measures affecting trade in financial services are applied in a reasonable, objective, and impartial manner.

2. When authorization is required to supply financial services, the competent authorities of a Party shall inform the applicant of the decision on the application within a reasonable period of time after the application has been considered duly submitted in accordance with the Party's laws and regulations. Upon request of an applicant, the competent authorities of that Party shall provide information on the status of the application without undue delay.

3. To ensure that measures relating to qualification requirements and procedures, technical standards, and licensing requirements do not create unjustified barriers to trade in financial services, a Party may establish any necessary rules through competent authorities it could designate. These rules, *inter alia*, shall ensure that requirements:

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

2) are not more burdensome than necessary to ensure the quality of the service;

3) in the case of licensing procedures, do not in themselves constitute a restriction on the supply of the service.

4. Until the entry into force of the rules developed pursuant to paragraph 3 of this Annex, with respect to the financial services sectors listed in the individual schedules of the Parties in Annex B to this Agreement, the Parties shall not apply licensing or qualification requirements, nor technical standards, in a manner that would nullify or impair the benefits accruing under the conditions set out in the individual schedules of the Parties in Annex B.

Licensing or qualification requirements and technical standards applied by a Party shall conform to the criteria set out in subparagraphs 1–3 of paragraph 5 of this Annex, and could reasonably be expected from that Party on the date of signature of this Agreement.

5. If a Party applies licensing in relation to establishment and (or) activity of financial services suppliers, that Party shall ensure that:

1) the names of the competent authorities responsible for issuing licenses to conduct such activity are published or otherwise made publicly available;

2) licensing procedures shall not in themselves constitute a restriction on establishment or activity, and licensing requirements directly related to the right to conduct an activity shall not in themselves constitute an unreasonable barrier to such activity;

3) all licensing procedures and requirements are established in the laws and regulations

of that Party and that the laws and regulations establishing or applying such licensing procedures or requirements is published prior to its entry into force;

4) any fees charged in connection with the submission and review of a license application do not themselves constitute a restriction on establishment or activity and are based on the costs incurred by the licensing authority in processing the application and issuing a license;

5) upon the expiry of the period established by the laws and regulations of a Party for taking a decision on the granting (or refusal to grant) of a license, and upon the applicant's request, the competent authority of the Party responsible for issuing licenses shall inform the applicant of the status of consideration of the application, as well as whether the application is deemed duly completed. In any case, the applicant shall be provided with the opportunity to make technical corrections to the application. An application shall not be considered duly completed until all information and documents required under the relevant laws and regulations of the Party have been received;

6) upon the written request of an applicant whose application has been rejected, the competent authority of the Party, responsible for issuing licenses shall provide the applicant in writing on the reasons for such rejection. However, this provision shall not be interpreted as requiring the licensing authority of the Party to disclose information the disclosure of which would impede the enforcement of the Party's laws and regulations, or otherwise be contrary to public interests or essential security interests;

7) in cases where an application has been rejected, the applicant shall have the right to submit a new application, in which the applicant may seek to remedy any deficiencies that prevented granting of a license;

8) a license granted shall be valid throughout the entire territory of the Party.

6. The procedure and timeframes for the issuance of licenses for the conduct of activities in the financial services markets within the territory of a Party shall be established by the laws and regulations of the Party in whose territory such activities are to be carried out.

7. Nothing in this Annex shall prevent a Party from adopting prudential measures, including measures for the protection of investors, depositors, policy holders, beneficiaries, and persons to whom a service supplier owes a fiduciary duty, or for taking any reasonable and justified measures to ensure the integrity and stability of the financial system. Where such measures are not consistent with the provisions of this Annex, they shall not be used by a Party as a means of avoiding fulfillment of its obligations under this Agreement.

8. Nothing in this Annex shall be construed as requiring a Party to disclose information related to banking or any other secrecy protected under national laws and regulations, including information on bank accounts, transactions, and deposits of individual clients, or any other confidential information.

The competent authority of a Party may request confidential information from the competent authority of the other Party. Such a request may be granted by the competent authority of the requested Party, provided that the information is not disclosed to third parties without the prior written consent of the competent authority from which the information originated, except as provided for under national laws and regulations. In the event such confidential information is provided, the competent authority of the requesting Party shall ensure a level of confidentiality no less than that maintained in the Party of origin.

9. The Parties shall develop mechanisms for cooperation between their competent authorities in the areas of regulation, supervision, and oversight of activities in their financial markets, including the banking sector, insurance sector, and securities services sector.

10. Each Party shall ensure that its laws and regulations which affects or could affect matters covered by this Annex are published in an official source and, where possible, on a dedicated website, in such a manner that any person whose rights and/or obligations may be affected thereby could have the opportunity to become acquainted with it.

Such laws and regulations shall be published within a timeframe ensuring legal certainty and legitimate expectations of persons whose rights and (or) obligations may be affected by such laws and regulations, and in any event prior to its entry into force (enforcement).

Each Party shall also ensure that responses are provided to any person submitting a written request concerning existing and (or) proposed legislation on matters covered by this Annex. Such responses shall be provided to the interested person no later than 30 calendar days from the date of receipt of the written request.

11. A Party may recognize the prudential measures of the other Party in determining the application of its own measures relating to the supply of financial services. Such recognition could be based on an agreement or arrangement with the Party concerned, or may be accorded unilaterally.

12. A Party that is a participant in an agreement or arrangement on the recognition of prudential measures of the other Party, whether future or existing, shall provide other Parties with the opportunity to negotiate their accession to such agreements or arrangements, which may include rules, supervision, implementation mechanisms, and, where possible, procedures related to the exchange of information between participants to such agreements or arrangements.

Annex F

SPECIFIC REGULATORY PROVISIONS FOR TELECOMMUNICATION SERVICES

Scope of Application

This Annex contains definitions and principles relating to regulation of the provision of basic telecommunications services. The list of such services is set out in Annexes B and C to this Agreement.

Definitions

“Users” – consumers and service suppliers.

“Essential facilities (equipment)” – facilities (equipment) of a public telecommunication network or service that:

- a) are supplied exclusively or predominantly by a single supplier or by a limited number of suppliers; and
- b) cannot be economically or technically substituted to supply a service.

“Major supplier” – a supplier that has the ability to exert a significant influence over the conditions of service provision (including pricing and supply) in a given market for basic telecommunications services as a result of:

- a) its control over essential facilities (equipment); or
- b) its market position.

1. PROTECTION OF COMPETITION

1.1. Prevention of Anti-Competitive Practices in the Sphere of Telecommunications

The Parties shall take measures to prevent suppliers, individually or jointly classified as a major supplier, from engaging in anti-competitive practices.

1.2. Protective Measures

Such anti-competitive practices include:

- a) engaging in anti-competitive cross-subsidization;
- b) misuse of information obtained from competitors in a manner that harms competition; and
- c) untimely provision of technical information regarding essential facilities (equipment) and related commercial information necessary for the supply of services to other service suppliers.

2. INTERCONNECTION

The provisions of this section relate to establishing interconnection with providers of public basic telecommunications networks or services, allowing consumers of one supplier to communicate with consumers of the other supplier and access to services provided by the other supplier, in cases where a Party has undertaken the relevant commitments.

2.1. Guaranteed Interconnection

The Parties shall ensure that interconnection with a major supplier is provided in accordance with the applicable laws and regulations and technical standards of the Parties at any point in the network where technically feasible. Such interconnection shall be provided:

a) on non-discriminatory conditions (including technical standards and specifications) and at non-discriminatory rates, with service quality conditions shall be no less favorable than those provided to the its own supplier of the similar services or to similar services of non-affiliated suppliers or their subsidiaries or other affiliates;

b) in a timely manner, in accordance with rules, conditions (including technical standards and specifications), and cost-oriented rates, which must be transparent, economically feasible, and sufficiently detailed; and

c) upon request – at points, other than terminals accessible by the majority of users, based on rates that reflect the costs of establishing additional necessary facilities.

2.2. Transparency of Interconnection Negotiation Procedures

Procedures related to interconnection with a major supplier shall be made publicly available.

2.3. Transparency of Interconnection Agreements

The Parties shall ensure that the major supplier makes its interconnection agreements or corresponding interconnection offers publicly available.

2.4. Dispute Resolution

A service supplier requesting interconnection to a major supplier shall have the right of appeal:

a) at any time; or

b) within a reasonable and publicly established period to a national authority, which could be an independent regulatory authority as referred to in paragraph 5 of this Annex to resolve disputes concerning the applicable rules, conditions, and interconnection rates within a reasonable timeframe if such rules, conditions, and rates were not established in advance.

3. UNIVERSAL SERVICE

Each Party may define universal service obligations it wishes to undertake. Such obligations shall not be considered anti-competitive, provided that they are implemented on a transparent, non-discriminatory, and competitively neutral basis and are no more burdensome than necessary for the type of universal service defined by the Party.

4. TRANSPARENCY OF LICENSING CRITERIA

During licensing, the following shall be made public:

- a) all criteria for obtaining a license and the timelines for decision-making on license applications; and
- b) the terms and conditions for granting individual licenses.

The reasons for refusal to grant a license shall be communicated to the applicant upon request.

5. INDEPENDENCE OF THE REGULATORY AUTHORITY

The Parties shall ensure that the regulatory authority acts independently from suppliers of basic telecommunications services and is not accountable to them. Decisions and procedures of the authority shall be objective with respect to all market participants.

6. ALLOCATION AND USE OF SCARCE RESOURCES

The allocation and use of the radio-frequency spectrum and numbering resources shall be conducted in accordance with the laws and regulations of the Parties. The amount of licensing fees for the allocation and use of the radio-frequency spectrum and numbering resources shall be determined pursuant to national laws and regulations.
