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UKRAINE - MEASURES RELATING TO TRADE IN GOODS AND SERVICES

REQUEST FOR CONSULTATIONS BY THE RUSSIAN FEDERATION

The following communication, dated 19 May 2017, from the delegation of Russia to the delegation of Ukraine and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of Ukraine pursuant to Articles 1 and 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), Article XXIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), Article XXIII of the General Agreement on Trade in Services 1994 (GATS), Article 14.1 of the Agreement on Technical Barriers to Trade (TBT Agreement), Article 6 of the Agreement on Import Licensing Procedures (Import Licensing Agreement), Article 11.1 of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) with respect to multiple restrictions, prohibitions, requirements and procedures adopted and maintained by Ukraine in respect of trade in goods and services between the Russian Federation and Ukraine as well as transit since 2014.

Since 2014 Ukraine has adopted a universe of restrictions, prohibitions, requirements and procedures the effect of which is discrimination of persons, goods and services of the Russian Federation and drastic restriction of bilateral trade as well as transit.

These measures include, but are not limited to, the following:

1. Resolution of the Cabinet of Ministers of Ukraine of 30 December 2015 No. 1147 «On the Ban on Import of Goods Originating from the Russian Federation to the Customs Territory of Ukraine»¹, as well as any subsequent amendments, including Resolution of the Cabinet of Ministers of Ukraine of 20 January 2016 No. 28 «On Amendments to List of Goods Originating in the Russian Federation and Prohibited for Imports into Ukraine»². The Resolution No. 1147 as well as its subsequent amendments provide for a ban on imports from the Russian Federation of certain products.

The import ban covers a number of categories of food products (in particular meat products, dairy products, fish products, confectionary, tea, potato products, such as crisps, etc.), spirits and beer, cigarettes, railway and tram track equipment, diesel-electric locomotives, octanol, potash chloride, detergents, certain agricultural chemicals, certain plant products, etc.

 $^{^1}$ Products coverage according to mentioned Resolution: Harmonized System Codes 0201, 0202, 0203, 0207, 0210, 03, 0403909100, 0406303100, 0901210000, 09023000, 1104291700, 15179099, 1522009100, 1704907100, 1704909900, 1806310000, 1806901900, 1901100000, 1902191000, 1905311100, 1905321100, 1905905500, 1905906000, 2005202000, 21011100, 2103909000, 2106909200, 2203000100, 2203000900, 2207, 220860, 230910, 2402209020, 2905168510, 3104205000, 3401300000, 380891, 380892, 380893, 3808991000, 3917320020, 8530100000, 8602100000.

² Products coverage according to mentioned Amendments: Harmonized System Codes 0712200000, 09021000, 1604, 1794903000, 1704906100, 1704906500, 1806901100, 1904, 1905100000, 1905311900, 1905319100, 2103100000, 2103200000,

In particular, the ban constitutes a prohibition on importation of products from the territory of the Russian Federation to the territory of Ukraine. This prohibition of imports of products to Ukraine is applied only to the products originating from the Russian Federation. Ukraine fails to extend the treatment, granted by it to the products originating from any third country, to the products originating from the Russian Federation.

Moreover, the ban and the said Resolution were not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles I (inter alia Article I:1), X (inter alia Articles X:1, X:2) and XI (inter alia Article XI:1) of the GATT 1994, paragraphs 192, 491, 499, 500 of the Report of the Working Party on the Accession of Ukraine to the World Trade Organisation (Working Party Report) and paragraph 2 of Part I of the Protocol of the Accession of Ukraine (Accession Protocol) which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

2. Law of Ukraine of 8 December 2016 No. 1780-VIII «On Amendments to Certain Laws of Ukraine in Relation to Restricting Access of Foreign Printed Materials with Anti-Ukrainian Content to the Ukrainian Market» (Law No. 1780-VIII).

The Law No. 1780-VIII amends the Law of Ukraine of 4 June 1997 No. 318/97–BP. The amendments relate to the Article 28-1 of the Law No. 318/97–BP and prescribe that imports and distribution of printed materials originating from, manufactured in and/or delivered from Russia are prohibited, except materials approved by the Ministry of Information Policy of Ukraine. Furthermore, not more than 10 items of printed materials in the luggage of individuals entering Ukraine are allowed.

In particular, the ban constitutes a restriction/prohibition (other than duty, tax or other charge) on importation of products from the territory of the Russian Federation to the territory of Ukraine. This restriction/prohibition of imports of products to Ukraine is applied only to the products originating from the Russian Federation. Ukraine fails to extend the treatment, granted by it to the products originating from any third country, to the products originating from the Russian Federation.

This measure imposes a complicated and vague procedure for the issuance of necessary approvals that restricts and distorts trade. The approval procedures are not administered in a fair and equitable manner and are more administratively burdensome than necessary to administer the measure.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

This measure applies not only to imports of the covered products from the Russian Federation, but also to the distribution thereof within the territory of Ukraine. Consequently, the treatment granted to products of the Russian Federation is less favourable than the one granted to like products of Ukraine in respect of the laws, regulations and requirements affecting their internal sale, offering for sale, purchase, distribution or use while the domestic production of Ukraine is afforded protection by Ukraine.

Therefore, this measure is inconsistent with Articles I (inter alia Article I:1), III (inter alia Article III:4), X (inter alia Articles X:1, X:2) and XI (inter alia Article XI:1) of the GATT 1994, Articles 1 (inter alia Articles 1.2, 1.3, 1.4(a), 1.5, 1.6), 3 (inter alia Articles 3.2, 3.3, 3.4, 3.5), 5 (inter alia 5.1, 5.2) of the Import Licensing Agreement, paragraphs 191, 192, 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

3. Law of Ukraine of 31 May 2016 No. 1389-VIII «On Amendments to Subsection 5 of Section XX «Transitional Provisions» of the Tax Code of Ukraine regarding the Promotion of Development of the Used Vehicles Market» (Law No. 1389 - VIII).

The Law provides for reduction of the excise duty rates on used vehicles until 31 December 2018. Like products from the Russian Federation are excluded from the coverage of this Law and are not granted the same treatment as like products of any third country covered by the Law No. 1389 - VIII.

The treatment provided for in the Law No. 1389 – VIII applies if:

- 1. The motor vehicle is manufactured before 1 January 2010;
- 2. The individual imports not more than one motor vehicle a year and does not dispose of the imported vehicle within 365 days from the date of its registration;
- 3. The motor vehicle does not originate from or is not imported from the Russian Federation.

HS Code	Excise Duty Rates according to the Law No. 1389- VIII (not of Russian origin)	Excise Duty rates applied for regulated products of Russian origin
Gasoline engines		
870321, 87032190 (with the volume not more than 1000cc)	0, 102 euro for 1 cc of engine cylinders volume	1, 094 -1, 438 euro
870322, 87032290 (with the volume more than 1000cc, but not more than 1500 cc)	0,063 euro for 1 cc of engine cylinders volume	1, 367 -1, 761 euro
870323, 87032390, 8703239011, 8703239013 (with the volume more than 1500cc, but not more than 2200 cc)	0,267 euro for 1 cc of engine cylinders volume	1, 643 -2, 441 euro
8703239031, 8703239033(with the volume more than 2200 cc, but not more than 3000 cc)	0, 276 euro for 1 cc of engine cylinders volume	2, 213 -4, 985 euro
870324, 87032490 (with the volume than 3000 cc)	2, 209 euro for 1 cc of engine cylinders volume	3, 329 -4, 985 euro
Diesel and semidiesel engines		
870331, 87033190 (with the volume not more than 1500 cc)	0, 103 euro for 1 cc of engine cylinders volume	1, 367 - 1,761 euro
870332, 87033290 (with the volume more than 1500 cc, but not more than 2500 cc)	0, 327 euro for 1 cc of engine cylinders volume	1, 923 – 2, 209 euro
870333, 87033290 (with the volume than 2500 cc)	2, 209 euro for 1 cc of engine cylinders volume	2, 779 – 2, 209 euro

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles I (inter alia Article I:1), II (inter alia Articles II:1(a), II:1(b)) and X (inter alia Article X:1, X:2) of the GATT 1994, paragraphs 115, 165, 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

4. Resolution of the Cabinet of Ministers of Ukraine of 11 September 2014 No. 829-R «On Proposals for Application of Personal Special and Other Restrictive Measures» (Resolution No. 829-R).

Resolution No. 829-R contains number of measures inconsistent with Ukraine's obligations under WTO Agreement. The Resolution sets out a list of «personal economic and other restrictive measures» in respect of persons of the Russian Federation, including those provided for in the list attached to the Resolution, which is classified.

In particular the Resolution prohibits capital movement from Ukraine for legal entities – residents of the Russian Federation, owners of public property, and legal entities whose share of authorized capital is in the property of the Russian Federation. It also prohibits participation in privatization for residents of the Russian Federation and the persons directly or indirectly controlled by residents of the Russian Federation or acting on their behalf. The assets of persons included in the classified list attached are blocked. It also provides for termination of issuance of permits and licenses for imports to Ukraine of national currency of Ukraine from the Russian Federation.

In particular, these measures result in treatment granted to Russian services suppliers and their services less favourable than that provided to services suppliers and their services of any third country. Moreover, these measures establish restrictions on international transfers and payments for current transactions and capital transactions. The measures also constitute market access limitations in respect of services suppliers of the Russian Federation and their services, in particular in the form of limitation on the number of services suppliers, limitation on total number of natural persons that may be employed in a particular services sector, limitation/restriction on specific type of legal entity or joint venture through which a services supplier may supply service, limitation on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment. These measures also provide to services suppliers of the Russian Federation and their services treatment less favourable than that provided for to the services suppliers of Ukraine and their services.

Moreover, these measures were not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, these measures are inconsistent with Article I (inter alia Article I:1), III (inter alia Article III:4), X (inter alia Article X:1, X:2) and XI (inter alia Article XI:1) of the GATT 1994, Articles II (inter alia Articles II:1, II:2), III (inter alia Articles III:1, III:3), XI, XVI, XVII of the GATS as well as specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to the Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 24, 115, 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Protocol of the Accession of Ukraine which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

Furthermore, the Resolution No. 829-R introduces additional measures in the area of environmental, sanitary, phytosanitary and veterinary control in respect of food, light industry products, cosmetic products and household chemicals originating from the Russian Federation. These measures are not introduced in respect of such products or persons engaged in imports of such products from any third country or from Ukraine. Taking into account the chapeaux of

paragraph 1 of the Resolution No. 829-R these measures are not aimed at protection of human, animal or plant life or health. They constitute a restriction on imports that is not based on scientific evidence and provide for arbitrary and unjustified discrimination among Members. Moreover, the said chapeaux (as well as modifications to this measure as described below) shows that the SPS and TBT system of the legislation of Ukraine as a whole as it is constructed in the Resolution No. 829-R and provided for in the Law of Ukraine of 14 August 2014 No. 1644-VII «On Sanctions» is designed not for the purpose of protection of human, animal and plant life or health, but rather for the purpose of application of unjustified restrictions on international trade. These measures were not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, these measures are also inconsistent with Article I (inter alia Article I:1), III (inter alia Article III:4) and X (inter alia Article X:1, X:2) of the GATT 1994, Articles 2, 3, 5, 7, 8, Annex B and Annex C of the SPS Agreement, Article 2, 4, 5 of the TBT Agreement, paragraphs 115, 301, 303, 326, 327, 491, 499, 500 of the Working Party Report.

5. Law of Ukraine of 16 February 2016 No. 1005-VIII «On Enactment of Certain Laws of Ukraine Aimed at the Improvement of Privatization Process» (Law No. 1005-VIII).

Law No. 1005 – VIII introduces amendments to the Law of Ukraine of 4 March 1992 No. 2163 – XII «On Privatization of state property».

Law No. 1005-VIII prohibits participation in privatization of legal and physical persons – residents of the Russian Federation, as well as legal entities whose owners are the residents of the Russian Federation. Services suppliers of the Russian Federation and their services are granted treatment less favourable than that granted to the services suppliers of Ukraine or any third country and their services.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Article II (inter alia Articles II:1, II:2) and III (inter alia Articles III:1, III:3) of the GATS, paragraphs 491, 499 and 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

6. Decree of the Ministry of Economic Development and Trade of Ukraine of 28 April 2016 No. 756 «On Application of Special Economic Sanctions – Temporary Suspension of Foreign Economic Activity within the Territory of Ukraine – in Respect of Foreign Economic Entities» (Decree No. 756).

Decree No. 756 prohibits certain Russian companies (business entities) to carry out economic activity within the Ukrainian territory. Consequently, direct consignments of goods of such companies from Russia to Ukraine are prevented. The products originating from Russia are not granted in respect of all rules and formalities in connection with importation, internal sale, offering for sale, purchase, transportation, distribution and use advantages, privileges and immunities granted by Ukraine to like products originating in any other country. Services suppliers of the Russian Federation and their services are granted treatment less favourable than that granted to the services suppliers of Ukraine or any third country and their services. Ukraine also failed to ensure that its laws and regulations relating to the right to import and to export goods and the implementation of such laws and regulations would be in full conformity with WTO obligations. The individuals and firms, based on their national origin, are prevented from being able to import and export products as importers or exporters of record, with no requirement of physical presence or investment in Ukraine.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to

comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles I (inter alia Article I:1), III (inter alia Article III:4), X (inter alia Articles X:1, X:2) and XI (inter alia Article XI:1) of the GATT 1994, Articles II (inter alia Articles II:1, III:2), III (inter alia Articles III:1, III:3), XVI, XVII of the GATS and specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 115, 192, 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

7. Decree of the President of Ukraine of16 March 2017 No. 63/2017 «On Decision of the National Security and Defense Council of Ukraine of 15 March 2017 «On Application of Personal Special Economic and Other Restrictive Measures (Sanctions)» (Decree No. 63/2017), Resolution of Board of the National Bank of Ukraine of 21 February 2017 No. 12 «On Amendments to Certain Regulations of the National Bank of Ukraine», Resolution of the National Bank of Ukraine of 21 March 2017 No. 25 «On Amendments to Resolution the National Bank of Ukraine of 1 October 2015 No. 654» and Resolution of the National Bank of Ukraine of 1 November 2016 No. 399 «On Amendments to Resolution the National Bank of Ukraine of 1 October 2015 No. 654» and the Resolutions that were amended by the Resolution of 21 February 2017 No. 12.

These acts prohibit certain Ukrainian credit institutions (banks with participation of Russian persons in the capital thereof), included in the Annex to the Decree, transfers and payments from the territory of Ukraine in favor of persons affiliated with such banks. Services suppliers of the Russian Federation in Ukraine and their services are granted treatment less favourable than that granted to the services suppliers of Ukraine or of any third country and their services. Also cross-border movement of capital is an essential part of the services that are supplied by the services suppliers of the Russian Federation that are covered by this measure.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles II (inter alia Articles II:1, II:2), III (inter alia Articles III:1, III:3), XI, XVI XVII of the GATS and specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to the Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 24, 491, 499, 500 of the Working Party Reportand paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

8. Resolution of Board of the National Bank of Ukraine of 21 February 2017 No. 12 «On Amendments to Certain Regulations of the National Bank of Ukraine», Resolution of the National Bank of Ukraine of 21 March 2017 No. 25 «On Amendments to Resolution the National Bank of Ukraine of 1 October 2015 No. 654» and Resolution of the National Bank of Ukraine of 1 November 2016 No. 399 «On Amendments to Resolution the National Bank of Ukraine of 1 October 2015 No. 654».

In addition to measures described above the Resolution of Board of the National Bank of Ukraine of 21 February 2017 No. 12 provides for procedure for the National Bank of Ukraine to refuse to issue individual licenses for carrying out currency transactions if the National Bank discovers that the operation attendant or person to or for whose benefit this operation is the resident of the Russian Federation.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles II (inter alia Articles II:1, II:2), III (inter alia Articles III:1, III:3), XI, XVI, XVII of the GATS and specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 24, 491, 499, 500 of the Working Party Reportand paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

9. Resolution of the Verhovna Rada of 12 February 2015 No. 185 – VIII «On the Temporary Accreditation Suspension of Journalists and Representatives of Certain Russian Mass Media by Public Authorities».

Accreditation of all personnel of certain Russian mass media is suspended making it impossible to supply respective services within the territory of Ukraine.

Moreover, the measure was not published in a manner that would enable governments and traders to become acquainted with them. Interested persons were not granted an opportunity to comment on proposed regulation. No reasonable period of time between publication and the effective date of the regulation was allowed. The measure have not been duly notified to the WTO.

Therefore, this measure is inconsistent with Articles II (inter alia Articles II:1, II:2), III (inter alia Articles III:1, III:3), XVI, XVII of the GATS and specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to the Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 491, 499, 500 of the Working Party Reportand paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

10. Law of Ukraine of 5 February 2015 No. 159-VIII and Law of Ukraine of 29 March 2016 No. 1046 – VIII «On Amendments to Article 15-1 of Law of Ukraine «On Cinematography» (Law No. 159-VIII).

Law No. 159-VIII prohibits distribution and demonstration in Ukraine of motion pictures, TV programs, documentaries, serials, cartoon movies, and other video products produced in the Russian Federation after 1 August 1991.

This measure is inconsistent with Articles I (inter alia Article I:1), III (inter alia Article III:4), IV, X (inter alia Articles X:1, X:2) and XI (inter alia Article X:1) of the GATT 1994, Articles II (inter alia Articles II:1, II:2) and III (inter alia Article III:1, III:3) of the GATS, paragraphs 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

11. Decree of the President of Ukraine of 15 May 2017 No. 133/2017 «On Decision of the National Security and Defense Council of Ukraine of 28 April 2017 «On Application of Personal Special Economic and Other Restrictive Measures (Sanctions)».

In addition to a number of new WTO-inconsistent measures the decree consolidates certain measures described above and in particular: blocking of assets (temporary restriction on personal right to use and dispose the property), ban on doing business, suspension of financial transactions, suspension of economic and financial obligations implementation (prohibition to provide loans, financial assistance and guarantees; prohibition to issue credits through securities purchasing; prohibition of securities acquisition). Taking into account that Ukraine failed to fulfill its transparency obligations (inter alia, prompt publication of a measure, provision of opportunity to comment on a proposed measure, notification requirements contained in the WTO Agreements, etc.) in respect of both this Decree and other legal acts described in this Request, the measures provided for in this Decree are also considered to be inconsistent with Ukraine's other obligations under WTO Agreements and are covered by this Request in addition to those measures described above.

The prohibitions and other restrictive measures set out in the Decree, in particular in the column 3 ("Type of Restrictive Measures") of the Annexes to the Decree, are inconsistent with Ukraine's obligations under Article I (inter alia Article I:1), III (inter alia Article III:4), V, X (inter alia Articles X:1, X:2), XI (inter alia Article XI:1), XVII of the GATT 1994, Articles II (inter alia Articles II:1, II:2), III (inter alia Articles III:1, III:3), XI, XVI, XVII of the GATS as well as specific commitments undertaken by Ukraine as provided for in the Schedule of Specific Commitments reproduced in Annex I to the Accession Protocol as set out in paragraph 5 of Section II of the Accession Protocol, paragraphs 24, 115, 165, 191, 192, 301, 303, 326, 327, 367, 491, 499, 500 of the Working Party Report and paragraph 2 of Part I of the Accession Protocol which incorporates commitments of Ukraine provided for in the mentioned paragraphs of the Working Party Report.

- 12. In accordance with Article XVI:4 of the Marrakesh Agreement Establishing the World Trade Organization each Member shall ensure the conformity of its laws, regulations and administrative procedures with its obligations as provided in the annexed Agreements. The instances mentioned above show that Ukrainian legislation as such independently from its application in specific cases breaches WTO Agreement.
- 13. The numerous instances of violations by Ukraine of its WTO obligations as described above, the scale of such violations, the number of provisions of the WTO Agreements that Ukraine fails to comply with, the persistence with which these violations are renewed and reconfirmed through amendment procedures show that in fact all these violations of the covered WTO Agreements are of systemic nature and should be treated as such.

The measures described above should be read in the light of the Law of Ukraine of 14 August 2014 No. 1644-VII «On Sanctions» along with the statement of the Verhovna Rada of Ukraine of 29 January 2015 No. 129-VIII in which the Russian Federation is declared by the Ukraine to be an Aggressor State.

For each of the measures referred to above, this request also covers any annexes or schedules thereto, amendments, supplements, extensions, replacement measures, renewal measures, related measures, or implementing measures, inter alia measures otherwise affecting the measures in question, including any measure that is adopted or maintained by Ukraine after the date of this Request in accordance with or pursuant to the Law of 14 August 2014 No. 1644-VII, its letter or spirit thereof and that affects the trade between Russia and Ukraine.

The measures of Ukraine above also appear to nullify or impair benefits accruing to the Russian Federation directly or indirectly under the cited agreements.

The Russian Federation reserves the right to address additional measures and claims in the course of consultations.

The Russian Federation looks forward to receiving Ukrainian reply to this request for consultations in due course and to fixing a mutually acceptable date for consultations.