Trade and Development Board, fifty-ninth session
Geneva, 17-28 September 2012

Item 7 “Evolution of the international trading system and
its trends from a development perspective”

Presentation of Mr. Tochin,
Director of Trade and Policy Department of Eurasian Economic
Commission

Tuesday, 25 September 2012

Not checked against delivery*

*This presentation is made in the language and form in which it was received. The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
Eurasian Regional Integration

Geneva, September 2012
The CU Member States

- **CU Member States:** Republic of Belarus, Republic of Kazakhstan, Russian Federation

- **Surface:** 20 mln. km²
- **Population:** 169 mln.
- **Total GDP:** 2,7 trn. $ US (4 % of world GDP)
- **Total volume of external trade:** 913 bln. $ US
The Customs Union and the Single Economic Space
Foreign and Internal Trade in 2010 and 2011

Foreign Trade (in mln USD)

<table>
<thead>
<tr>
<th>turnover</th>
<th>export</th>
<th>Import</th>
<th>surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>63461,8</td>
<td>47134,6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Internal Trade (mln USD)

<table>
<thead>
<tr>
<th>turnover</th>
<th>2010</th>
<th>2011</th>
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<tbody>
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<td></td>
<td>63461,8</td>
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</tbody>
</table>
History of Eurasian Integration

Timeline:
- 1995: CU Russia-Belarus
- 1996: CU Russia-Kazakhstan
- 1999: Agreement on Deepening Integration
- 2000: Treaty on the Customs Union and the SES
- Plans to create the SES between Belarus, Kazakhstan, Russia and Ukraine
- ISC decides to establish the CU within the EAEC
- Establishment of the CU
- Establishment of the SES
- EEC starts operation
- Establishment of the Eurasian Economic Union
- No later than 01.2015

No international organization, no legal capacity
Integration structures put in place
International organization, legal capacity
EAEC bodies and structures: ISC, IC, IPA, Integration Committee Secretariat
EEU structures: SEAEC, EEC, Court, Assembly
CU structures: Supreme Body of the CU, Commission of the CU, CCU Secretariat
SES structures: SEAEC, EEC, Court
Key Phases of Eurasian Integration

Eurasian Economic Union
Unified macroeconomic, tax, monetary, trade and customs policies

Single Economic Space
- Common economic regulation procedures
- Common infrastructure
- Coordinated tax, monetary and customs policies
- Free movement of goods, services, capital and labor force

Customs Union
- Common customs territory
- Common customs code
- Common trade regime with third countries
- Common customs tariff and non-tariff regulation measures
- Abolition of customs clearance of goods in mutual trade and transition of customs control to external boards

CIS Free Trade Area
Non-application of customs duties and economic restrictions in mutual trade (except for trade remedies) - with exemptions
Bodies of the CU and the SES

**Supreme Eurasian Economic Council:**
- level of Heads of States
- level of Heads of Government

**Eurasian Economic Commission (the Commission)**

**Council of the Commission:**
3 Members of the Council

**Board of the Commission:**
Chairperson + 8 Members of the Board

- ensures functioning and development of the CU and the SES, carries out the initiatives on further economic integration
- define the strategy and the objectives of further development of the CU and the SES

**EurAsEC Court**

**Structural units of the Commission**

**Departments of the Commission**

**Consulting bodies of the Commission**

- ensure the interaction with national authorities
Eurasian Economic Commission

Council of the Commission

Belarus – Sergei Rumas
Kazakhstan – Kairat Kelimbetov
Russia – Igor Shuvalov

Board of the Commission

Chairman of the Board
Viktor Khristenko

Tatiana Valovaya
Member of the Board - Minister in charge of development of integration and macroeconomics

Valery Koreshkov
Member of the Board - Minister in charge of technical regulation

Andrey Slepnev
Member of the Board - Minister in charge of trade

Danial Akhmetov
Member of the Board - Minister in charge of energy and infrastructure

Sergey Sidorsky
Member of the Board - Minister in charge of industry and agro-industrial complex

Nurlan Aldabergenov
Member of the Board - Minister in charge of competition and antimonopoly regulation

Vladimir Goshin
Member of the Board - Minister in charge of customs cooperation

Timur Suleimenov
Member of the Board - Minister in charge of economy and financial policy

Departments

Advisory bodies

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Departments

Advisory bodies
### Key Competencies of the Eurasian Economic Commission

#### Participation in the Following Areas of International Relations

<table>
<thead>
<tr>
<th>Custom Tariff and Non-Tariff Regulation</th>
<th>Macroeconomic Policy</th>
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</thead>
<tbody>
<tr>
<td>Customs Administration</td>
<td>Competition Policy</td>
</tr>
<tr>
<td>Technical Regulation</td>
<td>Industrial and Agricultural Subsidies</td>
</tr>
<tr>
<td>Sanitary, Veterinary and Phytosanitary Measures</td>
<td>Energy Policy</td>
</tr>
<tr>
<td>Credit and Distribution of Import Customs Duties</td>
<td>Natural Monopolies</td>
</tr>
<tr>
<td>Establishment of Trade Regimes with Respect to Third Countries</td>
<td>Public and (or) Municipal Procurements</td>
</tr>
<tr>
<td>Statistics of External and Mutual Trade</td>
<td>Mutual Trade in Services and Investments</td>
</tr>
<tr>
<td>Currency Policy</td>
<td>Transportation and Shipments</td>
</tr>
<tr>
<td>Labor Migration</td>
<td>Other Areas</td>
</tr>
<tr>
<td>Protection of Rights to Products of Intellectual Activity, as well as Means of Individualization of Commodities, Labor and Services</td>
<td></td>
</tr>
<tr>
<td>Financial Markets (Banking Sector, Insurance, Foreign Exchange Market, Stock Market)</td>
<td></td>
</tr>
</tbody>
</table>
Common CU/SES and WTO issues

CU/SES issues
- Foreign and mutual trade statistics
- Macroeconomic policy
- Competition policy
  - Energy policy
- Natural monopolies
- Public and (or) Municipal procurements
- Transportation and shipments
- Currency policy
- Labor migration
- Financial markets

WTO issues
- Trade in Goods
  - Antidumping
- Subsidies and Countervailing Measures
  - Safeguards Measures
  - Rules of Origin
- Import Licensing Procedures
  - Agriculture
  - Technical regulation
- Sanitary and Phytosanitary Measures
- Trade regime with third countries
  - TRIPS

- Trade in Services
  - TRIMS

Common CU/SES and WTO issues
The CU and the WTO membership

Declaration on the Eurasian economic integration by the three Presidents (November 2011):

«In their practical cooperation member countries of the SES are guided by norms and rules of the WTO and confirm the importance of the accession of all three states to the Organization»

The Russian Federation becomes a member of the WTO since August of 2012

Article 2.

2.1. CU Parties shall adopt measures to adjust the CU legal framework and decisions of CU Bodies to comply with the WTO Agreement as set-out in the Protocol of Accession of each Party. Until those measures were adopted [...] the WTO Agreement would always prevail over respective provisions of treaties concluded within the framework of the CU and of decisions adopted by its Bodies.

Action plan of adaptation the CU and SES legal framework to the multilateral trading system environment was adopted on May, 31 by the Commission Decision N 54.

New Common Customs Tariff was adopted by Council Decision N 54 of 16 July 2012.

New revision of the Regulation on Development, Adoption, Amendment and Cancellation of Technical Regulations of the Customs Union was adopted by Council Decision N 48 of 20 June 2012.
Regulatory Legal Framework of the Eurasian Economic Union

REGULATORY LEGAL FRAMEWORK OF THE EurAsEC

REGULATORY LEGAL FRAMEWORK OF THE CUSTOMS UNION

REGULATORY LEGAL FRAMEWORK OF THE SINGLE ECONOMIC SPACE

Codification of achieved agreements

no later than JANUARY 1, 2015

Single Codified Document
For information:

The official site of the CU and the SES:
www.tsouz.ru

Commission Headquarters: 3/5 building 1, Smolensky boulevard, Moscow, 119121, Russian Federation