



**ASSOCIATION OF EUROPEAN BUSINESSES
IN THE RUSSIAN FEDERATION**

Briefing by Tair Mansurov

**Secretary General of the
Eurasian Economic Community**

**January 29th, 2010
Hotel Baltschug Kempinski Moscow**



Presentation by Mr.Mansurov, Secretary-General of EurAsEC

29 January 2010, Moscow

Establishment of the Eurasian Economic Community



The Treaty on the Establishment of the Eurasian Economic Community was signed on 10 October 2000 by presidents of five states (Republic of Belarus, Republic of Kazakhstan, Kyrgyz Republic, Russian Federation, Republic of Tajikistan).

In 2006 the Republic of Uzbekistan joined the Eurasian Economic Community. In December 2008 the Republic of Uzbekistan suspended its membership in the bodies of the Eurasian Economic Community.

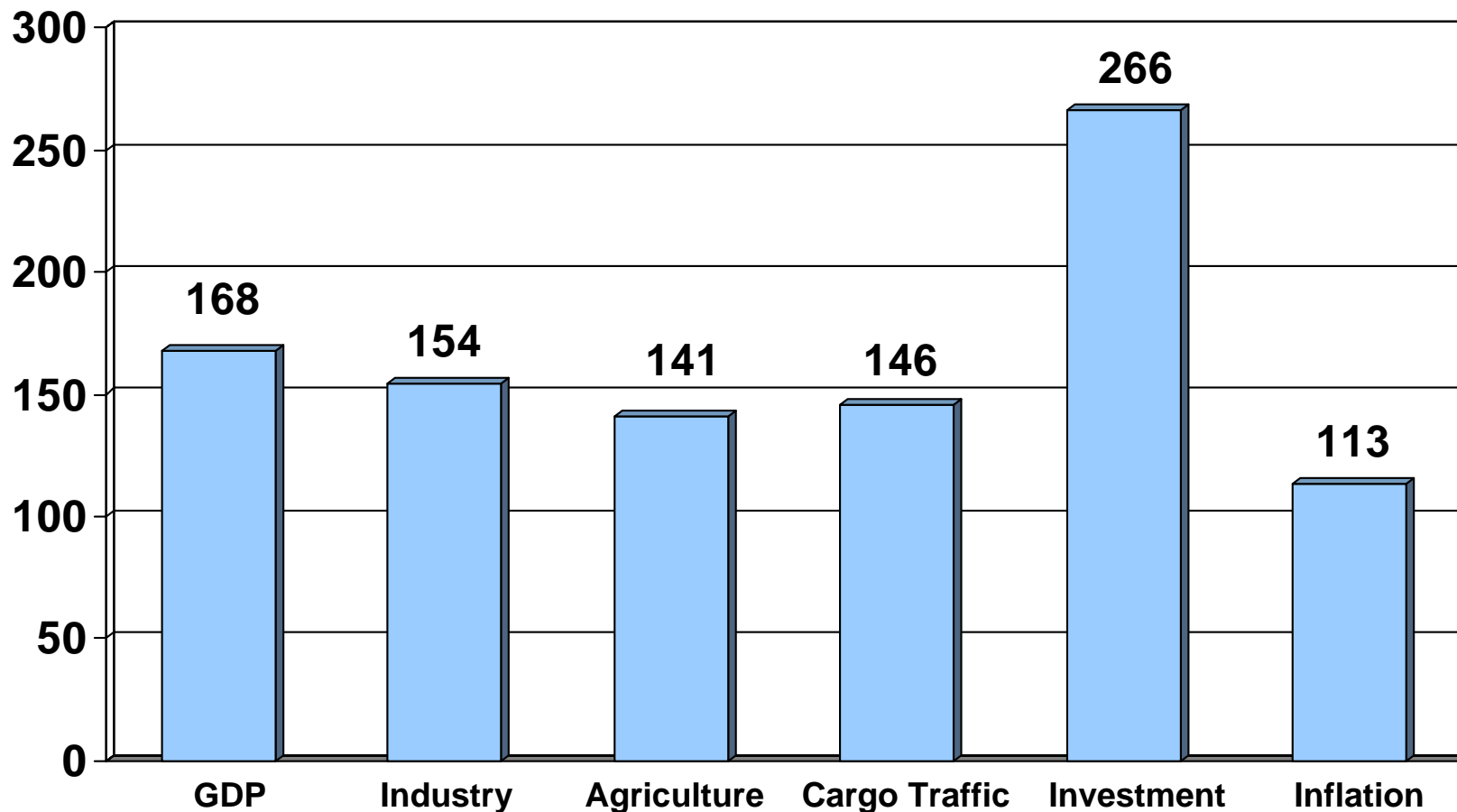
EurAsEC Observers

- **An observer-status can be granted to any state or interstate/intergovernmental organization by their respective request**
- **The Interstate Council of EurAsEC adopts a decision to suspend or revoke an observer-status**
- **Ukraine and Moldova have received the EurAsEC observer-status in May 2002, Armenia - in April 2003**

The Priority Areas of EurAsEC Activities

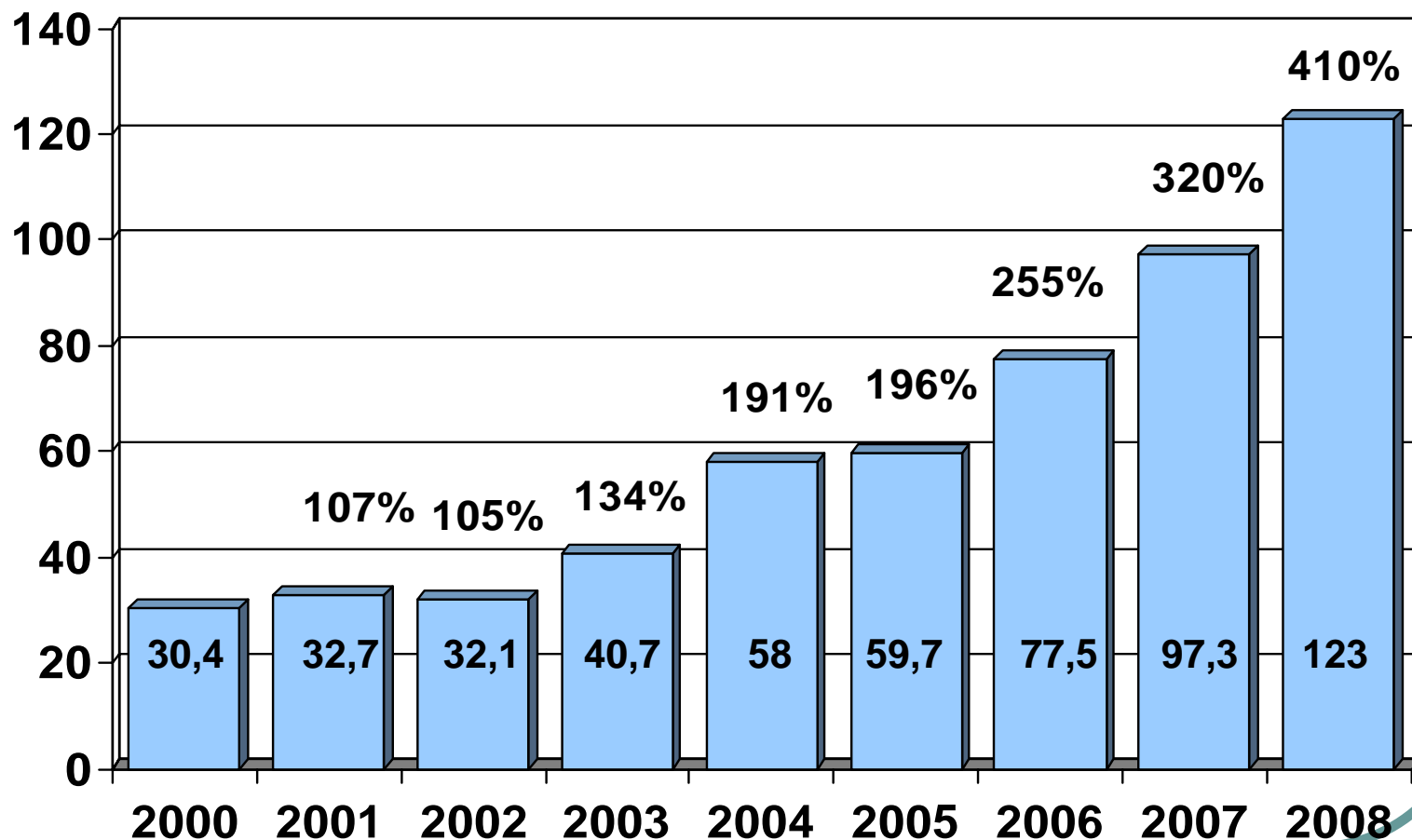
- **Establishing the Customs union and the Single economic space;**
- **Carrying out a harmonized economic policy;**
- **Cooperation in the real sector of economy;**
- **Forming and joint development of the Common energy market;**
- **Forming the Transport union and realizing a transit potential;**
- **Cooperation in an agricultural sector;**
- **Developing the Common services market;**
- **Forming the Single financial market and development of monetary integration;**
- **Cooperation in social and humanitarian field as well as in field of migration policy**

Indexes of Main Macroeconomic Indicators in EurAsEC Member-States in 2008, as % of 2000

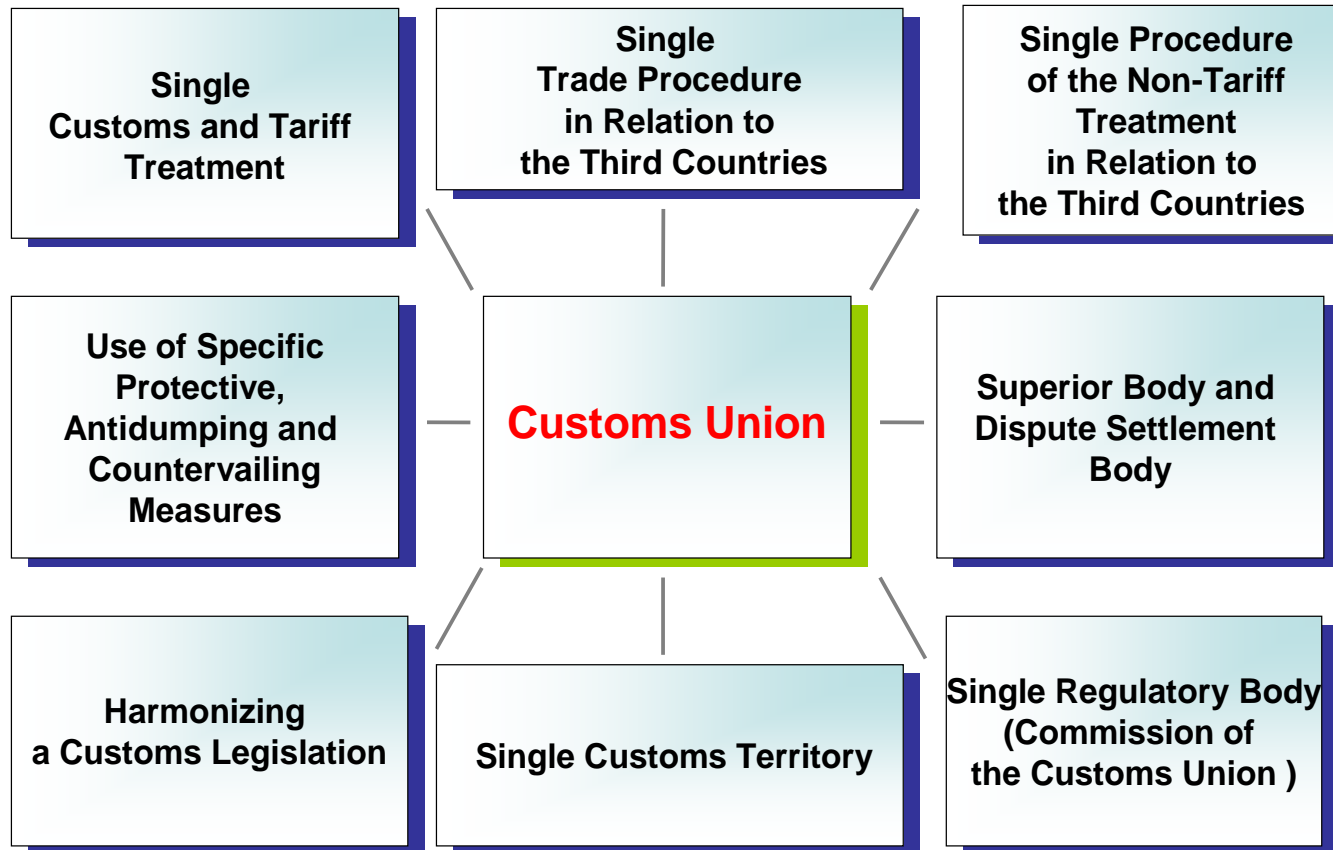


Indicators of Mutual Trade among EurAsEC Member-States in 2000-2008, as % of 2000

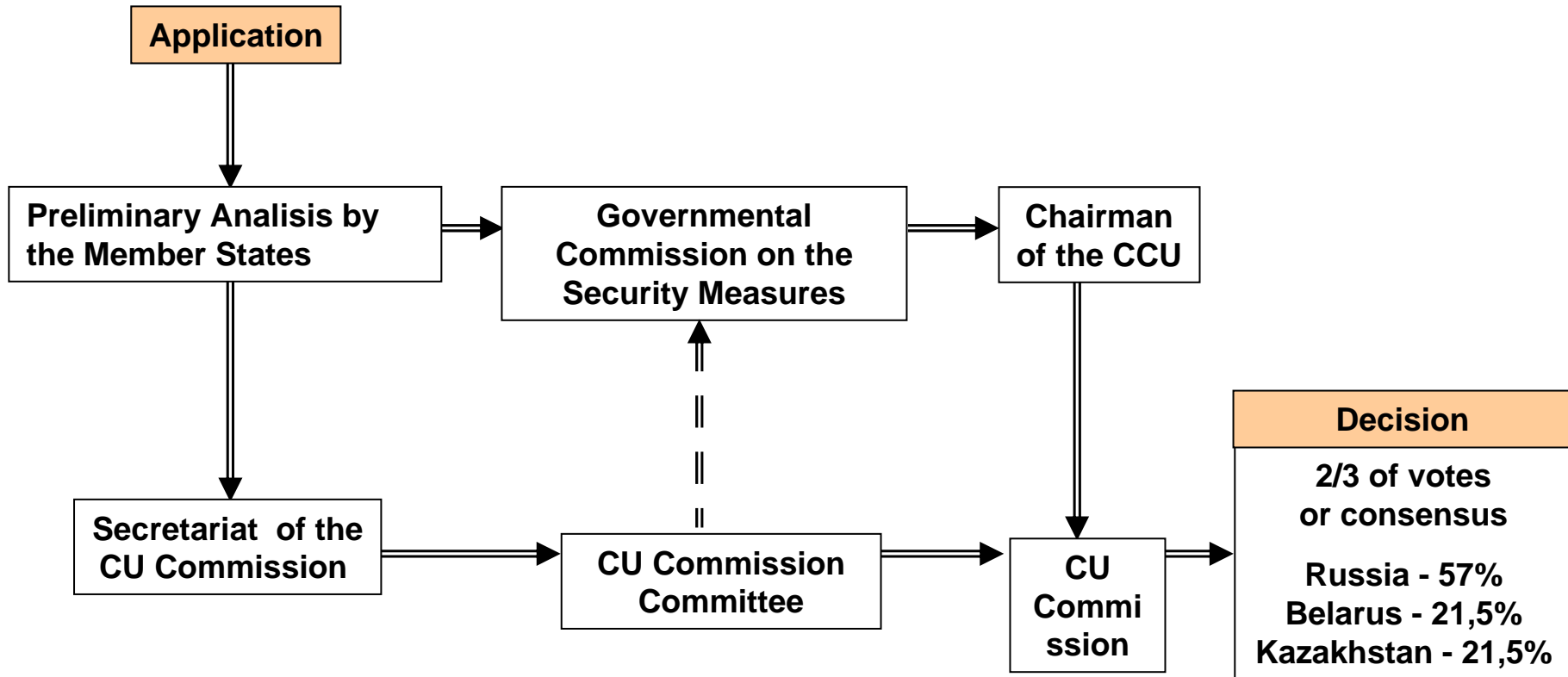
Billion US Dollars



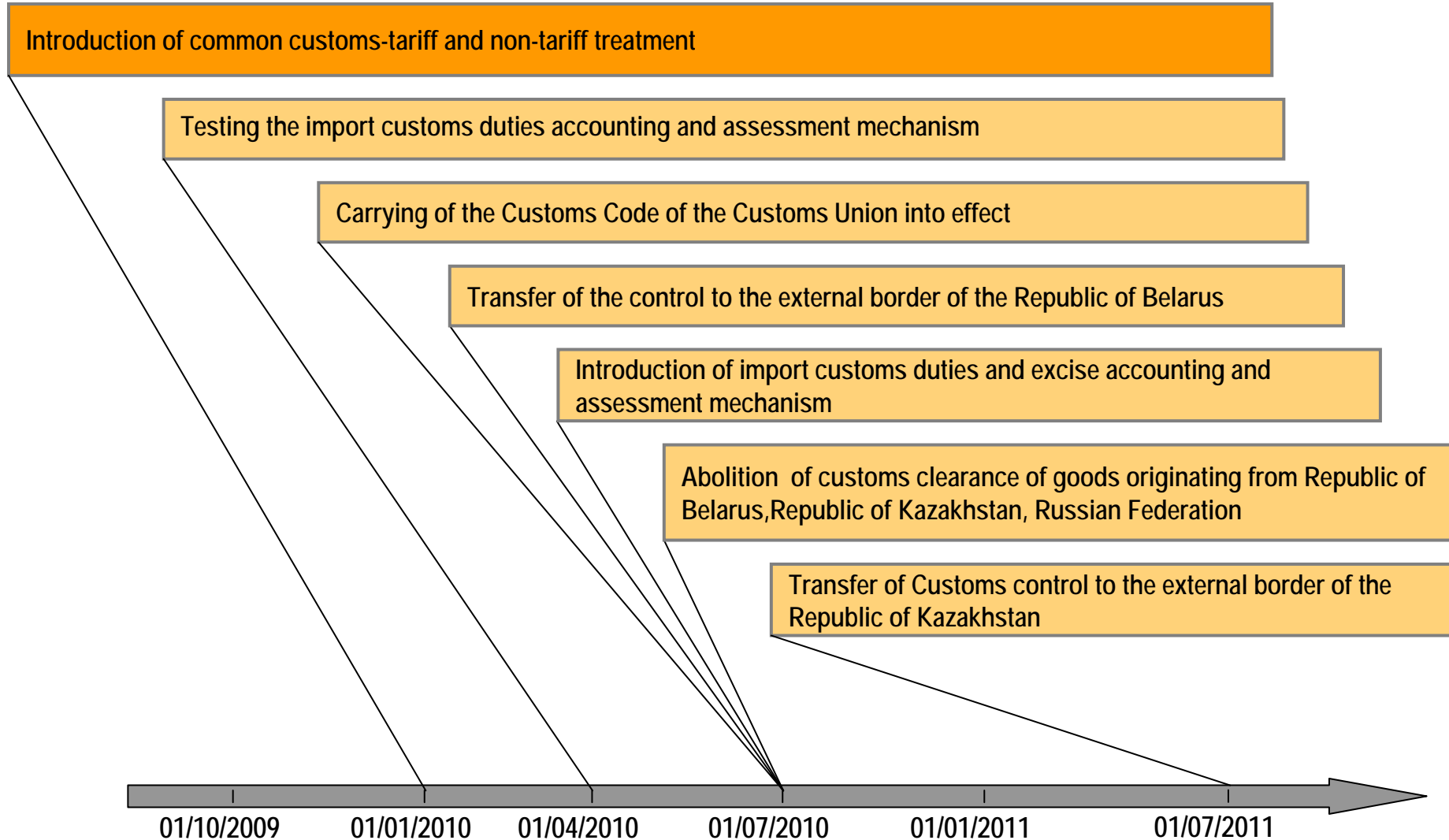
The Basic Components of the Customs Union



Decision Making Process in the Commission of the Customs Union



Common Customs Space Development Stages



EurAsEC integration development



Belarus



Kazakhstan



Kyrgyzstan



Russia



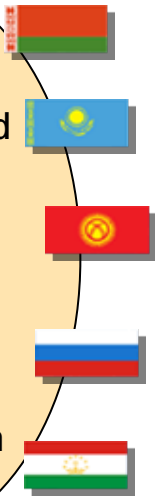
Tajikistan

Free trade regime

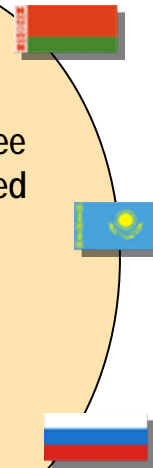
Customs Union

Common economic space

● abolition of customs duties and other restrictive measures concerning goods originating from the territory of the member-states of the Customs Union

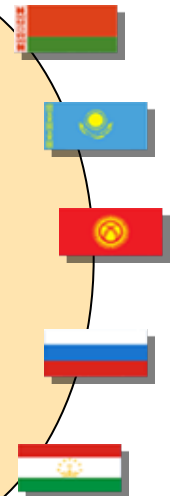


● Establishing of Single Customs territory on which free movement is provided for goods either originating from its territory or imported from the third countries that have entered into free circulation



Free movement of:

- goods
- services
- capital
- labor



When all the formalities are completed



When all the formalities are completed



Establishing of the Customs Union

Implementation of the procedure of common trade with third countries

Bilateral Treaties with the third countries

Russia – 130

Kazakhstan – 50

Belarus – 40
(non-market status)

- Current trade procedures analysis
- Negotiations with the third countries

Common trade
procedures
of the
Customs Union

It is necessary to maintain the current trade procedures of Russian Federation with primary trade partners for the period before **conclusion of new treaties on behalf of the CU**

Establishing of Contractual and Legal Basis of the Customs Union

October 2007

- 4 treaties (Heads of State Level):**
- founding conditions and status of the CU;
 - Institutional structure of the CU;
 - EurAsEC joining procedure.

Entered into force

January 2008

- 9 treaties (Heads of Government Level):**
- establishment of common regulation of trade with the third countries;
 - customs administration unification;
 - transfer of authorities for foreign trade activity regulation to the CU.

Ratified
December 2008

December 2008

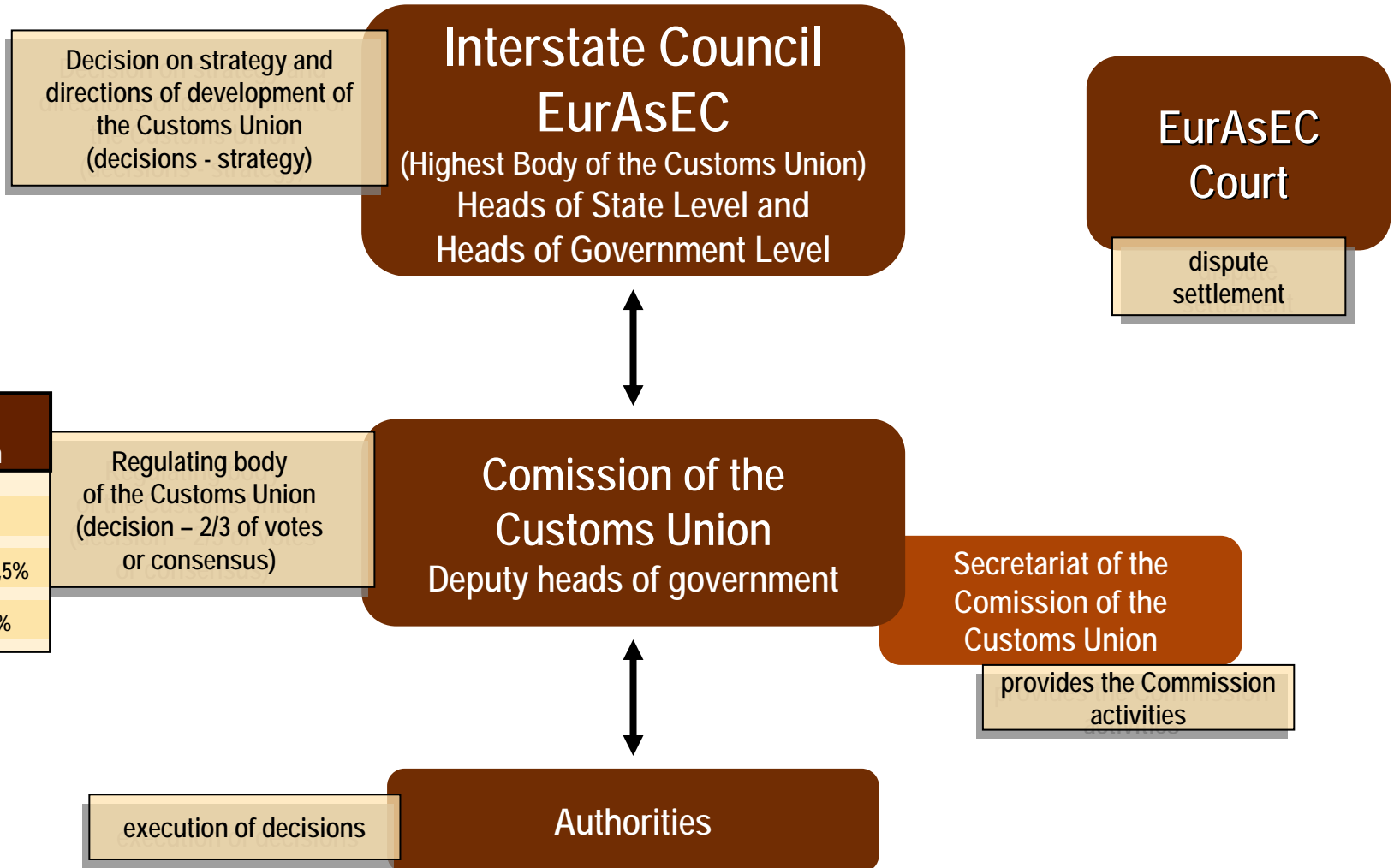
- 13 treaties (Heads of Government level):**
- customs-tariff treatment questions;
 - customs administration.

Ratified
December 2008

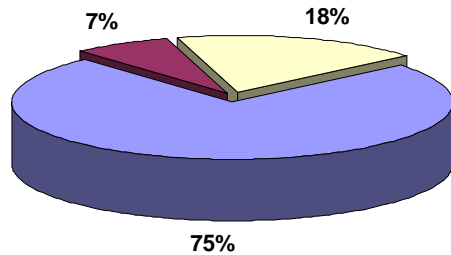
2009

- The continuation of the development of the legal basis, 15 treaties accepted, including:**
- Customs Code (accepted 27/11/2009);
 - on non-tariff regulation (2 treaties accepted 9/06/2009);
 - on technical regulation (accepted 11/12/2009);
 - on taxation issues (accepted 11/12/2009).

Customs Union Administration System



Common Customs Tariff



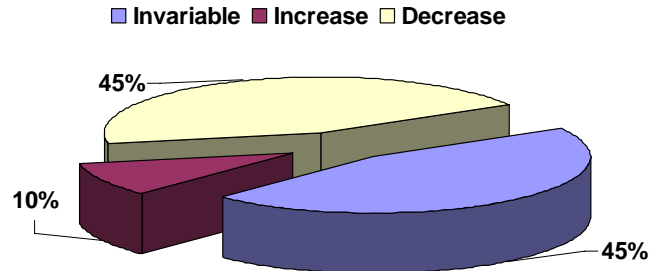
For Belarus

Increase:

- ▶ certain meat products
- ▶ finished preserved meat products
- ▶ certain positions for metals
- ▶ motor cars

Decrease:

- ▶ articles of apparel
- ▶ carpets
- ▶ footwear of leather and textile
- ▶ machinery and mechanical appliances
- ▶ pharmaceutical substances



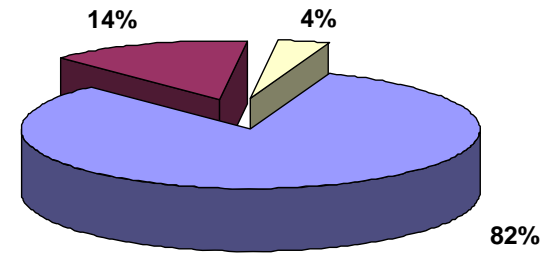
For Kazakhstan

Increase:

- ▶ group for means of transport (including vehicles)
- ▶ Wood
- ▶ refrigerating equipment
- ▶ pharmaceutical preparations
- ▶ electro-mechanical domestic appliances
- ▶ footwear and the articles of apparel

Decrease:

- ▶ several agricultural products
- ▶ hides and skins
- ▶ optical medical or surgical instruments and appliances



For Russia

Increase:

- ▶ certain meat products
- ▶ finished preserved meat products
- ▶ yeast
- ▶ certain articles of apparel and clothing accessories

Decrease:

- ▶ exotic fruit concentrates
- ▶ infant food
- ▶ materials for photography
- ▶ wool and fabrics
- ▶ pharmaceutical substances
- ▶ parts of footwear
- ▶ electro-mechanical appliances

The Customs Code of the Customs Union

Group of experts from Customs Services of Belarus, Kazakhstan and Russia

International convention on the simplification and harmonization of customs procedures (Kyoto convention)

Customs Code

- mutual administrative assistance
- common rules for goods declaration
- common customs procedures
- common methodology of customs value definition
- common rules of assessment and collection of customs duties
- common rules for customs control

November 2009



Acceptance of the Customs Code

January – May 2010



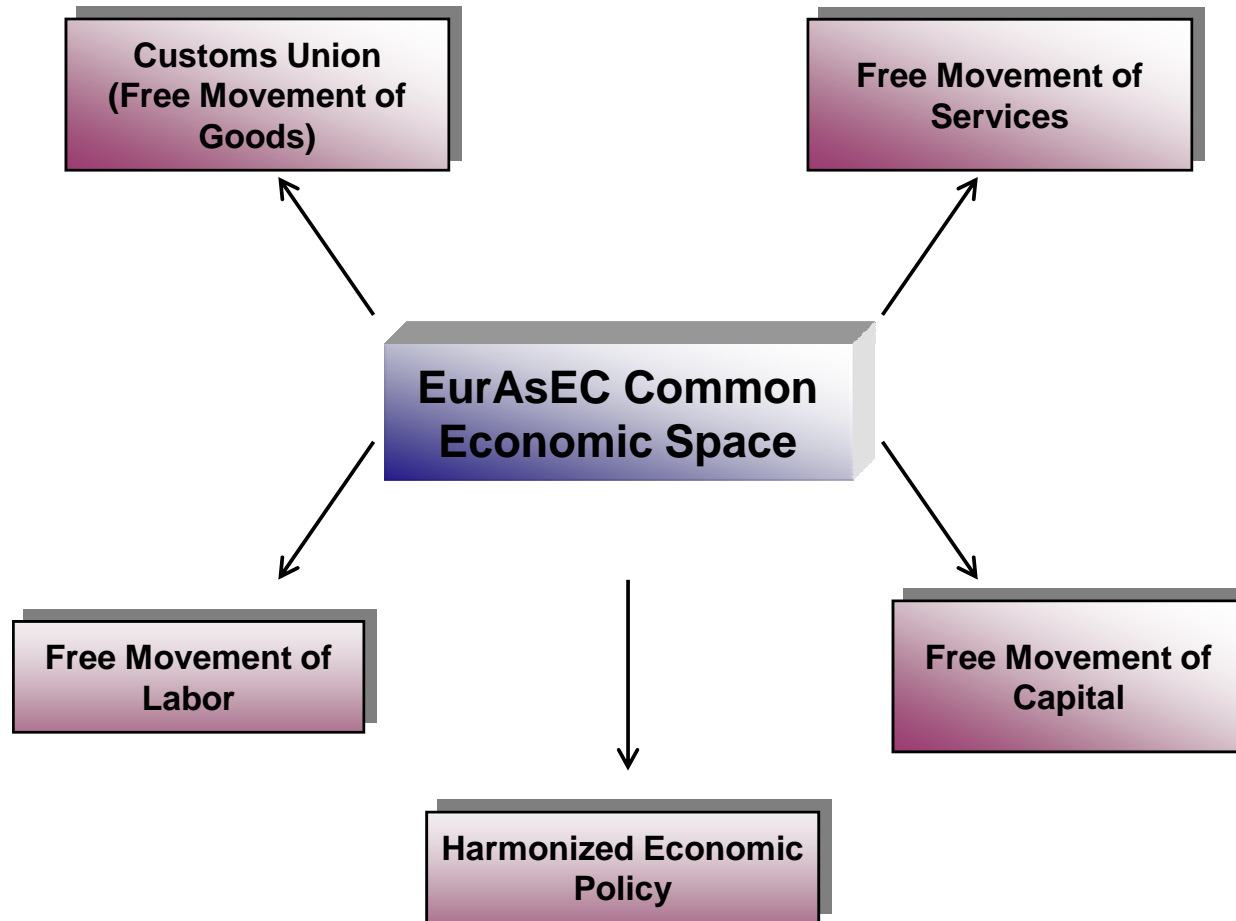
Amending the Legislation of the Member States of the Customs Union accordingly

1 July 2010



Carrying of the Customs Code of the Customs Union into effect

The Basic Components of the Common Economic Space



Free Trade Procedure

Free trade procedure functions on the basis of bilateral agreements on free trade among the EurAsEC member-states:

- **in mutual trade EurAsEC member-states do not impose tariff and quantity restrictions on goods originating from the EurAsEC countries;**
- **General list of goods, falling under withdrawals of the free trade procedure concerning those CIS member-states that do not enjoy EurAsEC membership, came into effect;**
- **in mutual trade EurAsEC member-states have transferred to the unified system of indirect taxes**

Interstate Target Programmes Being Developed in EurAsEC

- **Innovative Bio-Technologies;**
- **Rehabilitation of the Territories of the EurAsEC Member-States Affected by Uranium Mining Industries;**
- **EurAsEC' Nations Health;**
- **Creating a Eurasian Commodities Distribution Network for Agricultural Products, Feedstock and Food;**
- **Eurasian Strategic Programme for Development of the Electronic Technologies;**
- **Creating a System of Informational and Methodological Maintenance for Implementation of a Unified Export Control Procedure in EurAsEC Member-States;**
- **Creating a Single Automatized Information Monitoring System for Customs Transit in EurAsEC Member-States;**
- **Protection and Infrastructure Development of External Borders in EurAsEC Member-States**

EurAsEC Anti-Crisis Fund

- **The Anti-Crisis Fund was established by the decision of EurAsEC Interstate Council (at the level of the Heads of States) of 4 February 2009.**
- **The Members of the Anti-Crisis Fund:**
Republic of Belarus, Republic of Kazakhstan, Kyrgyz Republic, Russian Federation, Republic of Tajikistan and Republic of Armenia.
- **The Aims of the Anti-Crisis Fund:**
 - **to grant loans and stabilization credits;**
 - **to fund interstate investment projects.**
- **Assets of the Anti-Crisis Fund:**
 - **payments of the members of the Fund;**
 - **general assets equal to \$ 10 billion.**

EurAsEC Center for High Technologies

- **The Center for High Technologies was established by the decision of EurAsEC Interstate Council (at the level of the Heads of the States) of 4 February 2009**
- **The Members of the High-Tech Center:**
Republic of Belarus, Republic of Kazakhstan, Kyrgyz Republic, Russian Federation, Republic of Tajikistan and Republic of Armenia
- **The Aims of the High-Tech Center:**
development of joint programmes and projects in the field of nano-, bio-, IT, energy-saving technologies and other strategic directions of scientific, technological and innovative cooperation as well as innovation management manpower training

The Resolution of the UN General Assembly 62/79 «Cooperation between the United Nations and the Eurasian Economic Community»

«The General Assembly invites the specialized agencies and other organizations, programmes and funds of the United Nations system as well as international financial institutions, to cooperate and develop direct contacts with the Eurasian Economic Community for the purpose of undertaking joint implementation of programmes to achieve their goals»

Adopted by the UN General Assembly
62-nd plenary session, 6 December 2007

The Meeting of EurAsEC Interstate Council (Heads of States Level)



27 November 2009, Minsk

Thank you for your kind attention!