

Eurasian Economic Integration

2023 Russian Chairmanship
in EAEU Governing Bodies





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**Strategic Directions for Developing
the Eurasian Economic Integration until 2025**

Development of the Eurasian Integration

1991

Commonwealth of Independent States



1994

Free Trade agreements between Commonwealth of Independent States countries, lecture by N. A. Nazarbaev on the Eurasian Union

1995

Treaty on the Customs Union



1998

Union State of the Russian Federation and the Republic of Belarus



1999

Treaty on the Customs Union and the Common Economic Space



2000

Eurasian Economic Community



2012

Eurasian Economic Commission



2011

Commonwealth of Independent States Free Trade Area



2010

Customs Union



2014

Treaty on the Eurasian Economic Union



2015

The Republic of Armenia and the Kyrgyz Republic joined the EAEU



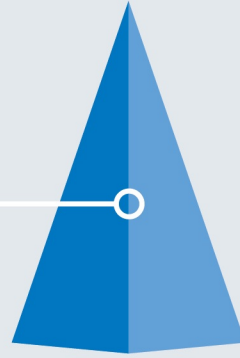
2020

The Republic of Uzbekistan and the Republic of Cuba received the Observer State status at the EAEU

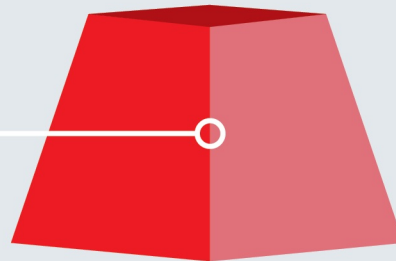


Governing Bodies of the Eurasian Economic Union

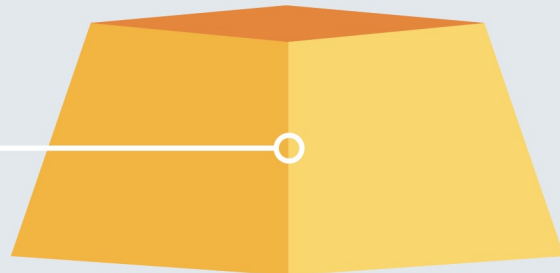
**Supreme Eurasian
Economic Council
(Heads of State)**



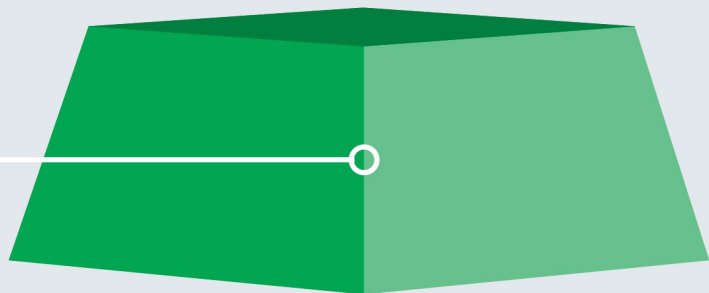
**Eurasian Intergovernmental
Council (Heads of Government)**



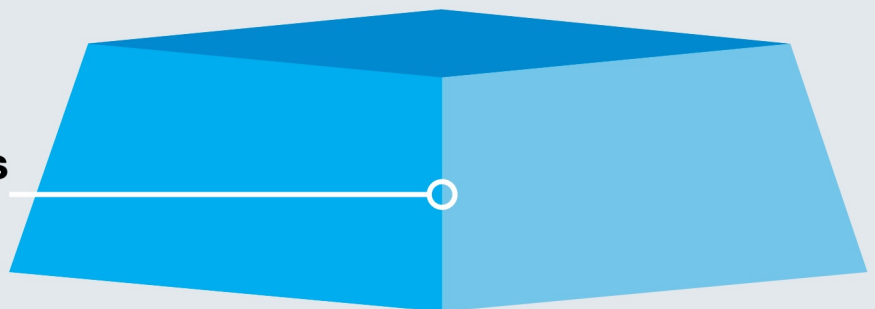
**Eurasian Economic
Commission Council
(Deputy Heads of Government)**



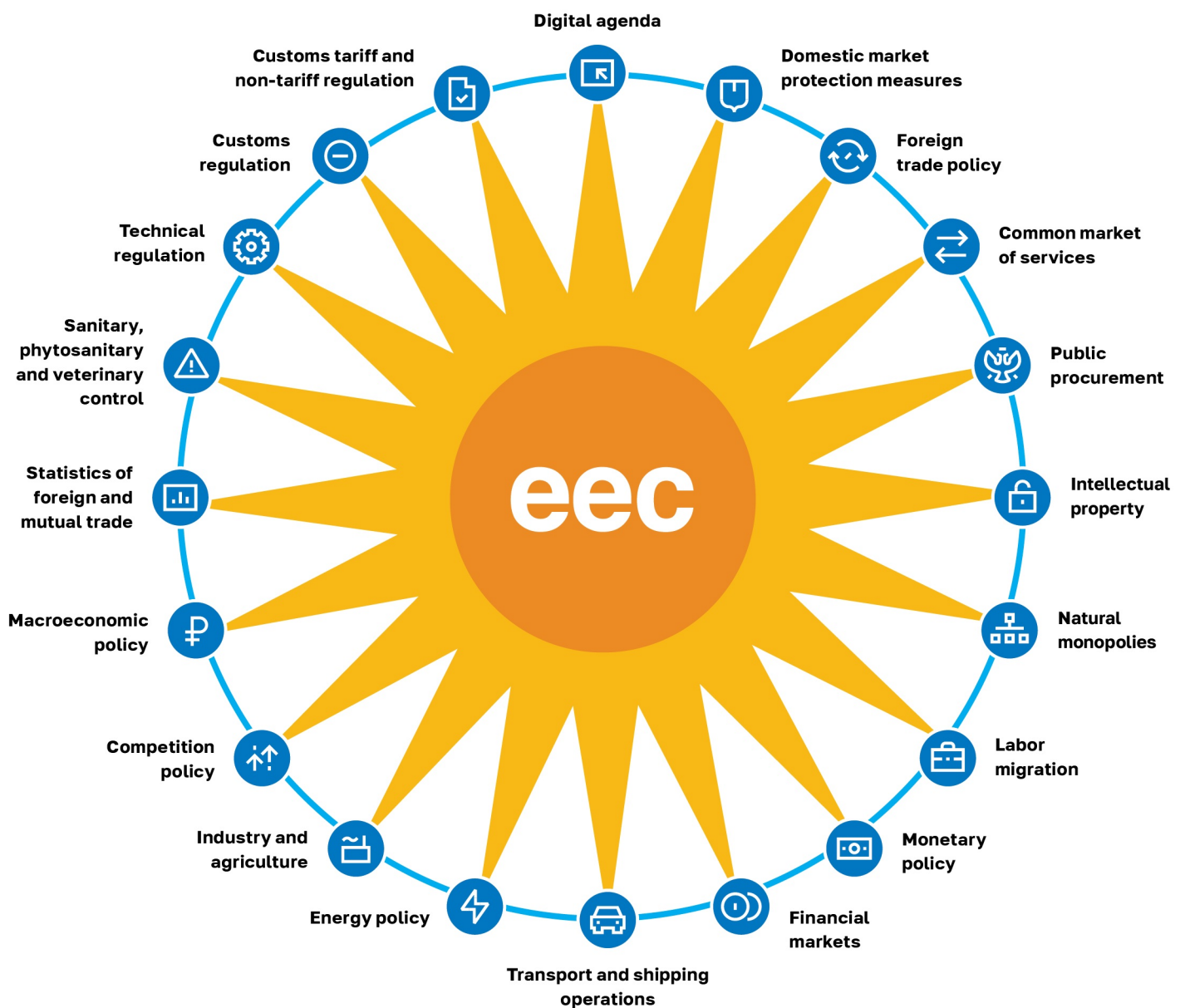
**Eurasian Economic
Commission Board
(Ministers)**



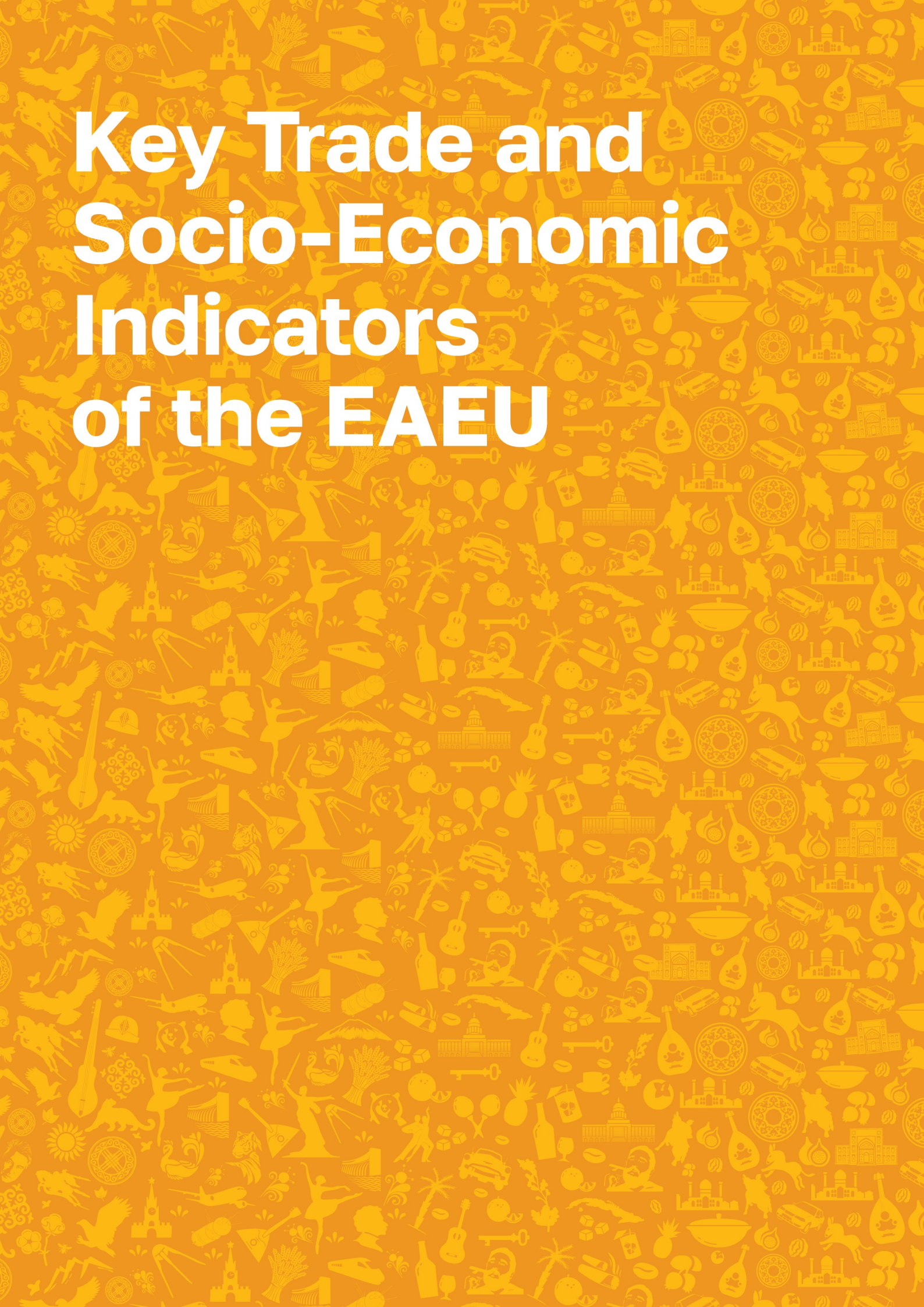
**Eurasian Economic
Commission Departments
(International Civil
Servants)**



Mandate of the Eurasian Economic Commission



Key Trade and Socio-Economic Indicators of the EAEU



Eurasian Economic Union in 2022



194 mln

population



20 mln km²

area



1/7

of global land surface



3.6%

EAEU industrial production share in global industrial production



4.9%

global energy production



\$ 2.57 trln

GDP in 2022



1st place

oil production



2nd place

natural gas production



2nd place

mineral fertilizer production



3rd place

wheat production



3rd place

potato production



3rd place

length of railways



3rd place

livestock production



4th place

length of motorways



4th place

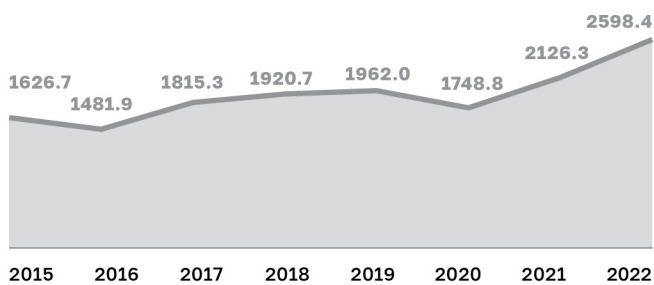
coal production

Key Socio-Economic Indicators of the EAEU in 2015–2022

Gross Domestic Product

\$2598.4 bln

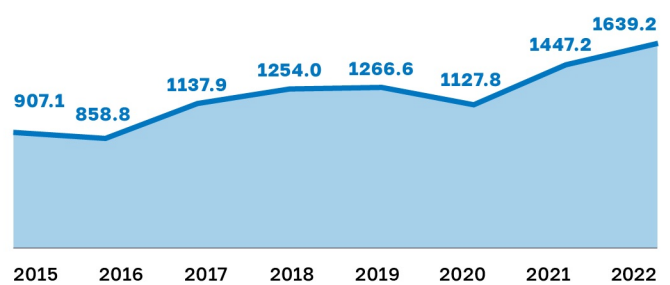
▲7.3%



Manufacturing Industry

\$1639.2 bln

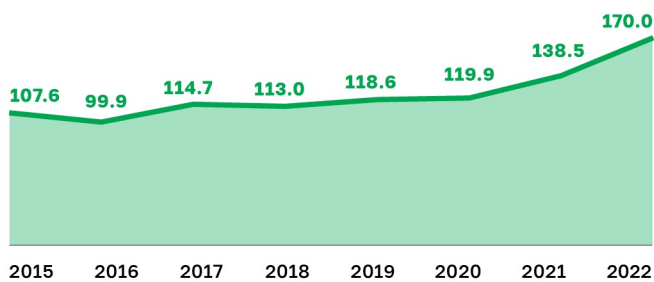
▲16.9%



Agricultural Products

\$170.0 bln

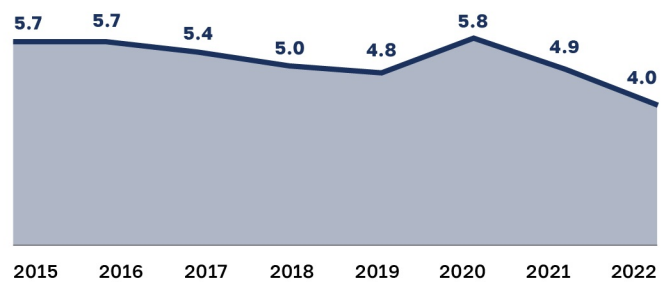
▲26.0%



Unemployment Rate (ILO)

\$4.0%

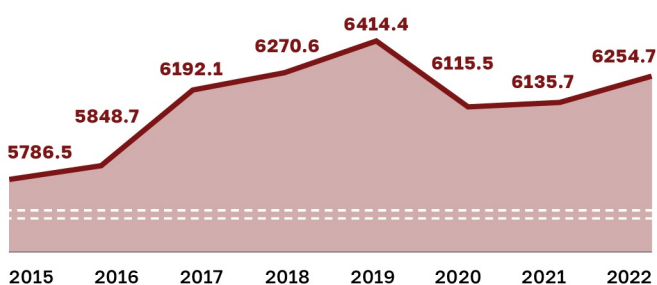
▼1.6 pp



Freight Turnover

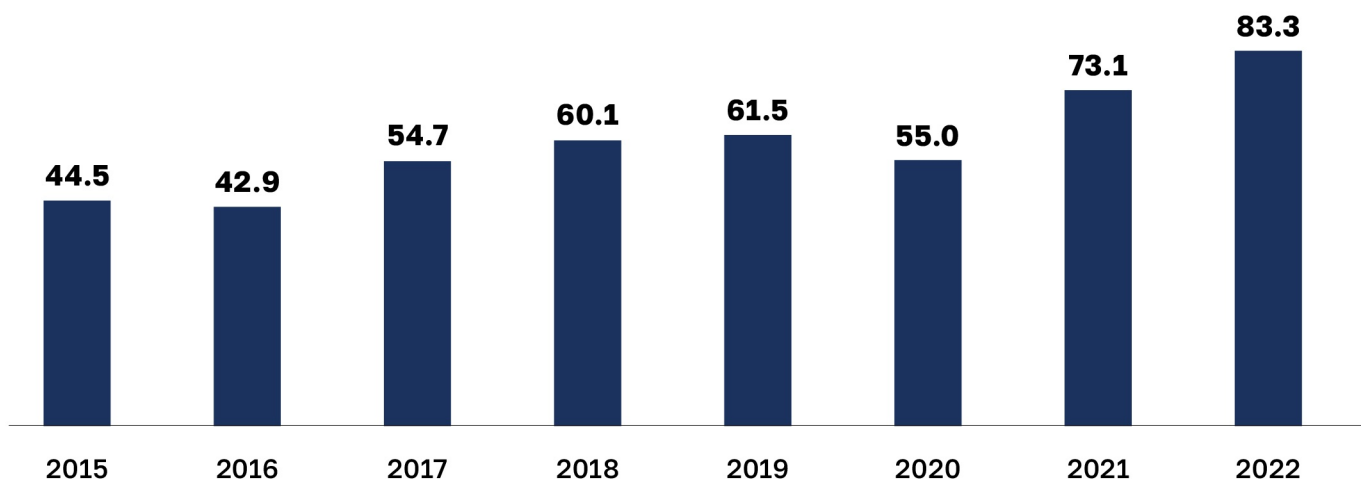
\$6254.7 bln t-km

▲12.4%

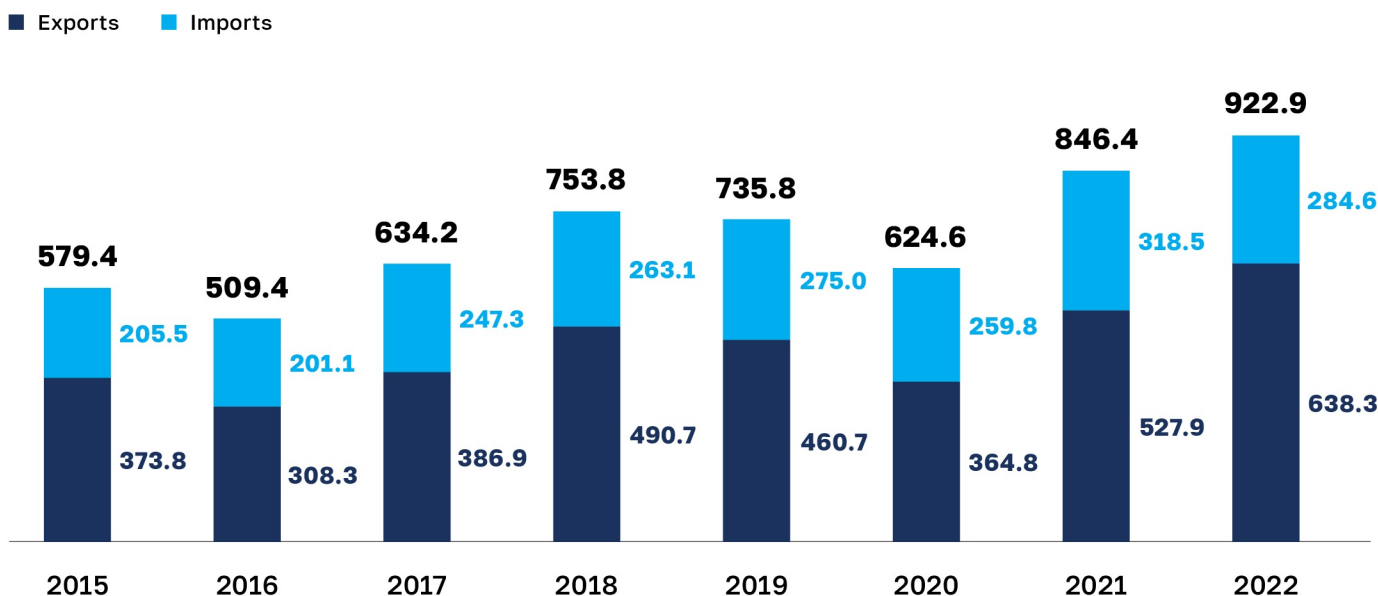


EAEU Trade

Mutual Trade in 2015–2022, \$ bln



Foreign Trade in 2015–2022, \$ bln



▲ 87%
mutual trade between
the EAEU Member States

▲ 59%
foreign trade of the EAEU
Member States

Areas of Integration



Customs/Customs Tariff Regulation

ACHIEVEMENTS



Unified customs legislation

- EAEU Customs Code
- EAEU Common Commodity Nomenclature of Foreign Economic Activity (FEA)
- EAEU Common Customs Tariff



No customs, transport, sanitary, veterinary, and phytosanitary quarantine control over the circulation of goods in the EAEU internal market

OBJECTIVES

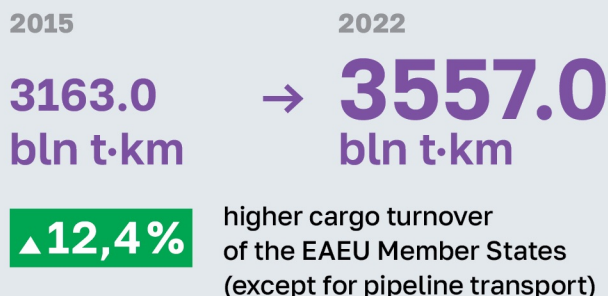


Customs control digitalization

- Electronic forms of foreign trade activity documents
- Information exchange between the customs authorities and the authorized government bodies of the EAEU Member States and third countries
- Use of digital navigation seals to exercise customs control



Harmonization of customs administration technologies at the EAEU external border, including with the use of a risk management system



 **~ 200 thsd**
 customs documents processed daily by information systems of the customs authorities without involving its officials

 **up to 4 h**
 less time between registration of the customs declaration and the release of goods

Technical Regulation

ACHIEVEMENTS

52 Eurasian technical regulations adopted




Common approaches to exercising state control over compliance with the requirements of the EAEU technical regulations

EAC EAEU conformity mark




Unified Registers:

- of product conformity assessment documents
- of conformity assessment bodies of the EAEU Member States

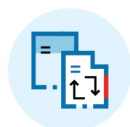
 Conformity assessment documents are automatically recognized in all the EAEU Member States

OBJECTIVES

 Consistent introduction of digital solutions into conformity assessment procedures

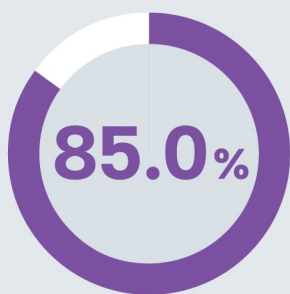


Implementation of the Digital Technical Regulation project (> 10 thsd documents will be digitized under this large-scale project)

 Harmonization of legislation in terms of liability for violating technical regulations



Transition to a registry model of issuing conformity assessment documents in electronic form (instead of hard copies)



of EAEU products covered by the requirements of the Union's technical regulations

Documents Issued

>1.3 mln
Union certificates of conformity

>7.8 mln
declarations of conformity

Sanitary, Phytosanitary and Veterinary Control

ACHIEVEMENTS



Establishment and application of unified:

- lists of products subject to sanitary and phytosanitary measures
- requirements for goods on the unified lists
- provisions on the procedure for exercising sanitary and phytosanitary control in the customs territory and at the customs border



Mutual recognition of documents concerning sanitary and phytosanitary measures by the EAEU Member States

OBJECTIVES



Integration of the national information systems for phytosanitary and livestock product traceability



Introduction of electronic document forms concerning sanitary and phytosanitary measures

EAEU Foreign and Mutual Trade in Quarantineable / Livestock Products, \$ bln



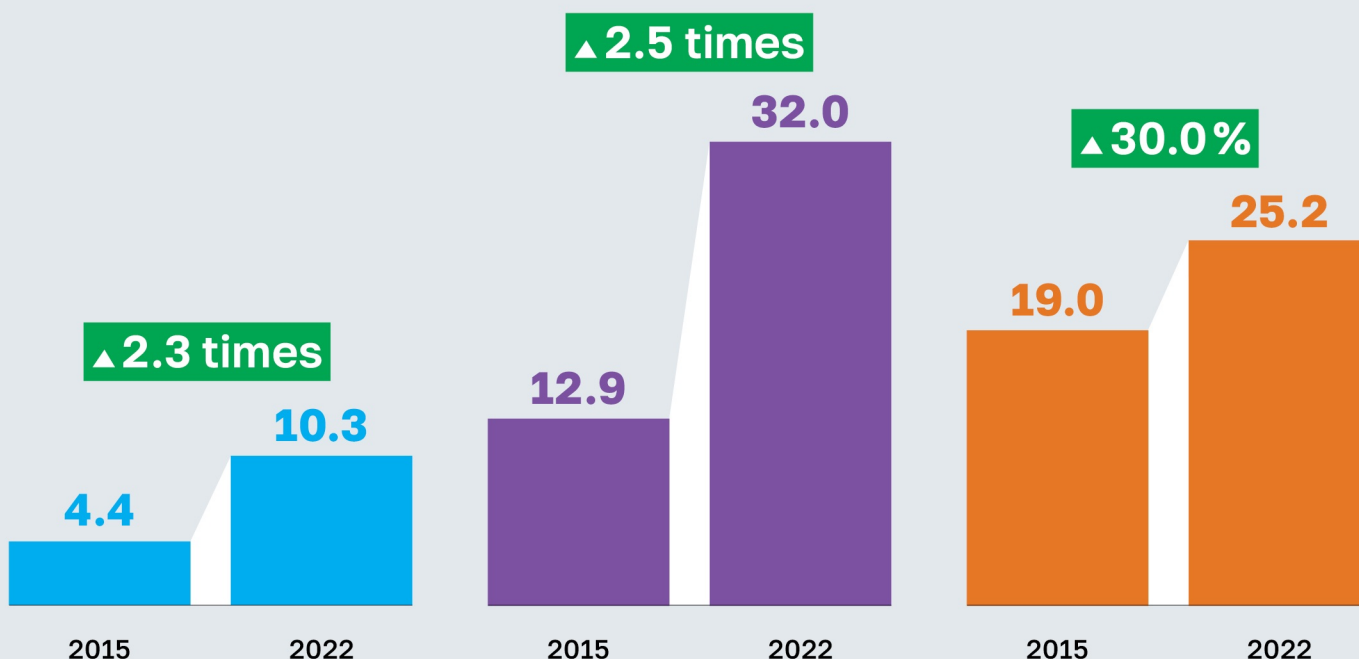
Mutual Trade



Exports to Non-EAEU Countries



Imports from Non-EAEU Countries



Common Markets of Medicines and Medical Devices

ACHIEVEMENTS



Common Markets for medicines and medical devices (there are uniform registration rules, supranational GMP and GLP standards are applied)



Action Plan for increasing self-sufficiency of the EAEU Member States in strategically important medicines and pharmaceutical substances until 2024 and a recommended List of such pharmaceuticals



Gradual transition to registering medicines in accordance with the Union rules

OBJECTIVES



Transition to mutual recognition of documents in the field of medicine and medical device circulation with third countries



Expansion of digital processes in registering pharmaceuticals and medical devices

Certificates of Marketing Authorization Issued to Date

13

for medical devices

1793

for medicines

Sputnik V Vaccine for COVID-19 Launched in Production (2021–2022)

7 mln doses

produced in Kazakhstan

8 mln doses

produced in Belarus

2015


2021

\$ 336.2 mln → \$ **826.6** mln

▲ 2.5 times mutual trade in pharmaceuticals

Single Market of Services

ACHIEVEMENTS

 **142 sectors**
60% (of the total volume of services)
 are transferred to the Single Market of services (trade, advertising, construction, equipment installation and repair, tour operator services, repairs, household services, etc.) the permits and qualifications obtained in one Member State are recognized in other EAEU Member States



Most favored treatment for the EAEU Member States' service providers in mutual trade in services

OBJECTIVES

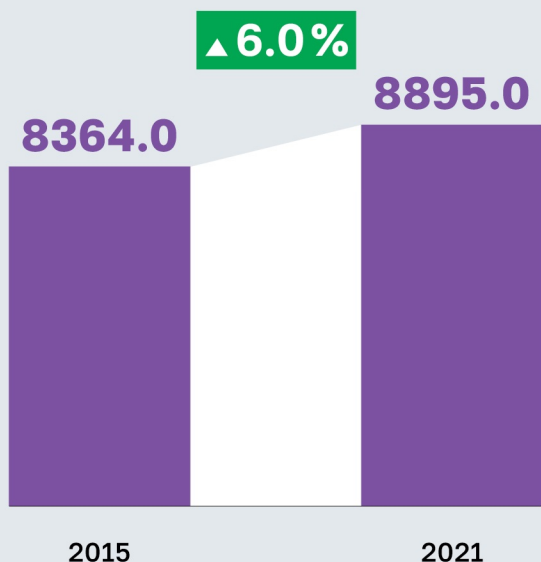


Development of coordinated approaches to regulating new kinds of services including digital ones



Expansion of the Single Market of services

Total Volume of Mutual Trade in Services between the EAEU Member States, \$ mln





2021 compared to 2020


18.9%
 increase in the EAEU intraregional export of services


Common Financial Market


ACHIEVEMENTS

- 

Coordinated regulation of financial markets
- 


The Common Exchange Space is being formed to provide market participants with access to trading in securities and financial instruments
- 

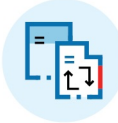
The Concept of Creating a Common EAEU Financial Market by 2025 has been approved and is being implemented
- 


Eurasian Reinsurance Company created to reinsure export loans
- 

Harmonization of the legislation of the EAEU Member States in the banking, insurance and securities market services sector

OBJECTIVES

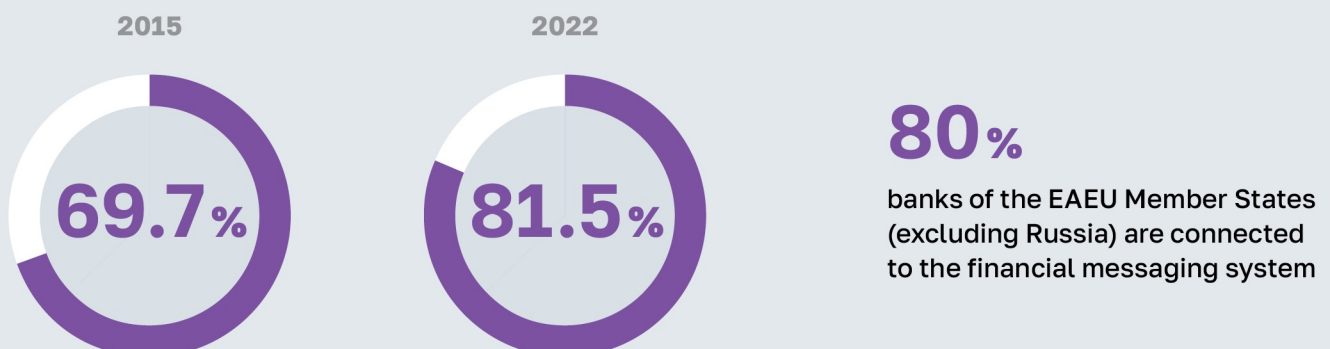
- 

2025 – launch of the EAEU Common Financial Market
- 

Ensuring mutual recognition of licenses in the financial market via implementing the standardized license mechanism
- 


Coordinating approaches to creating the Eurasian rating agency

Share of National Currencies in Mutual Settlements




Energy

ACHIEVEMENTS

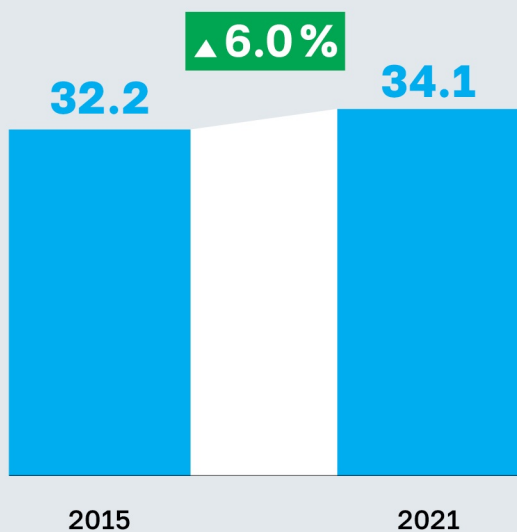
-  Free movement of the core energy resources (natural gas, oil, oil products, electric power) between the EAEU Member States (within the limits of annually agreed balances)


OBJECTIVES

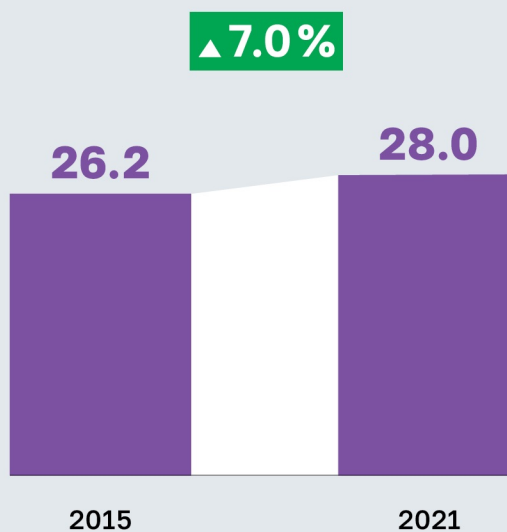
-  2025 – launch of common markets for natural gas, oil, oil products, electric power

Mutual Trade of the EAEU Member States in Energy Resources (in physical terms)

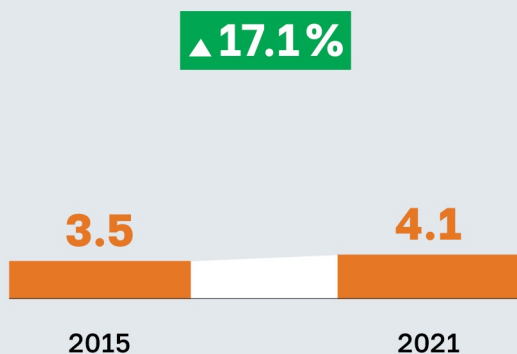
 Natural Gas, bln m³



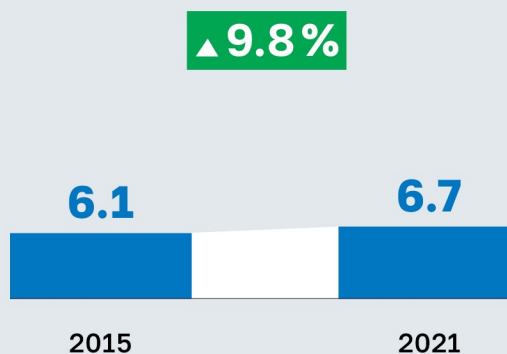
 Oil, mln tons



 Oil Products, mln tons



 Electric Power, bln kWh



Transportation and Logistics

ACHIEVEMENTS



No permit required for road transportation within the EAEU borders

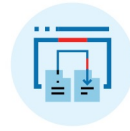


Internal tariffs applied to railway transportation between the EAEU Member States

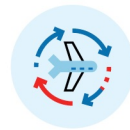


Launch of the joint project “Eurasian Agroexpress” aimed at accelerated railway and multimodal transportation of agricultural products

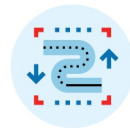
OBJECTIVES



Transition to electronic shipping documents

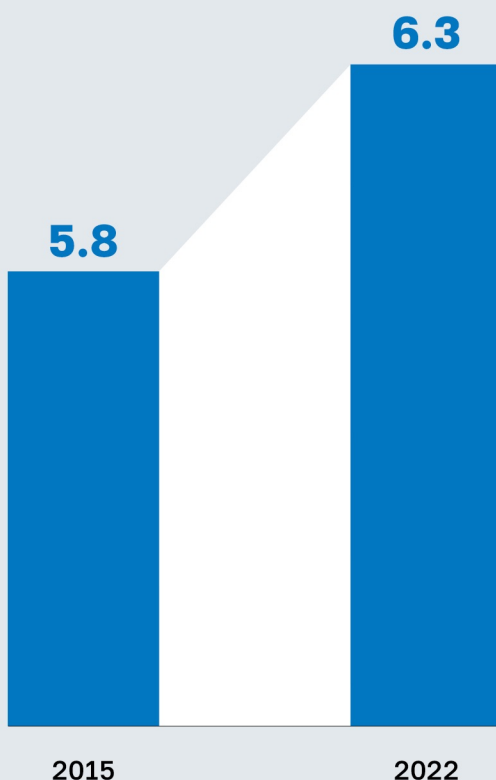


Agreement on the common market for air transportation services



Development and implementation of the Comprehensive plan for developing the Eurasian transport corridors

 EAEU Freight Turnover, trln t·km



In 2022, as part of the Eurasian Agroexpress project, China received

18 360

containers of agricultural freight

>500 thsd tons

volume of transported produce

Competition Policy and Public Procurement

ACHIEVEMENTS



Common market for public (municipal) procurement ensuring a national regime for suppliers and goods originating in the EAEU Member States

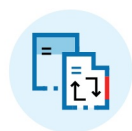


The EEC is authorized to monitor compliance with the general competition rules in cross-border markets

OBJECTIVES

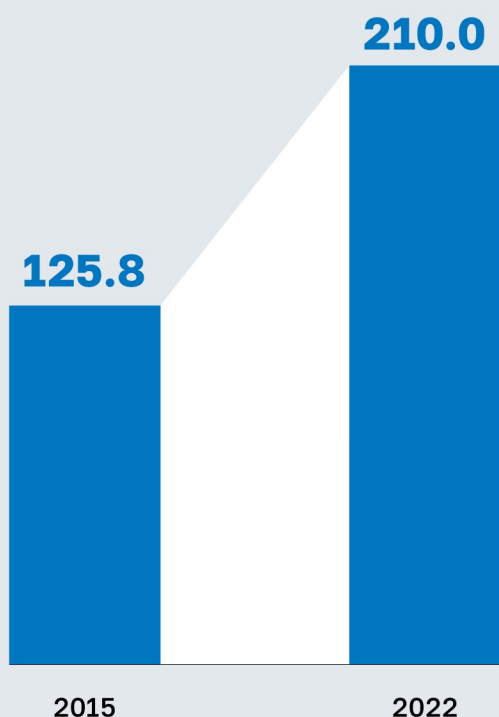


Digitalization of public procurement in the EAEU Member States (procurement procedures shifting to electronic form, communication between the national electronic systems for public procurement)



Ensuring mutual recognition of bank guarantees issued by financial organizations of the EAEU Member States to participants in public procurement

Volume of the EAEU Public Procurement Market, \$ bln



Reports and Investigations on Violations of General Competition Rules



Industry

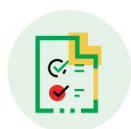
ACHIEVEMENTS



Coordinated industrial policy



The Eurasian Register of Industrial Goods for ensuring equal conditions of mutual access to public procurement of localized products



The Common Rules for Granting Industrial Subsidies (non-discriminatory for Eurasian manufacturers)



The EAEU Industrialization Map containing information on the industrial projects of the Union countries

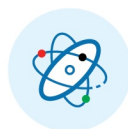
OBJECTIVES



Launch of supranational mechanisms for funding integration cooperation industry projects (from the EAEU budget)



Promotion of products jointly produced by the EAEU Member States in third-country markets



Development of research and technology cooperation between the EAEU Member States, joint use of the EAEU Member States' advanced solutions in implementing cooperation projects

The EAEU Industrialization Agenda

158

projects

32

sectors

The Eurasian Register of Industrial Goods Includes

8153

industrial goods

72

manufacturers from the EAEU countries

\$239.0 bln

total

▲16.9%

EAEU industrial output, 2015–2022 (in real terms)

Agriculture

ACHIEVEMENTS



Coordinated agricultural policy



Annual approval of indicative mutual trade balances (for cereals, sunflower seeds and sunflower oil, sugar)



Work towards unifying approaches to breeding activities in the EAEU Member States



Coordination of export regulation measures concerning critical types of products



A system for warehouse certificate circulation within the EAEU

OBJECTIVES



Development of mechanisms for ensuring the EAEU food security, coordination of approaches to creating the Eurasian Food Facility

Food Security. Food Self-Sufficiency Level

2022

194%

 vegetable oil

148%

 grain

101.6%

 pork

101.2%

 mutton

2023 (forecast)


100%

 poultry, chicken eggs

98%

 milk

97.5%

 potatoes

97%

 vegetables

96%

 beef

94.5%

 sugar

▲ 26.0%

EAEU agricultural output, 2015–2022 (in real terms)

Common Labor Market

ACHIEVEMENTS



Incomes of workers from the EAEU Member States are taxed at the rate established for citizens of the country of employment



Agreements on mutual recognition of academic degrees in the EAEU Member States

Workers from the EAEU are entitled to:



Medical care provided on equal terms with citizens of the country of employment



Compulsory social insurance benefits in case of temporary disability

Citizens of the Union countries:



Do not need to obtain work permits or labor patents. Employment is carried out on the basis of an employment contract or civil law contract

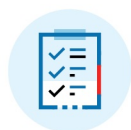


Have guaranteed rights in terms of pension provision (in the framework of the Agreement on Pension Provision for Workers of the EAEU)



Direct recognition of workers' education certificates (except for medical and pharmaceutical activities)

OBJECTIVES

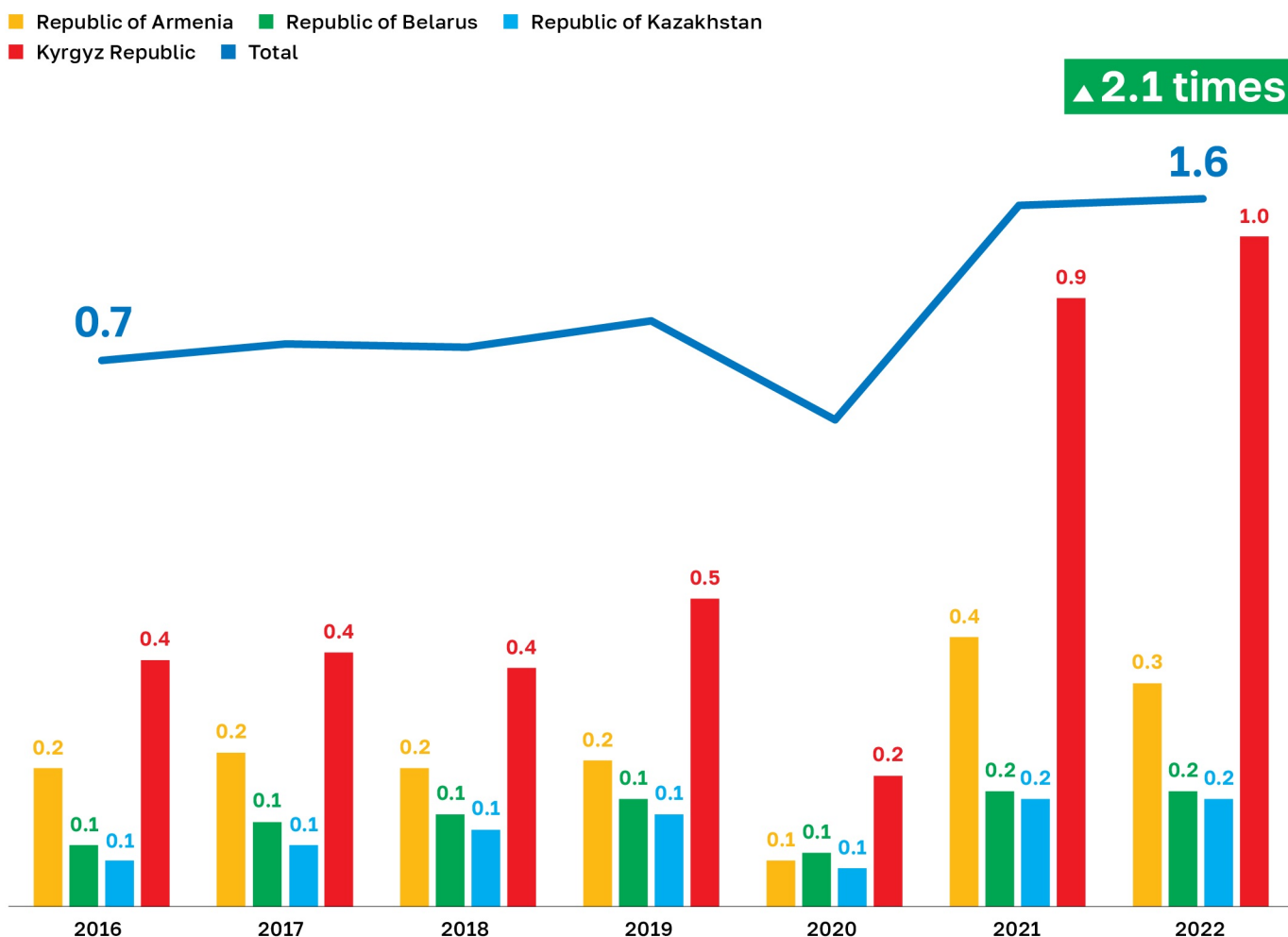


Consistent convergence of qualifications required for the most in-demand professions by the EAEU Member States

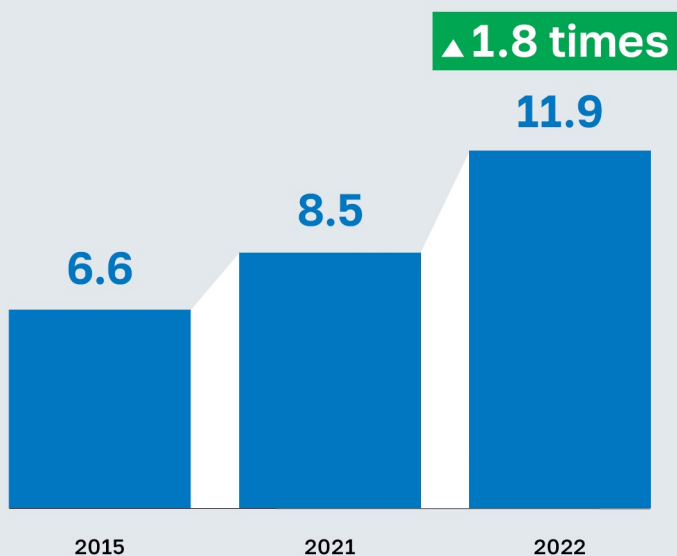


Agreements on mutual recognition of academic titles in the EAEU Member States

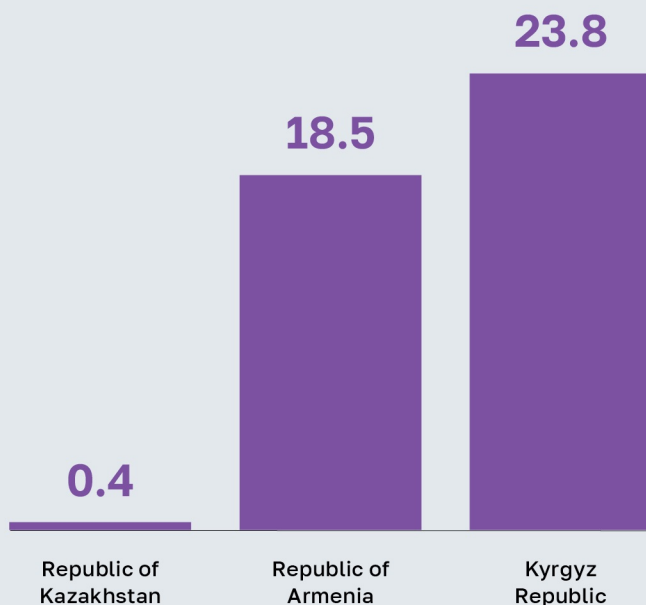
Workers from the EAEU Countries Coming to Russia, mln people



Volume of Money Transfers by Citizens within the EAEU, \$ bln




Money Transfer to GDP Ratio, %





Source: Ministry of Internal Affairs of the Russian Federation, instances of migration registration

Digital Agenda


ACHIEVEMENTS

 Legal and infrastructural foundations for developing the Union system for information exchange between the government bodies within the EAEU Integrated Information System (IIS) have been established

 The Union Certification Center is being put into operation to support the legally significant document flow

 The Digital Initiatives Fund of the Eurasian Development Bank launched the projects

 COVID-19 Free Travel  Work in the EAEU


 The digital agenda encompasses four current projects:


- Work Without Borders unified search system
- Digital Transport Corridors ecosystem
- Eurasian Network of Industrial Cooperation, Subcontracting and Technology Transfer
- Digital Technical Regulation


 Annual Digital Almaty Forum



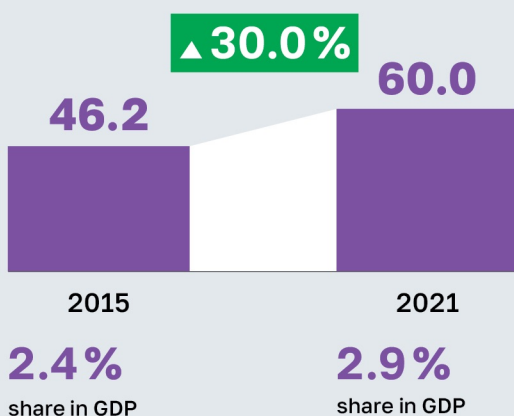
OBJECTIVES

 Integration of national and Union information systems as part of the EAEU Digital Platform

 Conclusion of an international agreement on data turnover in the Union. The document will set the Union standards for personal data protection

 Launch of the transboundary space of trust supporting the legally significant G2G and B2G document flow

Total Volume of the EAEU ICT Sector, \$ bln



24

common processes launched within the Union's IIS (provide for information exchange for customs regulation, consumer rights protection, technical regulation, functioning of the common market for medicinal products, sanitary and phytosanitary measures)

77

common processes are planned to be launched by 2025 to set about shaping the EAEU Digital Platform

Trade Barriers in the Union’s Domestic Market

ACHIEVEMENTS



A monitoring system for regulation gaps (restrictions) negatively affecting mutual trade has been created



There is a possibility to specify individual exemptions from supranational measures at the stage of acceding to the EAEU taking into account the national specifics to adapt to the new requirements

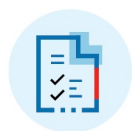


The EEC Board is authorized to identify violations of the Union law (barriers) subsequently informing Member States on the need to eliminate them

OBJECTIVES



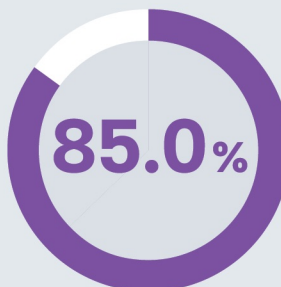
Creating an online system that monitors problematic issues of the functioning of the the EAEU internal market faced by economic entities of the Union countries on the EEC portal



Consistent elimination of exemptions in the EAEU internal market (taking into account transition periods)

> 1/3

of all barriers identified in 2022 eliminated by the EAEU Member States before the formal EEC review procedure was over



of all previously identified barriers in the EAEU internal market are eliminated to date

70 days

the period within which the EEC conducts investigations into potential violations of the Union law by the parties

Forms of Cooperation

Memorandum of Understanding/ Cooperation

- Third state's or EEC's initiative
- Negotiations between the EEC and the potential partner's government
- The Board of the EEC decides on signing the Memorandum
- Signing a Memorandum between the EEC and the potential partner's government
- Working group comprising the EEC and the relevant agencies of the EAEU and the partner states
- Joint actions within the framework of Memorandum (sector-specific seminars, business forums)
- Raising awareness on the EAEU activities

International Treaties, Including Free Trade Agreements

- Initiative of an EAEU Member State, EEC Council member or a third state
- Advisory authorities under the EEC Board (preliminary analysis of economic feasibility)
- The Council of the EEC establishes a joint research group (JRG)
- The Supreme Eurasian Economic Council decides on commencing negotiations
- Holding negotiation rounds
- The Supreme Eurasian Economic Council decides on signing the document
- Ratification procedures in Member States and the partner state
- Agreement implementation. Abolition or reduction of import customs duties in case of a preferential agreement/ cooperation in various fields pertaining to the EEC mandate in case of a non-preferential or sector-specific agreement

Observer State Status at the EAEU

- Third state's initiative
- Consultations involving authorized representatives of Member States and the partner state
- Application by the third state addressed to the Chairman of the Supreme Eurasian Economic Council
- The Supreme Eurasian Economic Council decides on assigning the status
- Attending sessions of the Union bodies, prompt receipt of documents adopted by the EAEU bodies, possibility of appointing a representative at the EEC

Full EAEU Membership

- Application by the third state addressed to the Chairman of the Supreme Eurasian Economic Council
- Candidate State status (by decision of the Supreme Eurasian Economic Council)
- Working group on accession
- Action Plan
- Negotiations between the governments of the EAEU Member States and the candidate state
- Action Plan implementation
- Signing an EAEU Accession Treaty by Heads of Member States and the Candidate State
- Accession to the EAEU (obtaining full rights and obligations of an EAEU Member State)

International Cooperation

EAEU COUNTRIES

Armenia, Belarus,
Kazakhstan, Kyrgyzstan, Russia

OBSERVER STATES

Cuba, Moldova, Uzbekistan

FREE TRADE AREA

Vietnam, Serbia

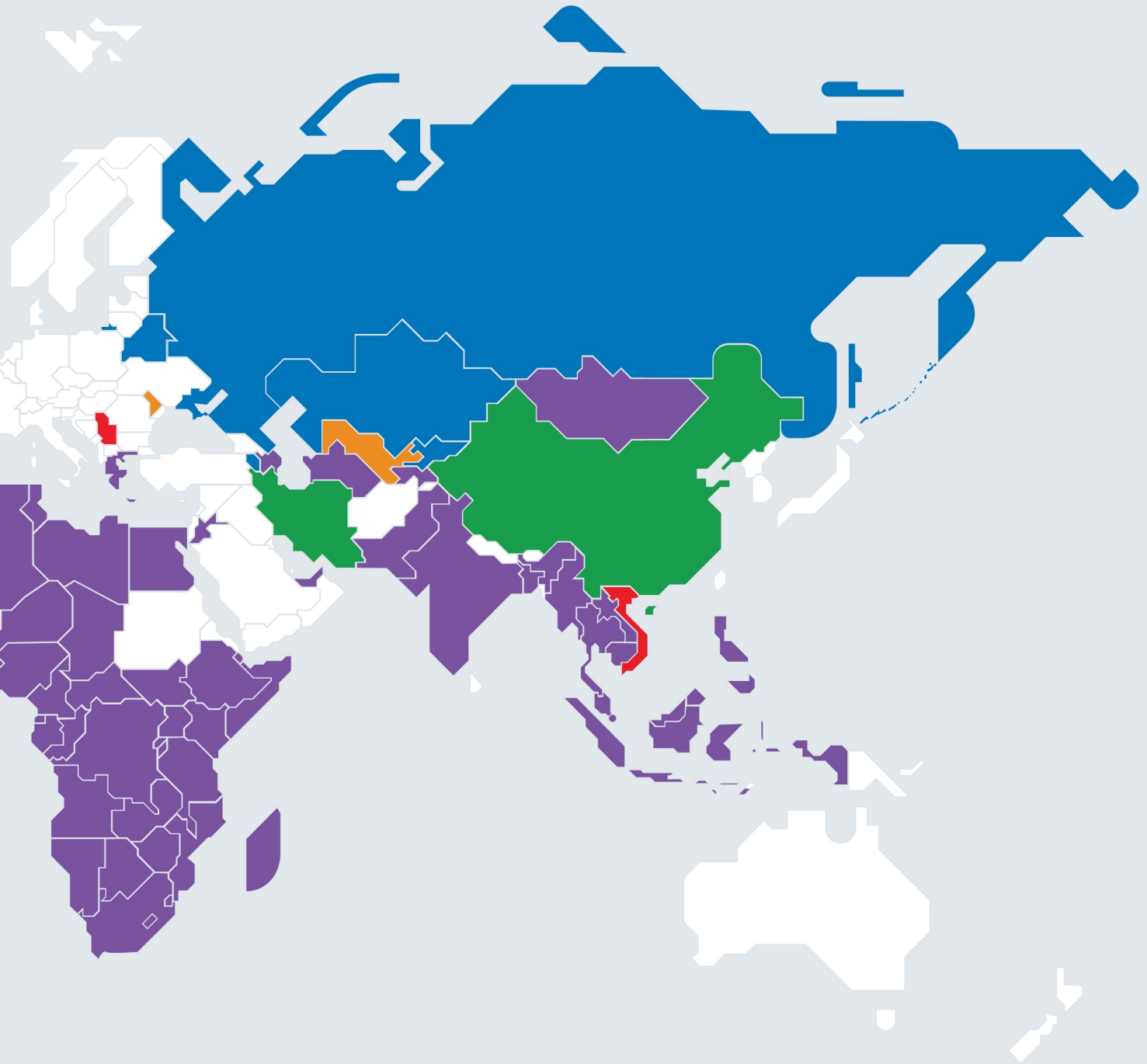
TRADE AGREEMENTS

China, Iran

MEMORANDUMS

Bangladesh, Cambodia, Chile, the Faroe Islands, Greece, Indonesia, Jordan, Mongolia, Morocco, Myanmar, Peru, Singapore, Thailand, the UAE, African Union, Andean Community, Association of Southeast Asian Nations (ASEAN), Conference on Interaction and Confidence-Building Measures in Asia (CICA), Commonwealth of Independent States (CIS), Southern Common Market (MERCOSUR), Pacific Alliance, Shanghai Cooperation Organization (SCO), Latin American Economic System (SELA), Secretariat for Central American Economic Integration (SIECA), Common Market for Eastern and Southern Africa (COMESA)





Strategy 2025

11

directions for further development

332

measures and implementation **mechanisms**

1

Economic Development

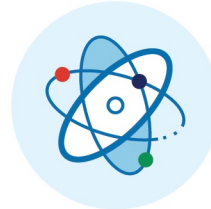
Elaboration of flexible mechanisms for targeted assistance



2

Scientific and Technical Cooperation

Joining and promoting efforts



5

Joint Cooperation Projects

Efficient management and financing system, creation and development of highly productive, export-oriented sectors of the economy



8

Healthcare, Education, Tourism, Sports

Expansion of economic cooperation



9

Trade Barriers

Full elimination, minimized exceptions and restrictions



523

specific activities to achieve
the goals and objectives

3

Digitalization

Developing digital
infrastructures and ecosystems

**4**

Consumer Rights

Ensuring proper protection,
quality and safety guarantees
for circulating goods

**6**

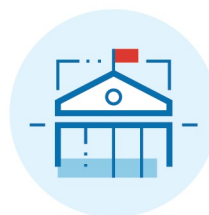
Customs Regulation

Improvement

**7**

EAEU Institutional System

Ensuring maximized efficiency
of functioning, implementation
of adopted agreements

**10**

Commodity Market

Improved efficiency
of functioning

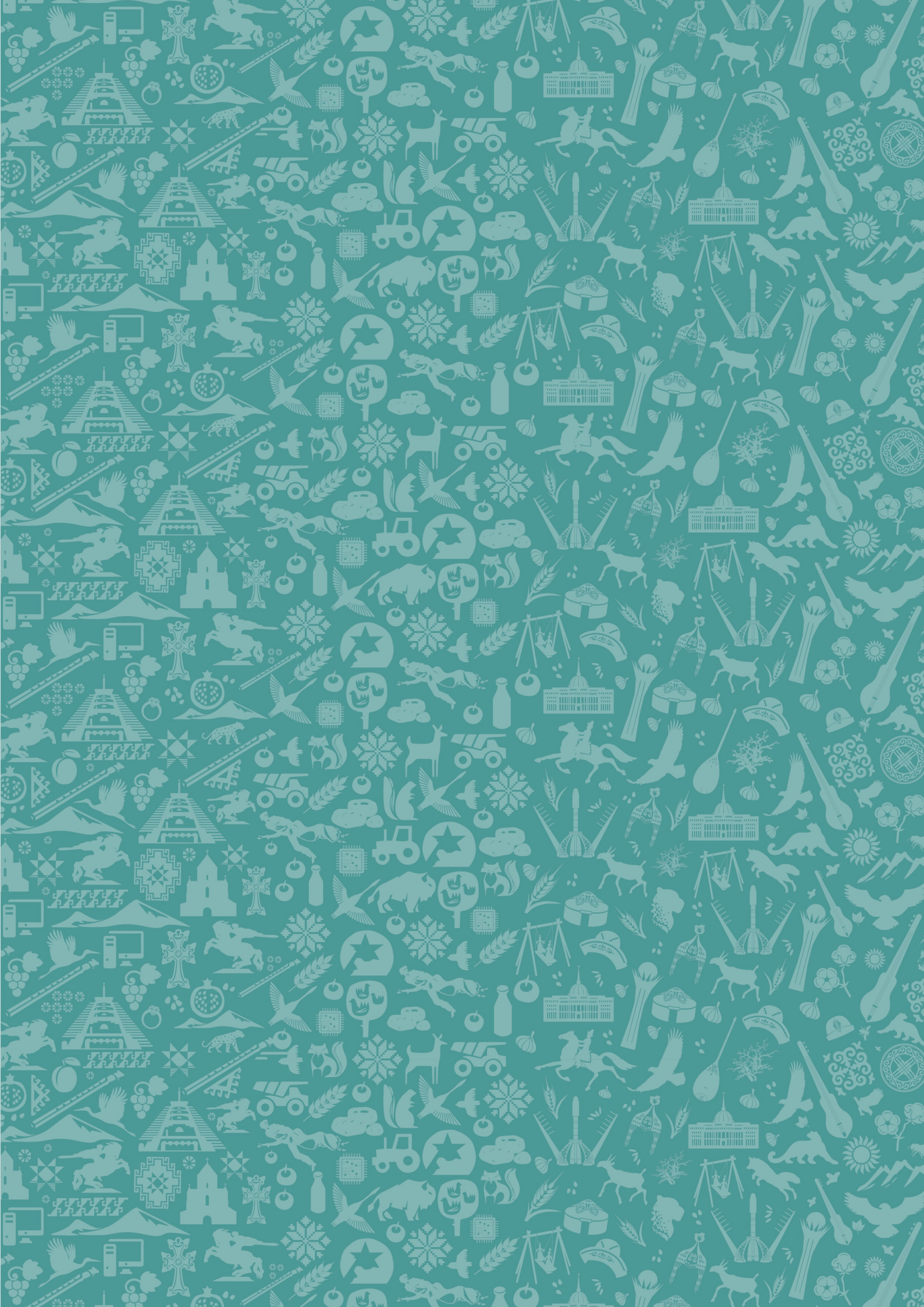
**11**

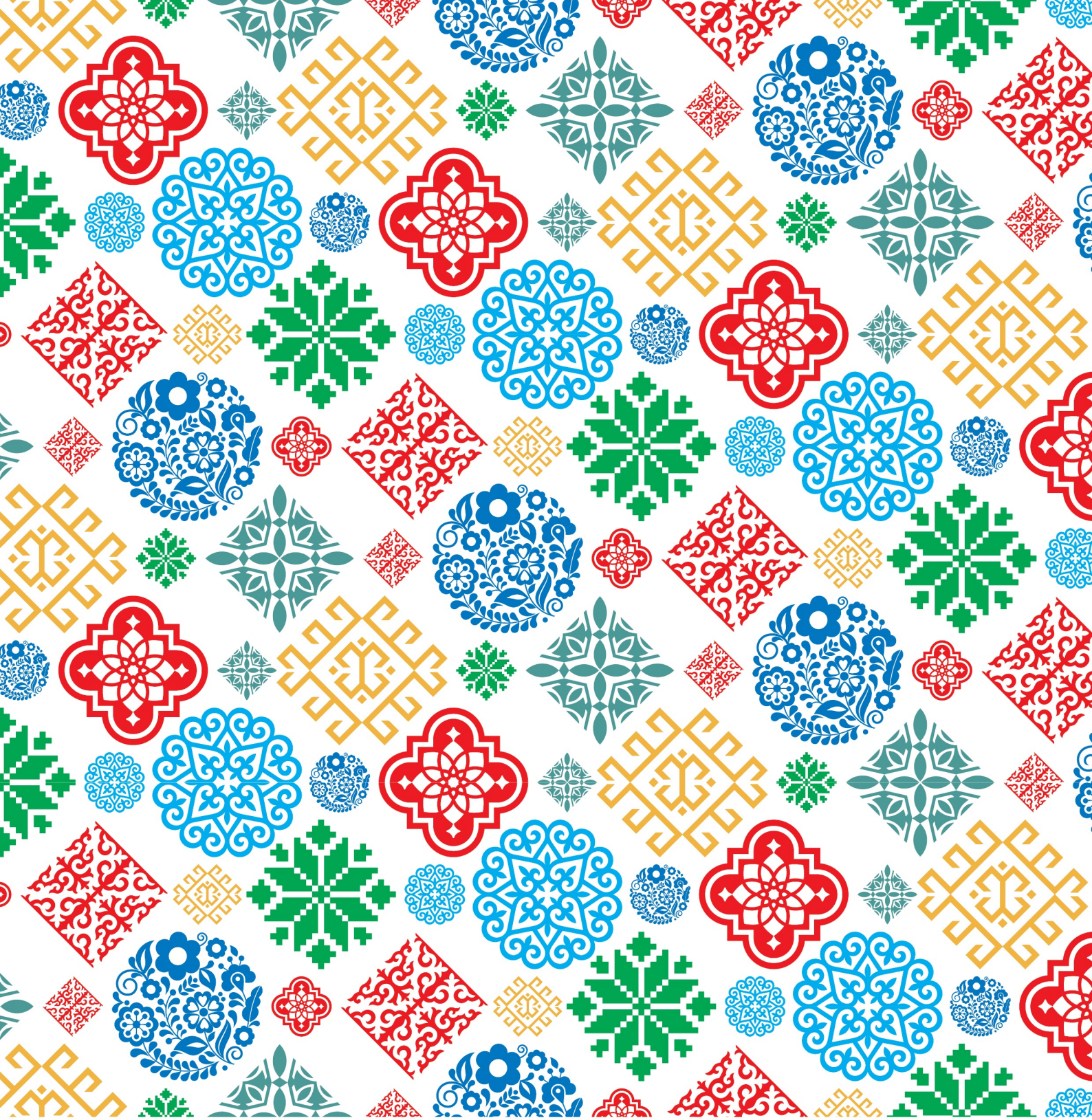
Formation of the EAEU

As a significant development
center of the modern world



Notes





Moscow, 2023

