

The Eurasian Economic Community (EurAsEC) is an international economic organization vested with functions relating to the formation of common external customs boundaries of the countries who form it (Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan), to the elaboration of unified foreign economic policies, tariffs and prices and to other operational components of the common market.

The Organization, having become successor to the Customs Union, has been established in full accordance with the principles of the UN and with the rules of international law. It is a distinctly structured system with a fairly stringent mechanism for the adoption and implementation of decisions. It has international personality. The Community and its officials enjoy the privileges and immunities necessary for performing the functions and achieving the aims envisaged by the treaty on the establishment of EurAsEC and by the treaties operating within the Community. In 2003 the Eurasian Economic Community received the status of observer in the General Assembly of the United Nations.

The Goals of the Community

EurAsEC was established for effective promotion of the creation by the Customs Union member states of a Single Economic Space and for coordinating their approaches while integrating into the world economy and the international trade system.

One of the Organization's chief activity vectors is ensuring the dynamic evolution of the Community states through coordinating their economic and social reforms while effectively using their economic potentials to improve the living standards of their peoples.

Among the principal tasks of the Community are:

- completing the formalization of a free trade regime in all respects, creating a unified customs tariff and a unified system of nontariff regulation measures;
- laying down the common rules for trade in goods and services and their access to internal markets;
- introducing a unified procedure for foreign exchange controls;
- creating a common unified system of customs regulation;
- drawing up and implementing joint programs of economic and social development;
- creating equal conditions for production and entrepreneurial activities;

forming a common market for transportation services and a unified transport system;

forming a common energy market;

creating equal conditions for access by foreign investment to the sides' markets;

giving the citizens of the Community states equal rights in receiving education and medical assistance throughout its territory;

converging and harmonizing national legislation;

ensuring the coordination of the legal systems of the EurAsEC states with a view to creating a common legal space within the Community.

The Treaty on the Establishment of the Eurasian Economic Community was signed on October 10, 2000, in Kazakhstan's capital Astana by Presidents Alexander Lukashenko of Belarus, Nursultan Nazarbayev of Kazakhstan, Askar Akayev of Kyrgyzstan, Vladimir Putin of Russia, and Emomali Rakhmonov of Tajikistan.

Composition of the EurAsEC

Eurasian Economic Community members since its formation are five states - Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. In May 2002 at the request of the leaderships of Moldova and Ukraine these states were granted the status of observer at the EurAsEC. In 2003 a similar request by Armenia was satisfied. In January 2006 Uzbekistan became a member of the EurAsEC.

EurAsEC is an open organization. Membership in it may be conferred on any state which not only assumes the obligations arising from the Treaty on the Establishment of the Eurasian Economic Community of October 10, 2000 and other operative Community treaties on a list determined by a decision of the EurAsEC Interstate Council, but also, in the opinion of the EurAsEC members, can and intends to fulfill these obligations.

Observer status at the EurAsEC may be granted to a state or an international interstate (intergovernmental) organization at their request. An observer has the right to attend open meetings of the bodies of the EurAsEC, speak at these meetings with the consent of the chair, and receive, as needed, open documents and decisions adopted by the EurAsEC bodies. However, observer status does not give a right to vote in passing decisions at the EurAsEC bodies' meetings, nor the right of signing documents of the EurAsEC bodies.

Structure of the Governing Bodies of the EurAsEC

The governing bodies of the Community are the Interstate Council, the Integration Committee, the Interparliamentary Assembly and the Court of Justice of the Community.

Interstate Council

This is the highest body of the Eurasian Economic Community. It consists of the Heads of State and Government of the countries of the Community.

In May 2002 Kazakh President Nursultan Nazarbayev was elected Chairman of the Interstate Council. In June 2005 Alexander Lukashenko, the President of Belarus, was elected to this post.

The Interstate Council considers principled matters of the Community relating to the common interests of member states, defines a strategy, guidelines and prospects for integration and adopts decisions aimed at implementing the goals and objectives of the EurAsEC .

The Interstate Council convenes at the level of the Heads of State at least once a year (2002 Moscow, 2003 Dushanbe, 2004 Astana, 2005 Moscow, and 2006 (an extraordinary meeting) St. Petersburg) and at the Heads of Government level at least twice a year.

Integration Committee

This is the permanent body of the Eurasian Economic Community. It is made up of deputy heads of government of the EurAsEC countries. Among the principal tasks of the Integration Committee are: ensuring coordination among the EurAsEC bodies, preparing proposals on the agenda for Interstate Council meetings, as also drafts of Council decisions and documents, and overseeing the implementation of the decisions taken by the Interstate Council.

Integration Committee meetings are held at least four times a year.

Secretariat

Upon this structural subdivision is laid the task of organizing, and providing informational technical support of the work of the Interstate Council and the Integration Committee.

The Secretary General of the Eurasian Economic Community heads the Secretariat. This is the top administrative official of the Community, appointed by the Interstate Council. Grigory Rapota was appointed to this position in October 2001 by a decision of the five Presidents.

The seat of the Secretariat is Almaty, Kazakhstan, and Moscow, Russia.

Commission of Permanent Representatives

The heads of the Community's member states appoint permanent representatives to the EurAsEC. Formed by them, the Commission of Permanent Representatives is to ensure the work of the Community in between sessions of the Integration Committee as well as work coordination between the Community and the relevant bodies, agencies and organizations of the EurAsEC states.

Interparliamentary Assembly

This is the body for parliamentary cooperation within the EurAsEC that considers matters related to harmonizing (bringing closer together, unifying) national legislation and bringing it into conformity with the treaties concluded in the EurAsEC framework with a view to implementing the tasks of the Community.

The Interparliamentary Assembly is formed from parliamentarians delegated by the parliaments of the countries of the Community. It comprises (as before Uzbekistan joining the EurAsEC) 28 parliamentarians from Russia, 14 each from Belarus and Kazakhstan, and 7 each from Kyrgyzstan and Tajikistan.

The Secretariat of the Interparliamentary Assembly is located in St. Petersburg (Russia).

Community's Court of Justice

The Court of Justice of the Community ensures uniformity in the way the contracting parties apply the Treaty on the Establishment of the Eurasian Economic Community and other operative Community treaties and decisions adopted by the EurAsEC bodies. The Court also examines disputes of an economic nature arising between EurAsEC members over the implementation of decisions of EurAsEC bodies or provisions of operative Community treaties and gives its explanations and conclusions on them.

The seat of the Court of Justice of the Community is Minsk, Belarus.

Subsidiary Bodies

There operate a number of subsidiary bodies within the Community. Attached to the Integration Committee, the following are active, inter alia: the Energy Policy Council, the Transport Policy Council, the Council on Border Issues, the Council of Heads of Customs Services, the Council of Heads of Tax Services, and the Council of Ministers of Justice.

United in these councils, the heads of the respective agencies of the six states are jointly working out a coordinated policy in the relevant fields.

EurAsEC Budget

The Community budget for each budget year is drawn up by the Integration Committee upon concurrence by the member states of the Community and approved by the Interstate Council.

The budget is formed from contributions: 40 percent being contributed by Russia, 15 percent each by Belarus, Kazakhstan and Uzbekistan, and 7.5 percent each by Kyrgyzstan and Tajikistan.

Decision-making in the Community

The Interstate Council of the EurAsEC adopts decisions by consensus. Adopted decisions become binding upon all member states of the Community. Their execution occurs by way of passing the required national normative legal acts in accordance with national legislation.

In the Integration Committee decisions are adopted by a two-thirds majority. The number of votes when arriving at decisions in the Committee matches each country's contribution to the Community budget. Russia has 40 votes, Belarus, Kazakhstan and Uzbekistan each 15, and Kyrgyzstan and Tajikistan each 7.5.

In case when five out of the six parties have voted for the adoption of a decision, but it has not garnered two-thirds of the votes cast, the matter is referred for consideration to the Interstate Council.

Main Priorities in EurAsEC Activities

Among the priority thrusts in the activities of the EurAsEC for the near term are:

Transport - solving the problem of unified tariffs, increasing the flow of goods, simplifying the customs procedures, completing the intra-state procedures on signed agreements, and creating transnational forwarding corporations.

Energy - jointly developing the hydropower complexes of Central Asia and dealing with the problem of electricity supply and water use; arriving at a unified energy balance.

Labor migration - the social protection of migrants, creation of an effective system of regulation and control of the migration of labor resources, the struggle against the attendant crime and the solution of problems related to the payment of taxes by migrants and their employers.

The agro-industrial complex - coordinating the agricultural policies of the EurAsEC states, creating a single food market of the Community nations, reducing the costs of the transportation, storage and sale of agricultural products, and establishing new market institutions in this field (insurance, banking, leasing, stock-exchange and others).

The regulations of movement of citizens of the EurAsEC member states on the territory of the Community

In accordance with the intergovernmental agreement, citizens of the EurAsEC member states, regardless of their place of permanent residence, have the right to enter, exit, transit, move and stay on the territory of the EurAsEC states without visas.

Citizenship Acquisition Procedure

At present a simplified procedure for the acquisition of citizenship operates in the Community. Since the interstate agreement governing this procedure belongs to the category of international treaties, under international rules it has priority over the appropriate national legal acts.

Rights of Citizens of the EurAsEC Member States to Receive Education in the Higher Educational Institutions of the Countries of the Community

In accordance with the concluded agreement, any citizen of any EurAsEC country has the right to enter any civilian institution of higher learning of any EurAsEC country on the same grounds as the citizens of the country on whose territory that institution of higher learning is located.

Benefits for Real Business

The benefits of participation in the EurAsEC for real business of the five countries consist primarily in that business activity is evolving within a single economic space being maintained thanks to the unification of the national legislations of the countries of the Community and the creation of equal conditions for business entities operating within this space. No customs duties are levied on goods and services produced within the EurAsEC as they move across the internal borders of the Community. Owing to lower transaction costs of the goods made on the territory of the EurAsEC countries they become more competitive in comparison with those of third countries. The possibility to use the potential of innovation technologies and intellectual resources of the five states of the Community also plays a considerable role.