ALEXANDER LUKASHENKO:
As for the creation of the Eurasian Economic Community, Belarus proceeds from the premise that any union, and especially one of close brotherly states – I think we can say that – must bring considerable benefit to the people. That includes our new formation – the Customs Union.

NURSULTAN NAZARBAEV:
Ten years after EurAsEC was founded we can state with confidence that it is the most successful integration union in the post-Soviet space. EurAsEC provides the basis for deepening integration between our states in economics, science and the social sphere.

DMITRY MEDVEDEV:
Ten years is significant, although not so long against the backdrop of history. A great deal of work has been done – allow me to thank everyone who has participated, the governments, the secretariat – but even more lies ahead. Nonetheless, I would like to state that our union has begun a phase of progressive integration.

EMOMALI RAKHMON:
Tajikistan is an interested party in the development of multilateral cooperation within the framework of EurAsEC; we favour the move to a phase of distributing resources from the Community’s Anti-Crisis Fund. And we are making every effort to secure Tajikistan’s accession to the Customs Union.

ROZA OTUNBAYEVA:
Assistance from all the Eurasian Economic Community countries will allow us to recover. The EurAsEC Anti-Crisis Fund is most welcome right now. As a member of the WTO Kyrgyzstan is examining the possibility of our future accession to the Customs Union. We fully intend to join.

Heads of state at the EurAsEC Interstate Council meeting in Astana on 5 July 2010
The dynamics of change in global geopolitics and the geoeconomy are accelerating. Undoubtedly our most successful answer to the challenges of the modern world is integration – as a process of combining the economic potential of states with the goal of achieving development in national economies.

The establishment of the Eurasian Economic Community on 10 October 2000 by the presidents of Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan was evidence of the unity of political will among the leaders of five states to decisively set forth on the path of mutual multiform cooperation and real economic integration.

The past decade has convincingly shown the demand for EurAsEC as a living entity that has demonstrated such important and substantive achievements as the creation of the Customs Union between Belarus, Kazakhstan and Russia and the establishment of the Anti-Crisis Fund and the EurAsEC Centre for High Technologies. Formation of the Common Economic Space is proceeding with confidence.

The EurAsEC heads of state are united in their opinion that establishment of the Customs Union marked a powerful integration breakthrough in the post-Soviet space.

This publication has been prepared to meet the growing public interest in EurAsEC as a successful regional union.

Tair Mansurov, EurAsEC Secretary General
What Is EurAsEC

The Eurasian Economic Community (EurAsEC, or the Community) is an international economic organisation created to effectively further the process undertaken by the Parties to form a Customs Union and Common Economic Space, as well as for the realisation of other goals and objectives related to enhanced integration in the economic and humanitarian fields.

The organisation was set up in full accordance with UN principles and the norms of international law and has the status of an international legal personality. It is a precisely structured system with a firmly established mechanism for adopting and implementing resolutions.

The Community and its officials enjoy the privileges and immunities essential in order to carry out its functions and for achievement of the goals specified by the Treaty on the Establishment of EurAsEC and treaties in force within the Community.

In 2003 the Eurasian Economic Community received the status of observer at the UN General Assembly.

Five states have been members of the Eurasian Economic Community from its formation - Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. On 25 January 2006 a protocol was signed on Uzbekistan’s accession to the organisation. In October 2008 Uzbekistan suspended to participate in the work of EurAsEC bodies. Ukraine and Moldova have had the status of EurAsEC observer since May 2002, and Armenia since January 2003. This status has also been conferred on the Interstate Aviation Committee (IAC) and the Eurasian Development Bank (EDB).

EurAsEC is an open organisation. Any state that assumes the obligations entailed by the Treaty on the Establishment of EurAsEC and other listed Community treaties determined by a resolution of the EurAsEC Interstate Council may become a member.

The status of EurAsEC observer may be awarded to a state or international interstate (intergovernmental) organisation on request. The observer has the right to attend open meetings of EurAsEC bodies and can access documents and resolutions taken by EurAsEC bodies, but has no right to vote when resolutions are taken or sign the documents of EurAsEC bodies.

EurAsEC was established with the aim of developing economic cooperation and trade, to effectively further the process for forming the Customs Union and Common Economic Space, and to coordinate the actions of Community states during integration into the world economy and international trading system.

One of the organisation’s major vectors of activity is to ensure the dynamic development of Community members by coordinating socio-economic changes with effective use of economic potential in order to raise the standard of living for their people.

Main aims of the Community:

- One of the organisation’s major vectors of activity is to ensure the dynamic development of Community members by coordinating socio-economic changes with effective use of economic potential in order to raise the standard of living for their people.

- forming a common energy market;
- creating equal conditions for access of foreign investments to the markets of Community states;
- ensuring free movement for citizens of EurAsEC states within the Community;
- coordinating social policy with the aim of forming a community of social states that allows for a common labour market, common educational space, coordinated approaches in resolving questions of healthcare and labour migration, etc.;
- coordinating and harmonising national legislation;
- ensuring coordination of the legal systems of EurAsEC member states aimed at creating a common legal space within the Community.

In accordance with the statutory aims and objectives of the Community and governed by the principle of multispeed integration, in 2007 to 2010 Belarus, Kazakhstan and Russia created the Customs Union (see p.32) and are systematically forming the next stage of integration – the EurAsEC Common Economic Space (see p.35), which other Community states will join when they are ready.

Aims and tasks of EurAsEC

- ensuring the free movement of capital;
- forming a common financial market;
- coordinating the principles and conditions for transition to a common currency within the framework of EurAsEC;
- establishing common rules for trade in goods and services, and their access to internal markets;
- creating a common unified system for customs regulation;
- drawing up and implementing interstate targeted programmes;
- creating equal conditions for industrial and entrepreneurial activities;
- forming a common market for transportation services and a unified transport system;
Brief Description of EurAsEC

EurAsEC countries are major exporters of mineral resources and metals to the global market and play a leading role among exporting countries with regard to oil and gas, chrome and manganese resources, aluminium, nickel and copper, platinoinds and raw diamonds.

The Eurasian Economic Community covers a territory of 20.374 m sq km with about 180 m inhabitants (2.7% of the global population) and produces 3.5% of the world’s GDP. EurAsEC has vast resources of minerals and raw materials. In 2010 Community states possessed 9% of prospected oil resources worldwide; 25% of gas and 23% of coal; their share in the generation of electrical energy amounted to 5.5% globally; steel production was 5.4% and grain production 5.7%.

The Community as a whole occupies 1st to 3rd place worldwide for resources of industrial uranium, raw diamonds, platinoids, gold, silver, zirconium, rare metals, rare-earth elements and many other useful minerals.

During 10 years of EurAsEC activity:

- 120 international treaties adopted and implemented, including 55 within the framework of the Customs Union;
- 33 meetings of the Interstate Council held (at the level of heads of state and heads of government);
- 22 Councils and Commissions formed;
- 31 memorandums of cooperation with international organisations and financial and economic organisations signed;
- 12 meetings of the Interstate Council (supreme body of the Customs Union) held;
- 55 meetings of the Integration Committee held;
- 21 meetings of the Customs Union Commission held;
- 68 meetings of the Permanent Representatives Commission held;
- 284 meetings of Councils and Commissions held.

Main economic indicators in EurAsEC in total for 2000 and 2009 (bn US dollars)
The EurAsEC Interstate Council is the supreme body of the Eurasian Economic Community. The Council is composed of heads of state and heads of government.

The Interstate Council considers questions of principle in Community activities affecting the common interests of member states, defines the strategy, directions and perspectives for developing integration and takes decisions aimed at implementing EurAsEC goals and objectives.

Chairmanship of the Interstate Council is assumed alternately by each member state of the Community, in Russian alphabetical order, for a term of one year.

The Interstate Council approves resolutions on the following questions:

- regulation of mutual trade terms among the Community states;
- customs policy of the Community regarding third states;
- simplification and unification of customs regulations and rules of procedure applied in Community states;
- harmonisation (coordination and unification) of the national legislation of EurAsEC states, etc.

The Interstate Council issues assignments for the Integration Committee, submits questions and recommendations to the EurAsEC Interparliamentary Assembly, and questions to the Court of Justice of the Community. It also considers the draft fundamentals of legislation in the basic spheres of legal relations, as well as recommendations of the EurAsEC IPA.

Measures taken by the EurAsEC Interstate Council:

- approval of concepts;
- cooperation in the currency sphere;
- agro-industrial policy; coordinated social policy; formation of a Common Transport Space; formation of a unified energy market; food safety; creation of an interstate databank of migrant workers; international EurAsEC activities;
- approval of concepts for the following interstate targeted programmes: 'Establishment of a unified automated information system for control of the customs transit of EurAsEC member states'; 'Innovative Biotechnologies', etc.

'The EurAsEC Interstate Council is the supreme body of the Eurasian Economic Community. The Council is composed of heads of state and heads of government.'
The EurAsEC Integration Committee is a standing body of the Eurasian Economic Community accountable to the EurAsEC Interstate Council. The Integration Committee is composed of the deputy heads of government of Community states.

The Integration Committee examines key questions in various aspects of integration, adopts resolutions within the limits of its authority and provides for the activities of the EurAsEC Interstate Council at the level of heads of state and heads of government. Chairmanship of the Integration Committee is assumed by each state of the Community alternately for a period of one year, in the order of the Russian alphabet. The Chairman of the Integration Committee is appointed by the EurAsEC Interstate Council.

**The Integration Committee:**
- analyses the status and development trends of integration processes in the Community, prepares proposals for their promotion;
- examines issues and submits to the Interstate Council draft resolutions for regulation of the conditions of mutual trade and coordination of the customs policy of Community member states in relation to third states, coordinates national legislation and the preparation of rules for mutual relationships between EurAsEC and third states or international organisations;
- elaborates and implements interstate investment projects, economic, social and other programmes and plans for taking joint measures in EurAsEC member states;
- maintains contacts with executive bodies of other international organisations, represents as commissioned by the Interstate Council the interests of the Community in relation to other international legal entities;
- issues proposals on whether a state or international organisation should be granted observer status with EurAsEC;
- performs depository functions pertaining to treaties signed within the framework of EurAsEC and resolutions issued by the Interstate Council, exerts ongoing control over their implementation and also over implementation of the EurAsEC budget, etc.

**EurAsEC Commission of Permanent Representatives**
The EurAsEC Commission of Permanent Representatives of the Eurasian Economic Community member states provides for the ongoing work of the Community in the periods between EurAsEC Integration Committee meetings. The Commission is composed of Permanent Representatives of EurAsEC member states appointed by the Community heads of state.

**Functions of the Commission:**
- coordinating and reconciling the member states’ positions on such issues as strengthening cooperation and enhancing integration within the Eurasian Economic Community;
- interaction between the Community and appropriate bodies, institutions and organisations of the Community member states;
- review of positions and proposals of the Community member states on questions pertaining to cooperation and draft documents introduced at meetings of the EurAsEC Integration Committee that have been prepared by the EurAsEC Integration Committee Secretariat and the EurAsEC Interparliamentary Assembly, as well as by subsidiary bodies of the Community and commissions and councils set up by the EurAsEC Integration Committee, also questions pertaining to the current work of the Community and resolutions taken according to them;
- examining proposals and inquiries received by the Community from states with observer status, as well as from third party states and international organisations, etc.
The Integration Committee Secretariat implements the organisation of work and informational and technical support of the Interstate Council and Integration Committee. The Secretariat is headed by the Secretary General, who is appointed by the EurAsEC Interstate Council and acts as the supreme administrative functionary of the Community.

**Functions of the Secretariat:**

- Organising the development of draft documents and programmes to intensify integration processes;
- Organising consultations and negotiations for coordination of the EurAsEC member states’ approaches to pursuing common policies of cooperation;
- Preparing and approving draft resolutions issued by the Interstate Council, Integration Committee and Commission of Permanent Representatives;
- Analysing progress in implementing resolutions adopted by EurAsEC bodies and treaties signed within the framework of the Community, and presenting information on the issue under consideration to meetings of the Integration Committee;
- Organising jointly with appropriate government agencies of EurAsEC member states a preliminary review of interstate investment projects, economic, social and other programmes and plans to carry out collective measures within the framework of the Community, presenting the Integration Committee’s conclusions in connection therewith, and informing the Integration Committee about progress in implementation thereof;
- Preparing reference, analytical and information materials on the progress of integration processes in particular fields, creating appropriate data bases together with scientific research centres of Community member states to this effect;
- Providing organisational, legal and information support for the work of branch councils and commissions according to specific integration directives.

**Departments of the Secretariat:**

- Economic Policy Department
- Trade Policy Department
- Budget, Taxation Policy and Currency-Finance Relations Department
- Energy Policy and Ecology Department
- Transport Policy and Market Infrastructure Department
- Customs and Border Issues Department
- Development in the Socio-Humanitarian Sphere Department
- Legal Department
- Logistics and Analytical Department
- Administration Department

The Secretariat is located in Almaty and Moscow. Its structure, number of employees and deployment of quota posts as applied to the Secretariat structure are defined by Interstate Council resolution; the functions of its divisions and personnel distribution are defined by resolutions of the Integration Committee.

**Subsidiary Bodies of EurAsEC**

- Council on Border Issues of the EurAsEC Member States
- Financial and Economic Policy Council of EurAsEC Member States
- Council of Ministers of Justice of EurAsEC Member States
- Council of Heads of Central (National) Banks of Member-Participants in the Treaty on the Establishment of EurAsEC

**EurAsEC Integration Committee Councils and Commissions**

- Education Council
- Council of Heads of Tax Services
- Council of Heads of Customs Services
- Transport Policy Council
- Energy Policy Council
- Council of Heads of Authorised Agencies for Regulation of the Securities Markets
- Social Policy Council
- Agro-Industrial Policy Council
- Council of Heads of Insurance Supervision and Insurance Activity Regulation Bodies
- Council on Cooperation in the Sphere of Atomic Energy Use for Peaceful Purposes
- Healthcare Council
- Council for Intellectual Property Issues
- Migration Policy Council
- Culture Council
- Commission on Customs Tariff and Non-Tariff Regulation
- Commission on Cooperation in the Sphere of Export Control
- Commission for Protection of the Internal Markets of EurAsEC Member States
- Commission for Technical Regulation, Sanitary, Veterinary and Phytosanitary Measures in Trade
The Interparliamentary Assembly (IPA) is an organ of parliamentary cooperation within the framework of the Eurasian Economic Community. It is composed of deputies delegated by the parliaments of EU member states. The headcount of parliamentary delegations at the IPA is as follows: Belarus – 16 parliamentarians; Kazakhstan – 16 parliamentarians; Kyrgyzstan – 8 parliamentarians; Russian Federation – 42 parliamentarians; Tajikistan – 8 parliamentarians. The Chairman of the Assembly and his deputies are elected at a meeting of the IPA from the ranks of heads of parliaments (chambers of parliaments) of Community member states. The objectives of the IPA are to provide legal groundwork for the functioning of the Eurasian Economic Community and harmonisation (convergence, unification) of the national legislation of Community member states, bringing it into line with treaties concluded within the framework of EurAsEC with the aim of achieving the objects and purposes of the Community.

Main aims of the Assembly:
- formation of a coordinated EurAsEC legal policy;
- coordination of legislative activities of national parliaments in pursuance of achieving EurAsEC goals and objectives;
- assistance in creating organisational and legal conditions for bringing the national legal codes of Community member states into line with treaties concluded within the framework of EurAsEC;
- organisation of interparliamentary cooperation.

EurAsEC Interparliamentary Assembly Bureau

The Bureau of the EurAsEC Interparliamentary Assembly organises the activities of the IPA. The IPA Bureau is formed by an Assembly of parliamentarians delegated by the parliaments of Community member states (two members from each parliament), including the Chairman of the Interparliamentary Assembly and his deputies. The IPA Bureau holds its meetings as necessary, but at least twice a year. Resolutions by the IPA Bureau are adopted by consensus.

EurAsEC Interparliamentary Secretariat

The Interparliamentary Assembly Secretariat is a standing executive body of the EurAsEC IPA and IPA Bureau. It provides support for the activity of the Assembly, the Bureau, standing and provisional committees, and also subsidiary bodies established by the Assembly. The Secretariat is headed by an Executive Secretary who is the chief executive administrative officer of the Assembly. The Executive Secretary is appointed by the IPA Assembly Bureau as advised by the Chairman of the Interparliamentary Assembly. The Secretariat is located in St. Petersburg and its structural divisions are established by the IPA Bureau.

Community Court of Justice

According to an Agreement between the Eurasian Economic Community and the Commonwealth of Independent States of 3 March 2004, the CIS Economic Court of Justice assumes the functions of the Court of Justice of the Eurasian Economic Community. In November 2009 the Community Court of Justice was vested with the functions of a body for settling disputes within the framework of the EurAsEC Customs Union. In July 2010 an amended version of the Statute of the EurAsEC Court of Justice was adopted.
On 10 October 2000 in Astana the presidents of Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan signed the Treaty on the Establishment of the Eurasian Economic Community. The processes of Eurasian integration were given the appropriate form to ensure effective implementation of the plans outlined.
We, the Presidents of the Eurasian Economic Community member states, declare as follows.

Recognising the strategic importance of integration for achieving a new level of development, the Community member states began the 21st century with the creation of an international organisation, the ‘Eurasian Economic Community’.

The progressive development dynamic of EurAsEC over the past 10 years has allowed us not only to unite the economic potential of participating parties, but also to advance towards real integration with the formation of a Customs Union in accordance with the Treaty on the Establishment of EurAsEC of 10 October 2000.

We have created an organisation built on new principles of trust and mutual cooperation. The Eurasian Economic Community is an alliance of independent states with equal rights whose activities are aimed at implementing the national interests of each Community member state.

Further advancement towards enhanced integration between our countries aimed at the establishment of a Common Economic Space and, in future, a union currency, must serve as an additional impulse for developing the Community and promoting the growth of the Organisation’s international authority.

Implementing the plans for creation of a Common Economic Space will allow the interaction between our states to reach a qualitatively new level, applying in practice the idea of Eurasian integration and increasing the role of the Eurasian Economic Community on the global arena.

The Eurasian region possesses considerable resources as well as investment, labour, transit, scientific and cultural-humanitarian potential and should not miss the opportunity to achieve maximal advantages.

We are convinced that establishment of the Customs Union and the Common Economic Space at the beginning of this second decade of EurAsEC history will breathe new life into the process of integration cooperation between member states of a Community founded on principles of trust and mutual understanding, on the prosperity of all our countries’ peoples.
Belarus is located in central Europe, to the west of the East European Plain. The republic covers a territory of 207.6 thousand sq km and the population numbers 9.5 million. Major transport routes linking the East and West cross Belarus. The republic has considerable transit potential. For industrial resources of potassium salts Belarus occupies one of the first places in Europe. Potash fertilizer is a major export product for the republic.

By the volume of flax fibre production the republic numbers among the first five producing countries worldwide. With regard to energy resources there are deposits of oil, peat, brown coal and bituminous shale. Hydrocarbon resources in Belarus allow it to satisfy about 10% of domestic demand. Industry occupies 29%, agriculture 9% and construction 12% in the sector-focused structure of gross domestic product. Export-oriented sectors (mechanical engineering, petrochemistry) and sectors based on local raw materials (woodworking, the food industry, production of construction materials) are most highly developed. 55% of the working population are employed in the services sector and 26% in industry. 94% are hired employees and 6% self-employed.

Main economic indicators in Belarus for 2009 as compared to 2000 (value indicators in constant prices)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2009, bn US dollars</th>
<th>2009 compared to 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product</td>
<td>48,8</td>
<td>1,9</td>
</tr>
<tr>
<td>Output of industrial product</td>
<td>45,4</td>
<td>2,0</td>
</tr>
<tr>
<td>Production of electrical energy, bn kW•h</td>
<td>30,4</td>
<td>1,15</td>
</tr>
<tr>
<td>Volume of agricultural production</td>
<td>9,5</td>
<td>1,5</td>
</tr>
<tr>
<td>Investment in fixed capital</td>
<td>15,5</td>
<td>3,7</td>
</tr>
<tr>
<td>Volume of foreign trade</td>
<td>51,5</td>
<td>2,6</td>
</tr>
<tr>
<td>including turnover of foreign trade with EurAsEC countries</td>
<td>23,9</td>
<td>2,5</td>
</tr>
</tbody>
</table>
Kazakhstan is located in Central Asia, at the heart of the Eurasian continent. The territory of the republic covers more than 2.7 m sq km. Kazakhstan has the 9th largest area in the world. The population is 16.2 million. For overall resources of zinc, tungsten and barite the republic occupies 1st place globally; 2nd place for uranium, chromium, silver and lead; 3rd for copper; 4th for molybdenum; 6th for gas; 7th for oil; 9th for coal. Reserves of vanadium, bismuth, iron, zinc, potassium, cobalt and other substances have also been found.

Industry takes up 31% and agriculture 6% in the sector-focused structure of the republic’s gross domestic product. The fuel and energy, metallurgical, food and chemical industries, as well as motor and machinery production are most highly developed.

More than half the labour force works in the services sector, about 30% in agriculture and 12% in industry. 66% of these are hired employees and 34% self-employed.

Main economic indicators in Kazakhstan for 2009 as compared to 2000 (value indicators in constant prices)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2009, bn US dollars</th>
<th>2009 compared to 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product</td>
<td>115,3</td>
<td>2.1</td>
</tr>
<tr>
<td>Volume of industrial product</td>
<td>61,8</td>
<td>1.9</td>
</tr>
<tr>
<td>Oil extraction, including gas condensate, m tons</td>
<td>61,8</td>
<td>1.9</td>
</tr>
<tr>
<td>Natural gas extraction, bn cub m</td>
<td>76,5</td>
<td>2.2</td>
</tr>
<tr>
<td>Coal mining, m tons</td>
<td>35,9</td>
<td>3.1</td>
</tr>
<tr>
<td>Production of electrical energy, bn kW•h</td>
<td>30,4</td>
<td>1.15</td>
</tr>
<tr>
<td>Volume of agricultural production</td>
<td>9,5</td>
<td>1.5</td>
</tr>
<tr>
<td>Investment in fixed capital</td>
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</tr>
<tr>
<td>including turnover of foreign trade with EurAsEC countries</td>
<td>23,9</td>
<td>2.5</td>
</tr>
</tbody>
</table>
Kyrgyzstan

Kyrgyzstan is located in northeast Central Asia, in the western and central regions of the Tian Shan mountain range. The territory of the republic covers 199.9 thousand sq km. The population is 5.4 million. The republic is landlocked. More than three-quarters of the territory is mountainous. The mountain lake Issyk Kul, one of the main tourist attractions of Kyrgyzstan, lies in the far northeast of the republic.

Kyrgyzstan is rich in natural resources including iron, manganese, vanadium, aluminium, tungsten, tin, mercury, antimony, beryllium, bismuth, tantalum, niobium, gold and silver.

Gold mining at the Kumtor deposit provides exports for the country.

The stonemasonry industry is supplied by deposits of highly decorative granite, coloured marble and limestone shell rock.

The republic occupies third place among CIS countries, after Russia and Tajikistan, for water resources.

Agriculture comprises 24% and industry 16% in the sector-focused structure of gross domestic product. Production of metallurgy and manufactured metallurgical wares, electrical energy production, light industry and the food industry are most highly developed. 46% of the labour force is occupied in the service sector and 33% in agricultural production, while industry and construction both account for 10%. Almost 45% of the working population are self-employed and 55% are hired employees.

| Mutual trade in commodities by EurAsEC member states in 2000 and 2009 |
|--------------------------|--------------------------|
|                        | 2009, bn US dollars | 2009 compared to 2000 |
| Gross domestic product  | 4,6                      | 1,5                      |
| Volume of industrial product | 2,3                      | 1,1                      |
| Coal mining, m tons     | 0,6                      | 1,4                      |
| Volume of agricultural production | 2,5                      | 1,3                      |
| Investment in fixed capital | 1                      | 1,6                      |
| Volume of foreign trade including turnover of foreign trade with EurAsEC countries | 4,6 | 5,5 |

Main economic indicators in Kyrgyzstan for 2009 as compared to 2000 (value indicators in constant prices)
The territory of the Russian Federation, one of the largest countries in the world by area, covers 17.1 million sq km. The population is 141.9 m.

Russia takes first place globally for prospected resources of natural gas, iron ore, asbestos, nickel, zinc, tantalum and diamonds; second place for coal, niobium and phosphates; third place for reserves of copper, cobalt, lead, tungsten, molybdenum and gold.

The Russian Federation has a fifth of the world’s freshwater, forest, prospected stone and brown coal resources, with about 6% of global oil reserves.

Nearly all types of mineral resources are mined in the country. Industry comprises 27%, while agriculture and construction each account for 5% in the sector-focused structure of gross domestic product. The fuel and energy sectors, mechanical engineering and metalwork, metallurgy, chemistry and petrochemistry, forestry, light and food industries are most highly developed.

62% of the labour force is occupied in the service sector, 20% in industrial production and 10%, in agriculture. Of these 93% are hired employees and 7% self-employed.
Tajikistan

Tajikistan is located in southeast Central Asia and covers 143.1 thousand sq km of territory. The population numbers 7.5 million. Tajikistan has vast hydroelectric potential of strategic importance for the entire Central Asian region. Industrial reserves of gold, silver, zinc, lead, rare metals, polymetallic ores, uranium, precious stones, salt, limestone, coal, gas and other substances have been prospected. More than 200 mineral and thermal springs are located in the republic, mainly in high or medium-height mountain ranges. Agriculture comprises 21% of the sector-focused structure of gross domestic product, industrial production 14%. Cotton growing, silkworm breeding and vegetable farming are highly developed. Nonferrous metallurgy (production of aluminium is undeveloped), the food industry, light industry and electrical energy industry are of prime importance. The agricultural sector produces almost half of the country’s GDP. Two-thirds of the labour force works in agriculture and 5% in industrial production. 52% of the working population are self-employed.

Main economic indicators in Tajikistan for 2009 as compared to 2000 (value indicators in constant prices)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2009, bn US dollars</th>
<th>2009 compared to 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Volume of industrial product</td>
<td>1.5</td>
<td>1.8</td>
</tr>
<tr>
<td>Production of electrical energy, bn kW•h</td>
<td>16.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Volume of agricultural production</td>
<td>1.9</td>
<td>2</td>
</tr>
<tr>
<td>Investment in fixed capital</td>
<td>0.9</td>
<td>-</td>
</tr>
<tr>
<td>Volume of foreign trade</td>
<td>3.6</td>
<td>2.5</td>
</tr>
<tr>
<td>including turnover of foreign trade with EurAsEC countries</td>
<td>1.3</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Average monthly wage for EurAsEC member states in 2000 and 2009
### EurAsEC: Stages of Development

**1994**

**March** President of Kazakhstan N.A. Nazarbayev presents a project for the establishment of a union of Eurasian states in a speech at the M.V. Lomonosov Moscow State University.

**2000**

**May** A resolution is taken by heads of state at a meeting of the Interstate Council to create a new economic organisation with international status and increased powers for resolving questions of integration cooperation.

**October** In Astana the presidents of Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation and Tajikistan establish a new international organisation: the ‘Eurasian Economic Community’.

**2001**

**May** Documents adopted regulating the work of the main Community bodies – the EurAsEC Interstate Council and EurAsEC Integration Committee. Nigmatzhan Isingarin is appointed as Deputy Secretary General of EurAsEC and provisionally assigned the duties of EurAsEC Secretary General.

**October** Grigory Rapota is appointed Secretary General of EurAsEC.

**2002**

**January** A Council on transport policy is set up as part of the EurAsEC Integration Committee.

**2003**

**February** A Treaty on cooperation in the protection of external borders of EurAsEC member states is signed.

**2004**

**March** Agreement signed between the Eurasian Economic Community and the Commonwealth of Independent States on vesting the Economic Court of Justice of the Commonwealth of Independent States with the functions of the Court of Justice of the Eurasian Economic Community.

**June** A Memorandum of understanding is signed between the Eurasian Economic Community and the World Customs Organisation.

**2005**

**March** Concept of the agro-industrial policy of EurAsEC member states approved. Agreement signed on conducting a coordinated policy in the formation and development of EurAsEC transport corridors.

**2006**

**January** The Eurasian Development Bank is established at the initiative of the presidents of the Russian Federation and Kazakhstan.

**May** Memorandum of understanding between the EurAsEC Integration Committee Secretariat and the Shanghai Cooperation Organisation Secretariat is signed. List of priority directions in science and technology for the development of EurAsEC interstate targeted programmes ratified.

**August** Resolution taken on establishment within the framework of EurAsEC of a customs union between three states – Belarus, Kazakhstan and the Russian Federation.

Fundamentals of the energy policy of EurAsEC member states are approved.

The first EurAsEC Economic Forum is held in Moscow.

April Treaty on the Establishment of the Eurasian Economic Community of 10 October 2000 is registered by the Secretary of the United Nations Organisation.

Armenia is awarded the status of observer at EurAsEC. The Statute of the EurAsEC Court of Justice is ratified.
2007

April Concept on coordinated social policy between EurAsEC member states approved.

May Memorandum of understanding signed between the UN European Economic Commission, the UN Economic and Social Commission for Asia and the Pacific Organisation, and the EurAsEC Integration Committee Secretariat. Council for intellectual property issues established as part of the EurAsEC Integration Committee.

July Council for migration policy established as part of the EurAsEC Integration Committee. Memorandum of understanding signed between the EurAsEC Integration Committee Secretariat and the International Congress of Industrialists and Entrepreneurs. Concept of EurAsEC international activity approved.

2008

January Package of documents signed aimed at further establishing a legal framework for the customs union. Concept approved for establishing a Common Transport Space for the Eurasian Economic Community.

September The ‘Eurasian Business Council’ is established. October The Eurasian Development Bank is awarded observer status at EurAsEC.

December Resolution on ‘Cooperation between the United Nations Organisation and the Eurasian Economic Community’ is approved at the 62nd session of the UN General Assembly.

2009

January The supranational body of the Customs Union, the Commission of the Customs Union, begins work.

February EurAsEC Anti-Crisis Fund is established. EurAsEC Centre for High Technologies is created.

May First Culture Festival of EurAsEC Nations is held in Belarus.

November Packet of documents signed to form a legal framework for the Customs Union between Belarus, Kazakhstan and the Russian Federation, including the Treaty on the Customs Code of the Customs Union with effect from 1 July 2010. The Community Court of Justice is granted the functions of a body for solving disputes within the framework of the Customs Union.

2010

January On 1 January 2010 the Customs Union of Belarus, Kazakhstan and the Russian Federation begins functioning, and the Unified Customs Tariff and Common Trade Nomenclature of Foreign Economic Activity of the Customs Union come into force.

May Interstate targeted programme ‘Innovative biotechnologies’ approved.

July Joint Declaration by heads of government in connection with the 10th anniversary of formation of EurAsEC is approved at the 27th meeting of the EurAsEC Interstate Council in Astana. An amended version of the Eurasian Economic Community Court of Justice Statute is approved.

November The 28th meeting of the EurAsEC Interstate Council at the level of heads of government in St. Petersburg ratifies a number of agreements establishing the EurAsEC Common Economic Space.
The Customs Union is a form of trade and economic integration between the Parties, envisaging a common customs territory in the confines of which goods exchanged in mutual trade that originated from the common customs territory and also those originating from third countries and freely circulating on this customs territory are exempt from customs duties and restrictions of an economic nature, apart from special protective, anti-dumping and compensatory measures. Meanwhile the Parties apply a unified customs tariff and other unified measures for regulating goods trading with third countries. As distinct from the previous stage of integration – the free trade zone – the Customs Union presupposes free movement on the common customs territory not only of goods produced therein, but also of those from third countries freely circulated in the territory.

The Resolution on Establishment of the EurAsEC Customs Union was adopted by the heads of six Community states at a EurAsEC Interstate Council meeting on 6 October 2007. At the same time it was determined that at the initial stage the Customs Union shall be formed by three Community countries – Belarus, Kazakhstan and the Russian Federation, and that other EurAsEC members should join at a time when their economies and legislative systems are ready.

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Within the limitations of its authority the Commission passes resolutions of an obligatory nature. The votes are distributed between the Parties as follows: Belarus – 21.5%; Kazakhstan – 21.5%; Russian Federation – 57%. Resolutions by the Customs Union Commission of an obligatory nature have the legal effect of acts issued by those state bodies and officials of the Customs Union member states whose competence includes regulating the corresponding legal relations at the moment the commission confers their corresponding authority.

The Customs Union Commission (CUC) is established as a unified regulatory standing body of the Customs Union. The Commission’s main objective is to provide conditions for the functioning and development of the Customs Union. The Commission is comprised of one representative from each member state of the Customs Union in the person of deputy head of government or government member vested with the necessary authority. The composition of the Commission is approved by the EurAsEC Interstate Council (Customs Union supreme body).

Functions of the CUC:

- customs tariff and non-tariff regulation, application of protective, anti-dumping and compensatory measures, provision of technical regulation and sanitary, veterinary and phytosanitary control;
- monitoring the execution of international treaties;
- developing with the participation of the Parties’ governments recommendations for the Customs Union supreme body;
- implementing international treaties.

Operating within the CUC:

Committee for Regulation of Foreign Trade Issues

The Committee is composed of two representatives from each executive power body of the Customs Union member states charged with issues of customs tariff and non-tariff regulation. Composition of the Committee is approved by the CUC. The Committee’s main aim is coordinating the positions of Customs Union member states on
issues of regulating foreign commodities trade conducted with states that are not members of the Customs Union. Recommendations are taken by Committee members on a consensus basis.

**Council of Experts**

The Council of Experts was created as part of the Customs Union Supreme Body and authorised to review applications by managing subjects and Customs Union member states on the question of conformity of Customs Union Commission resolutions of an obligatory character to the contractual and legal framework of the Customs Union. The Council of Experts examines both applications from one of the economic management entities, and referrals from an indeterminate group of economic management entities. In composition the Council of Experts includes no less than 5 representatives possessing the required specialist knowledge and experience in the field of law, international trade and other spheres related to the settling of disputes, from each of the Customs Union member states. The Secretariat forms a Conciliation Commission during a period of nine days from the date of receipt for a review of each specific application from economic management entities, as agreed with the governments of Customs Union member states.

**Customs Union Commission Secretariat**

The Customs Union Commission Secretariat is the working body of the CUC, organising the work of the Customs Union Supreme Body, the CUC, and their information and technical support. The Secretariat is headed by the Executive Secretary of the Commission, who has one deputy from each of the Parties. The seat of the Secretariat is Moscow.

**Web-address:** www.tsouz.ru

In December 2009 at an informal summit in Almaty the presidents of Belarus, Kazakhstan and the Russian Federation approved the Plan of Action for 2010-2011 on forming a Common Economic Space (CES) comprised of the three countries. It envisages the drawing up and signing by 1 January 2012 of twenty international treaties to enable the establishment of the CES.

**Main aims in forming the CES:**

- effective functioning of a common (internal) market in goods, services, capital and manpower;
- creating conditions for stable development of the Parties’ economies in order to raise living standards of the population;
- conducting coordinated tax, monetary and credit, currency and finance, trade, customs and tariff policies;
- developing unified transport, energy and information systems;
- creating a unified system of measures for state support in developing priority branches of the economy and cooperation in production, science and technology.

The Parties coordinate their guidelines and structural rebuilding stages of the participant states’ economies, providing for effective use of production potential, the formation of a beneficial investment climate, support for highly efficient production, implementation of coordinated antimonopoly, tax and financial policies, and also the creation of conditions for
honest competition within the framework of the Common Economic Space. The Parties create the necessary conditions for stable economic development of the participating states and give coordinated state support to their priority sectors and industries. The participating states will aim to provide one another on a mutual basis with a national regime of access to the services market. The Parties will ensure the free movement of member state citizens within the Common Economic Space, which presupposes the abolition of all forms of discrimination in relation to citizens of the Parties, and the creation of a unified legal regime in the sphere of job placement, remuneration and other labour and employment conditions. The Parties will continue a consistent liberalisation of currency policy in the spheres of eliminating limitations on the use of other member states’ currency for routine transactions, giving non-resident banks access to internal currency markets, and the removal of limitations to import and export of national currency by authorised banks.
An international presentation entitled ‘EurAsEC – Stages of Development. The Customs Union of Belarus, Kazakhstan and Russia’ was held at the WCO headquarters in Brussels on 25 January 2010. It is a priority for EurAsEC to cooperate with regional integration associations such as the Commonwealth of Independent States, the Shanghai Cooperation Organisation, the Collective Security Treaty Organisation, the Black Sea Economic Cooperation Organisation and others.

EurAsEC is developing cooperation with many international organisations, most importantly with the United Nations Organisation. EurAsEC has had the status of observer at the UN General Assembly since 2003. In December 2007 the UN approved a special resolution which directed its structures and specialised institutions towards the cooperation and development of direct contacts with EurAsEC, for ‘joint realisation of programmes aimed at achieving common goals’. UN institutions that are standing partners of EurAsEC include the UN Economic Commission for Europe, the UN Economic and Social Commission for Asia and the Pacific, the UN Development Programme, UN Industrial Development Organisation and UNESCO.

Cooperation with the given UN agencies is regulated by memorandums on understanding and includes the active exchange of information, regular direct contact, holding joint events and project collaboration. EurAsEC also cooperates with the International Organisation for Migration, the International Labour Organisation, the UN Department of Economic and Social Affairs, the UN Food and Agriculture Organisation and the UN Conference on Trade and Development (UNCTAD). Great importance is attached to cooperation with the European Union, whose guidelines largely coincide with the development aims of EurAsEC. Positive dynamics can be observed in the developing partnership between EurAsEC and the World Customs Organisation (WCO).

Meeting between heads of the EurAsEC, CSTO, SCO and CIS secretariats. Moscow, October 2010

EurAsEC presentation at the World Customs Organisation, Brussels, January 2010

EurAsEC presentation at the World Customs Organisation, Brussels, January 2010
On 21 December 2008 EurAsEC heads of state agreed to establish the EurAsEC Anti-Crisis Fund, with the aim of providing financial assistance to Fund member states in order to overcome the consequences of the global crisis. Armenia, having the status of EurAsEC observer, also participated in creating the Fund. The Treaty on the establishment of the Anti-Crisis Fund, the Regulations of the Anti-Crisis Fund and Agreement on administration of its resources were signed by heads of government on 9 June 2009.

The main objectives of the EurAsEC Anti-Crisis Fund were defined as follows:
- granting sovereign loans to participating countries in order to overcome negative consequences of the global financial crisis;
- allocating stabilisation credits to participating countries with a low income level;
- financing interstate investment projects.

Russia contributed USD 7.5 bn to the Fund’s nominal capital, Kazakhstan USD 1 bn and Belarus USD 10 m. Kyrgyzstan, Tajikistan and Armenia provided one million dollars each. The Anti-Crisis Fund is open to other countries who wish to participate. This confirms the fact that EurAsEC is an active centre for mutually beneficial integration processes.

Anti-Crisis Fund Council
According to the EurAsEC Interstate Council Resolution, distribution of the Anti-Crisis Fund resources is carried out by the Fund Council, which represents the interests of participants in all questions of attracting, allocating and using the Fund’s finances. The Eurasian Development Bank in conformity with the Agreement on administration of EurAsEC Anti-Crisis Fund resources carries out the functions of Fund finance Manager. The Fund Council is headed by the Deputy Chairman of the Government of the Russian Federation, Russian Finance Minister A.L. Kudrin, as the Fund participant representative with the highest number of votes.

On 9 June 2009 the heads of government of Community states signed documents to found the EurAsEC Centre for High Technologies. The Centre’s activity is aimed at devising scientific-technical programmes and innovation projects, analysing the status of the normative legal framework regulating relations in the field of scientific-technical and innovation activity, and the development of national innovation systems and the scientific-technical and educative potential of EurAsEC states and Armenia in the sphere of developing and applying high technologies.

Main aims of the Centre for High Technologies:
- assistance in developing and implementing a coordinated innovation policy for states participating in the Centre;
- coordination of work to create the Eurasian Innovation System and develop the infrastructure of scientific, technical and innovation activity in states participating in the creation and activity of the Centre;
- cooperation in creating mechanisms to finance innovation programmes and projects, also creation of the necessary conditions to attract investment in the sphere of innovation.

The Supervisory Council and the Council of Directors of the Centre are the administrative bodies of the Centre. The Supervisory Council is composed of ministry and departmental heads from EurAsEC member states and Armenia responsible for implementing national innovation policy and international cooperation in this sphere, and also representatives of the EurAsEC Integration Committee Secretariat. The Council of Directors of the Centre is composed of the heads of organisations authorised by state governments to participate in the Centre’s activities, and executive directors of the Centre.

Meetings of the Supervisory Council and the Council of Directors of the Centre examine proposals on specific interstate innovation projects presented by the organisations and national coordinators of EurAsEC member states and Armenia. There have been applications for more than 220 projects, of which 66 have been selected and 6 approved for financing by venture funds from Belarus, Kazakhstan and Russia.

Creation of energy complexes to provide heating energy with the use of alternative, local forms of biofuel
Smaller forms for hard fossil fuel complex mining and processing without waste

EurAsEC Anti-Crisis Fund
EurAsEC Centre for High Technologies
The Eurasian Business Council (EBC) was established by the EurAsEC Integration Committee, the Association of Financial and Industrial Groups of Russia, the ‘Russian Union of Industrialists and Entrepreneurs’ all-Russian public organisation and the Trade and Industry Chamber of the Russian Federation. The superior administrative body of the EBC is the members’ General Meeting, which determines priority guidelines for its activities and approves the composition of the Coordination Council and the Board chairman. The Business Council’s day-to-day activities are managed by the Board.

**Aims of the Eurasian Business Council:**

- assisting the progressive development of mutually advantageous trade and economic collaboration and cooperation;
- establishing direct ties between EurAsEC member state enterprises and companies;
- bringing together groups of businessmen and experts to discuss customs tariffs and other unified measures for the regulation of commodity trade within the framework of the Customs Union with third countries.

**Main objectives and guidelines of Eurasian Business Council activities:**

- establishing ties with state bodies;
- developing coordinated positions for resolving major issues in the regulation of economic processes;
- cooperation with the Customs Union Commission on issues of the normative and legal regulation of foreign and mutual trade;
- arranging business contacts, an accelerated exchange of information and close interaction between production, commercial, banking and other economic structures of EurAsEC member states;
- organising exhibitions, symposiums, seminars and other events.

**Web-address:** www.evrazec-bc.ru

The Business Council creates within EurAsEC member states representative offices that do not constitute juridical entities but assist in the development of trade and economic cooperation and carry out their activities in accordance with the EBC charter. In 2009 Eurasian Business Council representative offices were set up in Kazakhstan, Kyrgyzstan and Tajikistan. A Memorandum on cooperation that provided increased opportunities for organising financial investment in diverse projects was signed by the Eurasian Business Council and the Eurasian Development Bank on 24 September 2009, with the aim of promoting commercial, scientific and educational projects in the Eurasian space.

In December 2009 the Eurasian Business Council and the Customs Union Commission signed a Memorandum on cooperation that allowed the EBC to actively participate in drawing up proposals for the removal of customs barriers in trade between Customs Union participating states and third countries.

The first EurAsEC Economic Forum was held in Moscow in February 2003. The first ‘EurAsEC – Business World’ international congress took place in Moscow in September 2005. In April 2009 the business forum ‘EurAsEC – Investment. Innovation. Integration’ was held in Moscow. In September 2009 the investment forum ‘Customs Union – EurAsEC Integration Breakthrough’ was conducted in Almaty. Within the framework of a joint programme between the Eurasian Business Council and the Customs Union Commission Secretariat an ongoing cycle of seminars and ‘round tables’ in Community countries began in December 2009 on the theme ‘Formation of the Customs Union in the framework of the Eurasian Economic Community: theoretical and practical aspects’.
EurAsEC Interstate Targeted Programme
Innovative Biotechnologies

Aim of the programme — to devise and introduce new biotechnologies, biological preparations and diagnostic test-systems for:

- **agriculture** – technologies for creating transgenic plants with agriculturally valuable characteristics; biological substances to protect farm crops from diseases and pests; microbial fertilisers to increase soil fertility; feed additives with immunostimulatory and antioxidising qualities;
- **industry** – probiotic preparations for feeding purposes, functional nutrition products, biofuel;
- **medicine** – preparations and test-systems for diagnosing human infections;
- **environmental protection** – microbial preparations for the environmental removal of industrial pollution.

Government bodies, scientific institutions, enterprises, organisations and business structures from Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan are participating in implementation of the Programme.

There is a proposal to spend 926.6 m Russian rubles on these objectives over a period of five years.

**Share of state participation:**

- Belarus, 30%
- Kazakhstan, 30%
- Kyrgyzstan, 5%
- Russian Federation, 30%
- Tajikistan, 5%

Results of Programme implementation:

- 16 national collections of micro-organisms, micro-organism cultures, animal and plant cells will be created and developed, and a common (EurAsEC) data base established for these collections;
- 10 normative documents have been approved to coordinate rules for the deposition of strains and cell cultures;
- more than 40 innovative technologies have been devised to produce microbial preparations for various purposes, of which 35 will go into production.
- The innovatory nature of developments will be confirmed by no less than 19 applications for patents.