
KAZAKHSTAN ADVOCATES CLOSER TIES BETWEEN EU AND EURASIAN ECONOMIC UNION

-

18.01.2019

Euractiv (17 January 2019)

A Commission spokesperson, however, was much more cautious and said such relations remain a long-term goal but depend on political decisions of EU members and the implementation of the Minsk peace agreement (for Eastern Ukraine).

The EAEU, sometimes called Eurasian Union, was created in 2014 between Russia, Belarus and Kazakhstan, while Armenia and Kyrgyzstan joined the next year. Speaking to EURACTIV, Roman Vassilenko, Kazakhstans deputy foreign minister, said EEAs had become a common market with free movement of goods, services, capital and labour.

EAEU is loosely modelled on the EU. The day-to-day work of the EAEU is done through the Eurasian Economic Commission (the executive body), a supranational body similar to the European Commission. There is also a judicial body – the Court of the EAEU.

EURACTIV asked Vassilenko if there were frictions between the advanced status of the EU-Kazakhstan relations, governed by an Enhanced Partnership and Cooperation Agreement, and its membership in the EAEU.

The diplomat answered that there was absolutely no friction. To the contrary, he argued that Kazakhstans EAEU membership and its commitments under EPCA presented even greater opportunities not only for Kazakhstan but for the other EAEU members and for the EU.

Fifth anniversary

Asked if he thought it was realistic to expect the establishment of structural relations between the EU and the EAEU, the diplomat stressed that his country strongly and consistently stood for interaction between the two.

He added that in 2019, when EAEU will mark its fifth anniversary, the potential of this organisation will start to be fully realised.

Vassilenko said that despite some economic difficulties the trade turnover among EAEU countries was growing. In his words, during the first half of 2018, the volume of the EAEUs foreign trade increased by 22.7% and mutual trade by 13.8%. These, he said, had now reached \$419.6 billion and \$34.1 billion respectively.

The diplomat argued that the EAEU had effectively become a common market with a population of more than 183 million, which in his words largely operates according to the same transparent

rules across several economic areas, including technical and customs and tariff regulation.

In practice, there is free movement of goods, services, capital and labour between EAEU member states. The EAEU member states work together in the economic sphere, pursuing a coordinated policy in the most important sectors of the economy – energy, industry, agriculture and transport, Vassilenko said.

He said about 40 countries have officially expressed a desire to develop trade and economic cooperation with the EAEU, after the first free trade agreement, with Vietnam, entered into force in October 2016. In May 2018, an agreement on trade and economic cooperation was signed with China, as well as a temporary agreement leading to the establishment of a free trade zone with Iran.

Further negotiations are underway with Israel, Serbia, India, Singapore and Egypt.

Thus, the EAEU will soon have a free trade regime with many of the world's leading developing markets, the diplomat said.

In particular, he stressed that the EU is EAEU's largest trading partner, accounting for 47.67% of the total turnover of the EAEU for the first half of 2018. The volume of mutual trade in the first half of 2018 amounted to \$202.2 billion (\$141.8 billion in exports, \$60.4 billion in imports), an increase of 24% over the same period in 2017, he said.

The long-term goal

The long-term goal of regional interaction between the EAEU and the EU is to create a single economic space from the Atlantic to the Pacific Ocean – a free trade area, Vassilenko said. He argued that combined, the EAEU and EU had all the necessary prerequisites – complementary economies, geographic proximity and adherence to non-discriminatory trade rules – to unlock powerful and unparalleled economic potential.

Greater cooperation between the EAEU and the EU will allow for the entire region's potential to be fully realised, including Central Asia. Moving our region towards the trajectory of dynamic economic growth and away from ideological rifts, would be a universal gain for the EU, China, Russia, the US as well as the world as a whole, Vassilenko said.

Asked about the effect of EU sanctions against Russia in the context of the Ukraine crisis, Vassilenko said the sanctions regime was not favourable for his country either.

Undoubtedly, we can all see how damaging such confrontations are for those directly involved but also for those seemingly on the periphery, as they lock conflicting parties into far more adversarial processes. They are not an efficient mechanism for addressing fundamental issues; instead, they cause deeper damage to international relations. This is why we continue to call on all countries to engage in a more meaningful and trustful dialogue, the Kazakh diplomat said.

EURTACTIV asked a Commission spokesperson if Brussels persisted in its position that developing structural relations between the EU and the EAEU was premature.

The development of relations between the EU and the EAEU remains a long-term perspective and depends on the political decision of EU member states, the spokesperson said.

Implementation of Minsk agreement looms large

The EU is a supporter of regional integration in all areas of the world, but its support is based on the free choice of the participating countries and the respect for international law, including the respect for international borders, the EU official said, alluding to the crisis in relations with Russia following its annexation of Crimea.

For the time being, the official said, the Commission was maintaining contacts at a technical level with the Eurasian Economic Commission.

We hope this could solve practical problems, facilitate understanding with regard to regulatory issues and advance regulatory convergence in areas such as technical regulations, intellectual property rights protection, trade defence instruments, or customs valuation, he added.

Contacts, he explained were usually conducted via the EU Delegation in Moscow discussing technical matters of EU interest. Following these contacts at a technical level, the European Commission still awaited practical results and concrete outcomes in the interests of EU exporters, investors and transport operators doing business in the EAEU member states.

The spokesperson made clear that the future relations depended on the implementation of the 2015 Minsk agreement to de-escalate the situation in Eastern Ukraine.

The Commission might consider possible broader engagement with the EAEU in due course, in consultation with EU member states and in synchronisation with the implementation of Minsk agreements. Constructive steps from Russia towards more openness in our trade relations, for example abiding by its WTO commitments, is also a pre-condition for possibly building a closer relationship with the EAEU, he said.

<https://www.euractiv.com/section/central-asia/news/kazakhstan-advocates-closer-ties-between-eu-and-eurasian-economic-union/>

Kaynak/Source: