

Earnest aspirations towards creating strong economic union

Lukashenko urges acceleration towards Eurasian economic integration

By Vasily Kharitonov

The President of Belarus, Alexander Lukashenko, has told heads of state gathered for a session of the Supreme Eurasian Economic Council, "Our position is that the Eurasian Economic Union should be based on a fully-fledged Customs Union, without exemptions: particularly, without duties or quotas."

At the Novo-Ogarevo meeting, the Belarusian Head of State drew the attention of Russian President Vladimir Putin and Kazakh President Nursultan Nazarbayev, to two crucial aspects. He asserted, "We should achieve tangible results in our integration project. One target should be to complete the formation of the Customs Union, without restrictions or exemptions. We've made the biggest progress here, with only a few exemptions remaining. However, these apply to very sensitive commodities — such as alcohol, tobacco, medicines, oil and gas. We need to take a decision based on principles."

Mr. Lukashenko notes that some are linking the abolition of exemptions on commodities to the abolition of such exemptions on services, capital and labour. "Free movement of goods should become an example for us in addressing other issues relating to freedoms. Otherwise, the future economic union will have no solid foundation," the President of Belarus underlined.

As far as the draft agreement on the Eurasian Economic Union is concerned, Mr. Lukashenko noted that Belarus made its position clear regarding separate provisions within the institutional section at the last meeting of heads of state in Moscow. Experts are still working to harmonise the document.

Speaking of the functional section of the document, the Belarusian President noted that, although work has intensified, only 70-80 percent is ready: no more than at the time of the previous meeting. Little headway has been made in reconciling various positions on sensitive goods, believes Mr. Lukashenko, stating, "This per-



At Supreme Eurasian Economic Council session questions of economic integration for three countries discussed

tains to the formation of the common energy market, liberalisation of the automobile transportation market, access to the gas transportation system, and subsidies for agriculture. Our partners keep putting forward new suggestions that affect existing arrangements."

Mr. Lukashenko suggested focusing on improving the legal framework of the SES, provided that all three partners agree to the new suggestions. If any object, existing provisions should be kept without change, to avoid setback. "Experts tell us that this is already happening regarding various positions. Without this, the preparation of the agreement could drag on for a long time and the commissioning of the Eurasian Economic Union could be delayed," emphasised Mr. Lukashenko.

The President of Belarus added that world events encourage us to move more quickly towards Eurasian economic integration. "Perhaps, we should keep our minds on our own business and on our own nations instead of elsewhere. Then, we'll be respected and valued," Mr. Lukashenko mused.

President Nursultan Nazarbayev, of Kazakhstan, spoke in favour of ending disagreements and of creating the proposed economic union. He stated, "We'll focus on other aspects later; let's just concentrate on economic issues and ignore misunderstandings. We can tackle our differences gradually, to remove them." Mr. Nazarbayev also suggested holding another session of the Supreme Eurasian Economic Council in April (one month before the Eurasian Economic Union Treaty is to be signed) to make final adjustments.

"Naturally, we must agree by consensus so, to move on, we should agree and move forward, instead of waiting for all issues to be fixed," agreed the President of Russia, Vladimir Putin. He believes that the future Eurasian Economic Union should possess extensive powers of economic regulation — to ensure a common policy regarding key industries and to secure stability, while developing the potential of each national economy. He aspires to see a powerful common market and an inflow of investment. He

also believes that the institutional part of the agreement should define our international-legal status and the organisational framework of the future union, while setting forth its principles of operation.

The functional part of the document aims to regulate economic interaction, as Mr. Putin explains, "It's important to guarantee the 'four freedoms' — movement of goods, services, capital and workforce — while removing remaining exemptions and restrictions within the Customs Union and the Single Economic Space."

Eurasian integration is already bearing fruit, with trade between the three partner states rising to \$64.1bn, despite the global economic downturn. Mutual trade is diversifying while the share of raw materials traded is decreasing. The interests of the business community remain the priority of Eurasian integration, which aims to attract more partners from within the CIS. Negotiations with Armenia and Kyrgyzstan are already at an advanced phase. A plan of action has been adopted and is successfully being

realised with Armenia, which wishes to join the Customs Union and the SES. A road map was approved two months ago and the 'troika' believes that a draft treaty on Armenia's membership of the Eurasian Economic Union can be drawn up.

The Eurasian Union is open to co-operation with all countries and has begun drafting a package of free trade agreements with a number of states: about 40 proposals have been submitted, including from the European Free Trade Association, Vietnam, Israel, India, Chile and Peru.

The Russian President mentioned Ukraine's current situation, noting that it is 'alarming'. He stated, "The Ukrainian economy is in a difficult state — even in crisis. The Customs Union may be adversely affected so I suggest we work together to plan measures to protect our producers and exporters. We need a strategy for further co-operation with Ukraine," said Mr. Putin. He also noted that Ukraine is the Customs Union's key economic partner, being united by close industrial and trade ties and a member of the CIS free trade zone.

Transition from political to legal sphere

By Veniamin Mishin

Minister for Foreign Affairs of Belarus, Vladimir Makei, tells BNS News Agency that he desires a reconsidered approach regarding EU relations

Mr. Makei commented in his interview, "Regarding our relations with the European Union, I think that we should slightly reconsider our approach, and step aside from making unsubstantiated accusations against each other,

rather aiming for open dialogue and constructive interaction." He is keen to see both sides defining their priorities. "We have never said that we'd like to join the EU, although we won't exclude the prospect either. We've always said that we want to have 'normal' relations with the EU." He added, "We want to build trade and economic relations, as well as humanitarian partnerships, helping maintain pan-European safety. Gradually, people will feel the attractiveness of the EU."



The Minister considers that 'the EU should take care with its image in the eyes of Belarusians', saying, "We lived long in the Soviet Union, and focused more on the East. Therefore, we still need to be shown why the EU is attrac-

tive. This doesn't mean that we're going to break relations with Russia — as some countries speculate. No, we will always have very firm, reliable, strong ties with our eastern neighbour, being connected by so many ties: economic,

human and so on."

He continued, "We'd like to enjoy close relations with the EU but there must be a strategy of relations. The EU should understand that it needs an independent, sovereign, territorially complete Belarus: stable and safe. Our country has no desire to create problems for the EU, so let's build relations between our countries, Belarus and the EU, on this basis."

Mr. Makei notes that both sides need to tackle existing problems in relations. He notes that Belarus desires to

see sanctions revoked, while the EU has asked for political prisoners to be released. He explains that Belarus wishes to see matters 'handled according to the law' rather than through political avenues. "If the court or corresponding law-enforcement structures consider that a particular person should be released, or if this person writes a plea for mercy, the corresponding commissions or bodies will examine these applications and submit them for consideration to the Head of state," said the Minister.