



Executive Summary – Conference Documentation

Regional Conference organized by the OSCE Academy and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) on behalf of the German Federal Ministry for Economic Cooperation and Development of Germany (BMZ)

14 – 15 November 2012 in Bishkek, Kyrgyzstan

From 14-15 November, 2012, the OSCE Academy in cooperation with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) organized a regional conference on “The Impact of the Russian WTO accession on Central Asia” at the OSCE Academy in Bishkek, Kyrgyzstan. The next four pages summarize the purpose and themes discussed and results and outputs achieved during the conference. More detailed information can be retrieved from the summaries of key presentations delivered during the conference while all PowerPoint presentations are available at



www.osce-academy.net/en/wto

Setup of the conference: A forum for high-level dialogue of research and practice

The conference aimed at bringing together practitioners and academics from Central Asian countries to discuss the implications of Russia having become a member of the World Trade Organization (WTO).

The conference also intended to clarify issues linked with WTO accession in general – issues like economic and administrative requirements as well as the expected impact of Russia’s accession from an economic perspective.

The participants came from a wide range of international organizations and development agencies as well as policy makers from ministries of the Central Asian economies, research institutes and customs agencies.

The first day of the conference focused on the Russian WTO accession and WTO accession processes in general. On the second day, attention was given to the regional Customs Union and its implications for the Central Asian countries.

The conference included several keynote speeches, panel discussions and four parallel working groups (two each day) addressing issues such as what does a typical WTO accession process entail and what happens after the accession; what is the impact of Russia’s accession on the regional integration in Central Asia and finally what are individual positions and outlooks for the future membership in Eurasia by Kazakhstan, Kyrgyzstan and Tajikistan.

~~Two Working Groups gathered after the Panel discussion: discussions of the first conference day were devoted to the following issues: “What is the impact of Russian WTO Accession on Central Asian regional integration?” and “What is the “typical” WTO accession and decision making process?”~~

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The second day working groups went on to the discussion of “The Customs Union and Tajikistan and Kazakhstan” and “The Customs Union and Kyrgyzstan”.

Summary of keynote speeches and panel and group discussions

After the opening of the conference by H.E. Minister for the Economy of the Kyrgyz Republic, Temir Sariev, and H.E. Ambassador of the Federal Republic of Germany in the Kyrgyz Republic, Gudrun Sraga, the conference proceeded with the first keynote speech “Can WTO Accession propel trade integration in Central Asia?” by Rajesh Aggarwal, chief of the Business and Trade Policy in the International Trade Center.



In his speech, Aggarwal connected the two main themes of the conference, namely WTO accession and regional integration. He highlighted that challenges brought out by the WTO accession can, indeed, help countries to integrate and harness some of the potentials that international trade provides.

“The Impact of the Russian WTO accession on Central Asia”

November 14-15, 2012

Aggarwal identified three categories of countries representing different patterns of regional integration in Central Asia. Comparing to well and intermediately integrated states including such as Ukraine or Eastern European countries, Central Asian region is a region of minimum integration and continues to stay Russia-oriented in its external trade. In this regard, the idea of open integration and undertaking behind the border reforms is very important to promote further integration of the region into the world trade mainstream. The keynote speech was followed by some challenging questions from the audience, which reflected skepticism regarding the expected impact of the WTO on, in particular, Kazakhstan.

The keynote lecture was followed by a panel discussion chaired by Maxim Ryabkov “Can WTO Accession propel trade integration in Central Asia?”, that raised some challenging questions from the audience, which reflected skepticism regarding the expected impact of the WTO on, in particular, Kazakhstan. Rimma Kiseleva, the Head of WTO and Trade Policy Department of the Ministry of Economy of the Kyrgyz Republic, shared the country’s experience on WTO membership. She underlined a special position of the Kyrgyz Republic in the WTO due to the wide extent of obligations undertaken during the accession negotiations and the country’s fragile stage of economic development.

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The conference then continued by the presentation of Vladimir Sherov from St. Petersburg University, Russia, who presented Russian history on the way of accession to the WTO as well as expected results and outputs of its membership. Discussing micro- and macroeconomic indicators, Sherov also marked the potential of institutional improvements i.e. the reduction of influence of state regulation agencies and the increase of transparency. In response the audience questioned the capacity of Central Asian state institutions in providing good governance in international trade and securing the promised benefits from cooperation. It was noted that Central Asia remains highly corrupt and smuggling is reportedly very high.

The conference proceeded with two parallel working groups discussing the main implications of the topic. Whereas, the first working group chaired by Frank Ebinger from GIZ discussed the particular impact of Russian WTO Accession on Central Asian regional integration, the second one, chaired by Anne Rennschmid from the OSCE, focused on the mechanics of the WTO accession negotiations and on the implementation of the accession related commitments.

The first day of the conference was concluded with the presentation of Jonathon Hornbrook on the role of non-tariff barriers in Central Asia and adherence to WCO “SAFE framework”. Hornbrook defended his hypothesis that Russia’s WTO membership will not bring major changes to the actual trade flows in Central Asia, if non-tariff barriers persist (he pointed out e.g. that it still takes weeks to get goods across the border and certificates/lab results are not recognized across the region).

This hypothesis provoked an intense discussion, and was challenged in questions and comments.

The second day of the conference was opened with a keynote speech by Vladimir Sherov titled “Russia within the WTO and the Customs Union”.



Sherov discussed the history of incentives for and challenges of creation of the Customs Union emphasizing Russia’s political motivation of regional domination over

economic inducements for the creation of the Union.

The presentation was followed by the lively panel discussion examining the question “What does the Customs Union mean for its member countries and what for the non-member countries?”

On the second day of the conference participants were again divided into two parallel groups. The first group focused on relations of the Customs Union and Tajikistan and Kazakhstan. It was chaired by Maxim Ryabkov, Director of the OSCE Academy.

Looking at how the CU affects these countries, the group outlined the perspectives for each country and developed recommendations for the improvement of the CU-based cooperation in future.

The impact of the Customs Union on the Kyrgyz Republic, as a separate issue, was discussed within the framework of second working group “The Customs Union and Kyrgyzstan” chaired by Nurjamal Bokoeva, GIZ.

The second day of the conference was closed with the presentations of activities of international organizations active in Central Asia. It included inputs from GIZ, ITC, WTO, OSCE, BMZ and IDEAS Centre on the approaches they undertake in the region

related to the WTO and Customs Union issues.

The detailed documentation of the presentations and working groups is available separately at the conference webpage at www.osce-academy.net/en/wto



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