



Panel Discussion – 15 November 2012

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14 – 15 November 2012 in Bishkek, Kyrgyzstan

Panel Discussion

“What does the Customs Union mean for its member countries and what for the non-member countries?”

What are the challenges and opportunities for the private sector with regard to the Customs Union?”

By Bulat Khusainov (Economic Research Institute, Kazakhstan)

Sabirzhan Dzhangozin (Customs and Transportation expert, Kazakhstan)

Nuritdin Dzamankulov (Independent expert on technical barriers to trade)

Roman Mogilevsky (University of Central Asia, Kyrgyzstan)

The panel discussion started with a presentation of Bulat Khusainov, Head of Research Department on Globalization and Integration, Institute of Economy under Ministry of Education and Science, Kazakhstan, on the “Efficiency of trade integration in the Customs Union of the Eurasian Economic Community”. Khusainov revealed different interesting economic indicators for external trade in the region including dynamics of the external trade change, share of the external trade and level of trade integration of the countries – members of the Customs Union (2001-2011). The speaker underlined the decreasing tendency of presented indicators during last ten years. At the end of his presentation, he presented proposals on the perspectives of cooperation within the Customs union.

Following this presentation and discussion, a presentation on the “Problems of Customs Management in the Customs Union” was held by Sabirzhan

Dzhangozin, Independent expert from Kazakhstan. The speaker started with a comparative analysis of tariff indicators for member-states before and after joining the Customs Union. Dzhangozin proceeded with the legislation of the Customs Union and further complication of documentation procedures within the Union. The speaker further argued that instead of making procedures easier “Cost Control” Risk Management Systems (RMS) made the process even more complicated.



The third presentation, prepared by Nuritdin Dzamankulov, Independent expert on technical barriers to trade, Kyrgyzstan, presented findings on the question on

“Aspects of Technical Barriers in Trade and Sanitary Measures in Trade Regarding WTO and CU”. The speaker revealed the increasing problem of the proliferation of TBT and SPS measures in the region which act as tariff barriers. The biggest problem with regard to the legislation of the Customs Union on TBT and SPS measures is the accessibility of newly adopted laws and regulations.

The last presentation within the panel discussion was compiled by Roman Mogilevsky, Project Coordinator at University of Central Asia, looking at “Customs Union of Belarus, Kazakhstan and Russia: Trade Creation and Trade Diversion in Central Asia in 2010-2011”. The presenter emphasized that the issue of the CU creation and operations is big in the current policy discussions in the region and in the news. Mogilevsky, in details, discussed different trade flows between member-states of the Customs Union.

According to the speaker “increase in share of the CU member country in other members’ total exports/imports may signal trade diversion if accompanied by a decline in trade with non-CU countries, or trade creation if no decline is observed”.



Mogilevsky concludes that, in general, the Customs Union brought less positive outcomes than was expected originally.

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