

Trade Policy Regimes

Workshop within the IIASA project
“Challenges and Opportunities of Economic Integration
within a wider European and Eurasian Space”

IIASA

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Abstracts and short biographies

Pavel Kabat

International Institute for Applied Systems Analysis (IIASA), Austria



Short bio note:

Professor Dr. Pavel Kabat, Director General and Chief Executive Officer

Pavel Kabat became the tenth Director of the International Institute for Applied Systems Analysis (IIASA) in February 2012. As Director General Professor Kabat is the Chief Executive Office of the Institute, responsible for the formulation, management, and administration of all research programs and other activities at IIASA.

Born in Czechoslovakia in 1958, Professor Kabat lived and worked in Canada and the Netherlands before moving to Austria to direct IIASA. Previously, he held the Chair of the Earth System Science and Climate Change Group at Wageningen University and Research Centre in the Netherlands, where he was also Chair of the Board of the Wageningen Climate Centre, and Science Director and Council Chair of the Dutch National Climate Research Program. As leader of these groups, Professor Kabat helped raise €150 million in funding for integrative research while the Earth System Science Group was evaluated as “excellent” in two consecutive reviews by independent international committees in 2007 and 2010.

Professor Kabat remains a Professor of Earth System Science at Wageningen University, and Director and Chair of the Royal Dutch Academy of Arts and Sciences’ Institute for Integrated Research on Wadden Sea Region.

Professor Kabat has over twenty years’ experience of leading interdisciplinary and international research teams investigating global environmental change. During this time with support from the European Commission and other large international agencies such as the National Aeronautics and Space Administration (NASA), he has pioneered large-scale research on global change that has provided the foundation for a new generation of thinking in global change research. His roles have included being Co-Chair of two of the International Scientific Steering Committees of the International Geosphere-Biosphere Programmes, ILEAPS from 2004 to date and BAHC from 1994 to 2003; and the Science Director of the International Dialogue on Water and Climate and the International Cooperative Programme on Water and Climate from 2001 to 2009.

Since his PhD in Hydrology, Water Resources and Amelioration in 1986; he has built scientific expertise in climate hydrology and water cycle, water resources and climate, land interactions with the atmosphere and biogeochemical feedbacks, climate system and climate change, and global change. During this time, Professor Kabat has authored or co-authored over 200 refereed publications, including 8 books. He is on the editorial board of range of international scientific

journals and is also a member of a variety of academies of sciences and learned societies, ranging from the Finnish Academy of Sciences to the Slovak Academy of Sciences.

Professor Kabat has provided science and policy advice to numerous organizations and governments in various roles such as Chief Scientist for an Asian Development Bank project in Bangladesh from 2008 to 2010, Member of the Advisory Group on Climate to the Dutch Parliament, Member of the High Level International Mekong Delta Committee and Review Editor for the Fifth Assessment Report of the IPCC.

Nebojsa Nakicenovic

International Institute for Applied Systems Analysis (IIASA), Austria



Short bio note:

Nebojsa Nakicenovic is Deputy Director General/Deputy Chief Executive Officer of the International Institute for Applied Systems Analysis (IIASA), Professor of Energy Economics at the Vienna University of Technology, and Director of the Global Energy Assessment (GEA).

Among other positions, Prof. Dr. Nakicenovic is member of the United Nations Secretary General High-Level Technical Group on Sustainable for Energy for All Initiative; Member of the Advisory Council of the German Government on Global Change (WBGU); Member of the Advisory Board of the World Bank Development Report 2010: Climate Change; Member of the International Council for Science (ICSU) Committee on Scientific Planning and Review, and Member of the Global Carbon Project; Member of the Mitigation Board of the Global Network for Climate Solutions (GNCS) at the Earth Institute of Columbia University; Member of the Board, Climate Change Centre Austria (CCCA); Member of the Steering Committee of the Austrian Panel on Climate Change Assessment Report (APCC); Member of the Panel on Socioeconomic Scenarios for Climate Change Impact and Response Assessments; Lead Author of Fifth Assessment Report of the IPCC; Member of the Renewable Energy Policy Network for the 21st Century (REN21) Steering Committee; and Member of the International Advisory Board of the Helmholtz Programme on Technology.

He is also Editorial Board Member of the following journals: International Journal on Technological Forecasting and Social Change, International Journal on Climate Policy, the International Journal of the Institution of Civil Engineers, Current Opinion in Environmental Sustainability, the International Journal of Energy Sector Management, and the Journal of Energy Strategy Reviews.

Prof. Dr. Nakicenovic was a Coordinating Lead Author of the Intergovernmental Panel on Climate Change (IPCC), the Fourth Assessment Report, 2002 to 2007, Coordinating Lead Author of the Millennium Ecosystem Assessment, 2001–2005, Director, Global Energy Perspectives, World Energy Council, 1993 to 1998, Convening Lead Author of the Second Assessment Report of the Intergovernmental Panel on Climate Change, 1993 to 1995, Convening Lead Author of the IPCC Special Report on Emissions Scenarios, 1997 to 2000, Lead Author of Third Assessment Report of the IPCC, 1999 to 2001, Convening Lead Author of the World Energy Assessment: Energy and the Challenge of Sustainability, 1999 to 2000, Member of the International Science Panel on Renewable Energies (ISPREE), 2006 to 2008, Member of the United Nations Secretary General Advisory Group on Energy and Climate Change and Guest Professor at the Technical University of Graz, 1993–2003.

Prof. Dr. Nakicenovic holds bachelors and masters degrees in economics and computer science from Princeton University, New Jersey, USA and the University of Vienna, where he also completed his Ph.D. He also holds Honoris Causa PhD degree in engineering from the Russian Academy of Sciences.

Among Prof. Dr. Nakicenovic's research interests are the long-term patterns of technological change, economic development and response to climate change and, in particular, the evolution of energy, mobility, and information and communication technologies.

Péter Balás

DG Trade, European Commission, Belgium



Short bio-note:

Péter Balás was born 25/06/1949 in Budapest, Hungary

Education

Budapest University of Economic Sciences
Doctor's degree in economics 1975
Budapest University of Economic Sciences
University degree in economics 1972
Budapest University of Economic Sciences

Professional Career

Deputy Director General, DG Trade, European Commission	since 2005
AMBASSADOR, Permanent Representative of Hungary to the WTO	2002-2005
Chairman, Working Group on trade, debt and finance	2004-2005
Chairman, Special Session of the dispute settlement body	2002-2004
Deputy State Secretary for International Economic Relations Ministry of Foreign Affairs, Budapest	2000-2002
Deputy State Secretary for International Economic Relations Ministry of Economic Affairs, Budapest	1996-2000
Assistant State Secretary, Ministry of Industry and Trade, Budapest	1994-1996
Director General, Ministry of International Economic Relations	1991-1994
Deputy Head of the GATT Representation of Hungary	1986-1991
Chairman, Meat Market Analyses Group of the International Meat Council and the Meat Council	1989-1991
Director, Ministry of Foreign Trade	1982-1986
Commercial Counsellor Commercial Representation of Hungary in Colombo, Sri Lanka	1978-1982
Desk Officer for South East Asia Ministry of Foreign Trade, Budapest	1972-1978

Other activities:

Visiting Associate professor
Széchenyi István College, Faculty of Economics, Győr

Andrey Slepnev

Member of the Board, Minister for Trade, Eurasian Economic Commission, Russia



Short bio note:

Andrey Slepnev is a Member of Board, Minister for Trade of the Eurasian Economic Commission. He is responsible for the Trade sector of the Commission which executes regulatory functions in the spheres of trade remedies and tariff and non-tariff regulation across the Customs Union of Belarus, Kazakhstan and Russia.

Mr. Slepnev has considerable experience in national administration. Prior to joining the Commission, he was a Deputy Minister for Economic Development of the Russian Federation in 2009 – 2011.

In 2007-2009, Andrey Slepnev was a Deputy Minister of Agriculture of the Russian Federation.

In 2005 – 2007 he was the Director of the Department for National Priority Projects of the Presidential Experts Directorate.

Mr. Slepnev graduated in 1992 from the Lobachevsky State University of Nizhniy Novgorod, where he studied Applied Mathematics. In 1998 he received his degree in Law from the Moscow State University.

Vladimir Yasinsky

Eurasian Development Bank, Kazakhstan



Short bio note:

Vladimir Yasinsky was born in 1956. He graduated from Lomonosov State University in Moscow and completed a postgraduate course at the Institute of Economics at the USSR Academy of Sciences.

1982-1989 Chair of Political Economy of the Peoples' Friendship University and work abroad.

1989-1992 Third Secretary of the USSR embassy in Nepal.

1992-1997 Russia's Deputy Trade Representative in India.

1998-2002 Russia's Deputy Trade Representative in China.

2002-2006 Deputy Director of Gazprom's Representative office in China.

Mr. Yasinsky was appointed Member of the Management Board and Director for Research at EDB on 16 June 2006.

Evgeny Hotulev

Department of Macroeconomic Policy, Eurasian Economic Commission (EEC), Russia



Short bio note:

Date of birth – January 18, 1975, Smolensk.

In 1997, he graduated from the Moscow State University named after M.V. Lomonosov (Department of Mechanics and Mathematics) with a degree in “Mathematics. Applied Mathematics”.

In 2002, he graduated from the New Economic School with a Master's degree in economics.

He started his career with investment companies as a financial analyst and developer of investment projects.

2002 to 2006 – advisor, expert at the Economic Expert Group.

He was responsible for the budgetary policy, inter-budget relations, budget planning, budget process at the federal and regional level and implementation of budgeting tools at all levels of the state sector based on the results.

He participated in many projects of the Russian Ministry of Economic Development, Ministry of Finance of Russia, World Bank, UK Department for International Development (DFID) and government authorities of the constituents of the Russian Federation.

From 2006 till May 2011 – civil service in structural units of the Russian Ministry of Economic Development (Head of the Department, Deputy Director of the Department.)

His job duties included coordination of the analysis of issues and elaboration of proposals related to the budgetary policy, state economics and reformation of state finances. He was responsible for modeling of the current and future development of state finances, regulatory issues of forecasting and placement of government orders, development of the regulatory framework in the area of state regulation of prices for defense products etc.

He participated in making the official forecasts of socio-economic development of the Russian Federation. He was involved in transition, at the federal level, to the concept of the oil and gas budget since 2008 and creation of the Reserve Fund and National Welfare Fund, development of the concept of long-term socio-economic development of the Russian Federation until 2020, development of the concept and approaches to implementation of the federal contract system and preparation of the relevant draft legislation.

From May 2011 till April 2012 – Advisor of the Minister of Economic Development of the Russian Federation.

His job duties included development and assessment of proposals in the area of improvement of the macroeconomic and budget policies in various aspects, participation in structural units of the Ministry in terms of development of the program budget.

From April 2012 till present – Director of the Department of Macroeconomic Policy of the Eurasian Economic Commission.

He was honored by the Government of the Russian Federation and Minister of Economic Development and Trade of the Russian Federation. He was awarded the Diploma of Merit from the Ministry of Economic Development of the Russian Federation and medal “For Diligence” from Rosoboronzakaz.

Rakhim Oshakbayev

National Chamber of Entrepreneurs of Kazakhstan, Kazakhstan



Short bio note:

Rakhim Oshakbayev was born in 1976.

Rahim Oshakbayev trained economist in the Moscow State University. He began his career in "KazAgroFinance". In July 2002, he was elected Chairman of the Board. Previously - Chief Accountant, Managing Director, Vice Chairman of the Board on credit and leasing activities.

In October 2003 - Project Manager for the development of leasing in Kazakhstan in the International Finance Corporation of the World Bank (IFC). From February 2004 - January 2008 CEO (private company). From June 2009 - May 2011 General Director of ACEPAC (a division of the Ministry of Agriculture). From January 2010 – June 2014 head of the public fund "Economists of Kazakhstan." From 2011 - Managing Director of JSC "Fund" Samruk-Kazyna". Since February 2012 - October 2013 - First Deputy Chairman of the Board NEPK "Union" Atameken "(Public Organization), from October 2013 - present - Deputy Chairman of the Board - Member of the Board of the National Chamber of Entrepreneurs of Kazakhstan.

Sara Alpysbayeva

Center for Macroeconomic Analysis and Forecasting,
International Institute of Economic and Law, Kazakhstan



Short bio note:

Sara Alpysbaeva is a Director Of the Center for macroeconomic and applied economic and mathematical research
JSC “Economic Research Institute”, Astana, Kazakhstan
Doctor of Economics, Professor

January 2008 - present – Director of the Center for macroeconomic and applied economic and mathematical research, JSC “Economic Research Institute” Ministry of Economics and budget planning of the Republic of Kazakhstan
2008-2009 – Development of the the information-analytical

System for operational monitoring of economic processes in the country and the world as the basis of the Situation Room of the Ministry of Economic Development and Trade. Users of the system are MEBP RK, Government, Administration of the President of Kazakhstan.

Scientific management areas:

- Analysis of the factors of economic growth and macroeconomic development forecast of the country in the short and medium term;
 - Analysis of the dynamics of the global economy, key markets, risk assessment and channels of influence on the macroeconomic development of Kazakhstan;
 - Analysis and evaluation of the impact of the multiplier effect of the integration processes within the CES on industries and macroeconomic parameters of Kazakhstan;
 - Analysis of the formation of human capital and the development of scientific approaches to social modernization of Kazakhstan (education, health, labor, employment and social protection).
- Member of the Council of Economic Advisors of the Government of the Republic of Kazakhstan (2009-2011)

International Studies Expert for the Institute of Post-Crisis World

October 2004 – December 2007.

Director Institute of Market Relations at Karaganda State University, Professor of "Economics and International Business"

April 2001-September 2004

Director of Research and Educational Complex on economic specialties of the Karaganda State University

March 2000 – April 2001

1993-2000

Deputy Director for scientific research of the Institute of market relations of the MES

1990-1992

Senior Fellow at the Center of Social Sciences, Academy of Sciences of Kazakhstan

1981-1989

Researcher at the Kazakh branch of the Scientific Research Institute of Labor

Education:

Doctor of Economics, professor, 1999, - Economy and management of a national economy.
Speciality of higher education - "Economics and Organization of the engineering industry",
Karaganda Polytechnic Institute, 1969-1974.

Additional information

Won the grant for "The best teacher of the university" MES in 2007 for achievements and contribution to the development of national science and education.

In 2007 became head of the Doctoral School PhD in "Economics and innovative development" at the Karaganda State University.

Signed agreements on cooperation in the field of science and education visited and gave lectures in the following universities: Sheffield Hallam University (UK), Szent Istvan University (Hungary), Ural State University of Economics.

18 PhD theses and one doctoral thesis were completed under the supervision. Editor of several collections of articles, monographs, scientific editor of the "EFR Economics. Finance. Research", published by the Institute of Economic Research.

Actively publishes in leading Kazakh, Russian and foreign business magazines and journals (2009 and 2010 in the journal «WORLD FINANCE REVIEW»). Participant in international scientific and theoretical conferences in Sheffield (UK), Katowice (Poland), Moscow, St. Petersburg, Yekaterinburg, Ufa, etc.

Presentation title: Kazakhstan in the Common Economic Space: evaluation of the macroeconomic and industry effects

Abstract

Goal: Analysis and evaluation of the effects of integration processes within the CES on the economy of Kazakhstan

Key issues:

The highest rate of significance of mutual trade within the CES can be observed in Belarus at 46-48% in 2010-2012. Mutual trade with the CU is less important for Kazakhstan - 20%. Russia has lowest importance of mutual trade within the CU - 7-8% in 2010-2012. Migration rate within the CU is most important for Kazakhstan, it has a negative migration value with the CU -0.10% to -0.13% in 2010-2012. Money transfers from Kazakhstan to the CU countries is almost 10 times larger than transfers to Kazakhstan and amounts to \$1.8 billion. Kazakhstan's index of mutual openness of the economy with the CU was equal to 0.6% in 2010. It decreased from 0.41% in 2012.

Indicator of the significance of the gross inflow of foreign direct investment from the CU to Kazakhstan in 2010 amounted to 5.1% and decreased to 2.3% in 2012. The inflow of direct investment from Russia to the total volume of foreign direct investment in Kazakhstan amounted to 4.9% in 2010 and decreased to 1.7% in 2012.

According to the calculated Grubel-Lloyd index Kazakhstan's intra-industry trade of with the CU can be characterized by trade in mineral products, metals and their products, textiles, textile products and footwear. At the same time, Kazakhstan's cross-sectoral trade with the CU is common for foodstuffs and agricultural raw materials, timber and pulp and paper products, machinery, equipment and vehicles.

In terms of economic convergence - which is measured by the ratio of GDP by PPP per capita of the country to the average GDP by PPP per capita in the CES – no significant signs of convergence can be observed.

Industry effects.

1. Assessing the impact of the unification of railway tariffs within the CES on the Kazakh economy

We assessed the effect of the application of a uniform tariff on goods whose exports in January-September 2013 exceeded 1 million tons. We provide an assessment of one of these products as an example.

Coal export.

Lowering of the Kazakhstan transit tariff by 4 times will improve Russian producers' competitiveness on Chinese and Kyrgyzstan markets, where they export 0.7 mln tons (3% of total coal exports). At the same time Kazakhstan's competitiveness in Ukraine and Netherlands (main consumers of the coal that is transported through Russia, 10.6% of total coal exports) will increase because the present transit tariff is 46% lower than before. These calculations show the omni directional effects of the unification of tariffs on the exports through other CES countries.

Similar analysis was performed for other groups of products: flat-rolled products, fuel oil, flour and iron ores.

2. Assessing the impact of the Agreement on the rules of access to services of gas transportation systems natural monopolies, including the basics of pricing and tariff policy

One of the main features of the Kazakhstan's gas market is a large number of gas suppliers. As of now, there are more than 90 companies in the subsoil industry, and only 16 of them have access to the pipelines. The presence of different gas suppliers caused a significant difference in prices within the country. One of the areas of integration has been the unification of prices. In one possible scenarios of unification, according to experts, the weighted average price for gas in the country can grow by 21%.

Similar analysis was performed for electricity and oil products markets.

Conclusions. The conducted research showed controversial results of the integration within the CES for various industries of the Kazakhstan's economy. That can be explained by the short-term nature of the research, more time is needed for a complete and coherent evaluation of the effects of the integration.

Suvi Kansikas

University of Helsinki, Alexanteri-instituutti, Finland



Short bio-note:

Suvi Kansikas is a postdoctoral researcher at the Finnish Centre of Excellence on Russian Studies at the University of Helsinki. She received her doctorate in political history in 2012. Currently she is working on a project on the Eurasian Economic Union and Russian integration policies in the post-Soviet Space. Her research interests include: regional integration, Russian-led regional cooperation plans, international trade regimes, Cold War history and the EU and its predecessors. Her latest publications include Acknowledging Economic Realities. The CMEA Policy Change vis-à-vis the European Community.

European Review of History 21:2/2014 and Socialist countries face the European Community. Soviet-bloc controversies over East-West trade, Peter Lang Verlag, Frankfurt am Main, 2014.

Presentation title: The history and present of Russia's integration policy - preliminary conclusions

Abstract

The research analyses the system of economic instruments that Russia uses in its foreign policy in general, and in its integration policy in particular. Within the Eurasian integration process my focus is on integration in the field of energy, namely the members' policies on establishing a common EEU energy market. I will approach this topic by analysing Russian economic diplomacy and in particular, I focus on Russia's use of energy power. The key question of my research is: How does Russia use energy to promote, maintain and influence its alliance relations? In the literature on Russian economic diplomacy there is much analysis about economic tools (tariff policy, the introduction of import limitations on various goods, issuance of licenses to foreign companies, lending to other state etc.). However, much less is known about the economic tools of Russia's integration policy – for the simple fact that the history of Russia's economic integration is very short. With the Eurasian Economic Union, Russia and its partners are moving to a new phase of integration. It will take place in the form of harmonisation of legislation, regularisation of customs valuation, rules of origin, customs forms and procedures etc.

Economic interests and economic instruments to promote political interests are becoming an increasingly important element of Russian foreign policy. Previous literature has pointed towards several reasons behind its ineffective use of economic instruments. My research will analyse how the Russian authorities understand the place and role of these instruments in the state's foreign political arsenal. And secondly, what kind of a mechanism do the Russian authorities use for elaborating and implementing decisions on the use of economic measures in the interest of its foreign policy.

Vugar Bayramov

Center for Economic and Social Development (CESD), Azerbaijan



Short bio-note:

Vugar Bayramov is a well-known economist in Azerbaijan. He was a visiting faculty member at the Washington University (USA) in 2002/2003. Bayramov has a Ph.D. in economics. His papers/books have been translated into 25 languages. He was selected as “Person of Year in Azerbaijan” by a leading radio channel’s survey in 2011.

In 2010, Bayramov was named one of the 500 most influential Muslims in the world by The Royal Islamic Strategic Studies Centre (RISSC) in Jordan.

Mr. Bayramov is a steering committee member at the EU Eastern Partnership Civil Society Forum where he serves as a national coordinator as well. He was the co-coordinator of the Economic Integration and Convergence to EU Standards Working Group at the EaP CSF in 2011-2012.

Mr Bayramov is the author of Anti-Crisis Concept of Azerbaijan Republic, whose stated policy recommendations were adopted by the government. As one of the leading economic-experts in the region, Dr. Bayramov has been several times involved in developing state programs, including anti-crisis programs by CIS Countries’ Governments. As the chairman of the Centre for Economic and Social Development (CESD, www.cesd.az), the leading think tank in Azerbaijan, Mr Bayramov has conducted a variety of research on both macro and micro economic issues, including local government, municipality development, state budget transparency, etc.

Mr. Bayramov is fluent in English, Russian, Turkish and Azeri and can also speak French and Spanish.

Presentation title: Azerbaijan’s accession to Custom Union

Abstract

The paper analyses the implications of the potential accession of the Republic of Azerbaijan to the Customs Union of Belarus, Kazakhstan, and Russia, combining qualitative and quantitative approaches. The qualitative approach employs stakeholder and sectorial analysis, while quantitative methodologies include Hedonic Estimation and Linear Regression Models.

The stakeholder analysis discusses the implications of accession for different interested parties, namely businesses, citizens and international partners of Azerbaijan. The sectorial analysis assesses the varied probable impact of accession on different economic sectors. The quantitative methods are designed to answer the question following question: How much would the Azerbaijani economy benefit if it had joined the Customs Union when it was established in 2010?

Although CESD finds a number of quantitative benefits to accession (for example, an additional two to five percent growth in GDP), qualitative analysis reveals some disadvantages that were not captured by quantitative methodologies and helps provide a more comprehensive picture on the accession, namely the long-term disadvantage of ceding independence vis-à-vis Azerbaijan's energy policy.

Accordingly, the Center for Economic and Social Development, Azerbaijan may be persuaded to accede. In this scenario, CESD would recommend learning from the experience of the UK while acceding to the European Union and attaining several key exemptions from the rules and regulations of the Customs.

Stanislav Naumov

Eurasian Centre for Integration Studies and Communications, Russia

Short bio note:



Stanislav Naumov is the President of the Russian Public Relations Association (RPRA), having previously served as the Chairman of the RPRA Committee on Social Development (2007-2008), and as the Vice-President of RPRA (June 2008 – December 2010). He is a member of the Silver Archer Prize Supervisory Board, the Chairman of the IPRA Proba Prize Jury, and a member of the “Press-zvanie” Prize Supervisory Board. He was an organizer of the “Moscow PR Days” Festival in 2011-2013 and a participant of the Open Government Partnership 2013 conferences.

He is a Class 2 Active State Advisor of the Russian Federation, a member of the reserve management staff under the patronage of the President of the Russian Federation, and a member of the Expert Council of the Agency of Strategic Initiatives. In 1997-1998 he served as the Assistant Head of the Federal Tax Service of the Russian Federation. In 1999-2004 he was the Assistant and Press-Secretary of the First Deputy Prime Minister of the Russian Federation. In 2004-2010 he served as Department Director, Deputy Minister and Statistics Secretary of the Ministry of Industry and Trade of the Russian Federation.

In 2010-2012 he was the Vice President on Relations with Governmental Authorities, Social Unions and Regional Policy of the Foundation for establishing a centre for the development and commercialisation of advanced technologies. In 2012 he served as the Department Director for creating a transparency system for the public administration of the Russian Federation Government. As of 2013 he is the Research Manager of the International Institute for Political Expertise, the Chairman of the Board of Directors of CROS — Public Relations & Public Affairs Company, and a Professor at the Public Policy Department of the Higher School of Economics. He has been awarded the Certificate of Honour of the Russian Federation Government (2003) and the Certificate of Honour of the Ministry of Industry and Energy (2006).

On 13 November 2006 he was honoured with the Gratitude of the President of the Russian Federation for his participation in preparing a G8 leaders meeting. On 8 September 2010 he was honoured with the Gratitude of the Russian Federation Government. On 2 March 2011 he was honoured with the Gratitude of the President of the Russian Federation for his outstanding contribution to preparing and holding the All-Russian Innovation Forum “Russia, Forward!” In 2006 the project “Communicative Technologies of Industrial Policy” earned the “Silver Archer” Certificate of the national prize for public relations development. He was a laureate of the “Most Influential People of Russia” Prize in 2010 in the “Public Officials” nomination (“Russian Reporter” magazine).

Evgeny Vinokurov

Eurasian Development Bank, Centre for Integration Studies, Russia



Short bio note:

Evgeny Vinokurov was educated at the universities of Kaliningrad, Göttingen, Grenoble and Moscow. He earned a Ph.D. (doctor nauk) in economy from the Institute of World Economy and International Relations (IMEMO) of the Russian Academy of Sciences, Moscow; and a Ph.D. from Pierre Mendes-France University (Grenoble II). After several years of experience in applied economy research projects at the Centre for European Policy Studies (CEPS), Catholic University of Leuven and the University of Jena he proceeded to working with the EDB, being responsible for macro and microeconomic analysis in particular, as well as the development bank's research program. Founding director of the EDB Centre for Integration Studies since 2011.

Presentation title: European Union and Eurasian Economic Union: scientific support for economic integration

(with Elena Rovenskaya)

Abstract

The significance of interregionalism - i.e., integration between regional blocs - is rising rapidly. The forthcoming establishment of the Eurasian Economic Union makes possible an important addition to the small but mushrooming family of inter-regional agreements. This integration concept is known as 'Lisbon to Vladivostok'. The EU and the EEU need to focus on the long-term prospects for deeper economic integration in which their joint neighbours would also play an important role. Setting aside the present serious political crisis, we look forward by hypothesis to better times when they can work together towards a new set of trade liberalization and integration structures on the Eurasian continent. For ultimate success, scientifically solid evidence to support policy-makers on their decisions on integration should be provided by international expert community. A complex analysis combining different methodologies, both qualitative and quantitative, is necessary to create such convincing evidence.

Elena Rovenskaya

International Institute for Applied Systems Analysis (IIASA), Austria



Short bio-note:

Elena Rovenskaya is the Advanced Systems Analysis (ASA) Program Director. She is also a Research Scholar at the Optimal Control Department of the Faculty of Computational Mathematics and Cybernetics, Lomonosov Moscow State University, Russia. Her scientific interests lie in the fields of theory of optimal control, ill-posed problems and economic-environmental modeling.

Dr. Rovenskaya graduated in 2003 from the Faculty of Physics, Lomonosov Moscow State University, Russia. She received her PhD in 2006 from the Faculty of Computational Mathematics and Cybernetics, Lomonosov Moscow State University, Russia.

The title of her PhD thesis was “On solving the problem of finding the optimal compatibility parameter value for a class of equations in a normalized space.” In 2005, Dr. Rovenskaya participated in the Young Scientists Summer Program and since 2006 she has been collaborating with the Dynamic Systems Program (now Advanced Systems Analysis Program). In 2012 she was appointed Deputy Program Leader for the ASA Program. In 2014 she was appointed Advanced Systems Analysis (ASA) Program Director.

Dr. Rovenskaya's current research is focusing on modeling of optimal forest management, exploring systemic risks in ecological networks, modeling economic growth with environmental constraints and agent-based modeling of regional development.

Andrey Lipin

Department of Macroeconomic Policy, Eurasian Economic Commission (EEC), Russia



Short bio note:

Education:

New Economic School, Moscow, M.A., Economics, 2012.
Institute of Economics and Industrial Engineering of SB RAS, Novosibirsk, Ph.D., 2009.
Novosibirsk State University, M.A., Economics, 2006.
Novosibirsk State University, Diploma, 2004.

Working experience

2005-2010, various real sector companies, Russia. Key responsibilities: game theory, industrial organization analysis, strategical planning.

2012-till now, Eurasian Economic Commission, Deputy Director of Macroeconomic policy Department, Head of Macro Research. Responsible for managing forecasting process (short term, medium term (BVAR, DSGE) and long term forecast), macroeconomic policy analysis in the SIS member states and integration effects assessment at sectorial and aggregation level (CGE, partial equilibrium models).

Presentation title: CU trade and production: some effects of integration

Abstract

The research evaluates the effects of the integration of the Customs Union of Belarus, Kazakhstan, and Russia. We describe models and methods of analysis of the impact of creating customs trade and customs union on the economics of participating countries. We assess the impact of the Customs Union and the implementation of the terms of Russia's Accession to the WTO at the macroeconomic and sector levels using the proposed methodology. The results show that the distribution of the effects of the integration among the countries of the Customs Union is uneven, and for Kazakhstan there are long-term risks reducing investment and productivity. We evaluate the impact of non-tariff barriers on trade flows in the Customs Union. The results support the hypothesis of a substantial effect of this type of trade restriction: calculated ad valorem equivalents of non-tariff barriers range from 15% to 35% depending on an industry. It is shown that the reduction of non-tariff barriers may be a source of the increasing efficiency within the integration structure and may lead to an increase in output and productivity.

Michael Emerson

Centre for European Policy Studies (CEPS), Belgium



Short bio note:

Michael Emerson is Associate Senior Research Fellow at the Centre for European Policy Studies (CEPS), Brussels, since 1998. A graduate of Balliol College, Oxford, he first worked as an economist at OECD, Paris (1966-1973). He then moved to the European Commission (1973-1996), with positions including economic adviser to the President (Roy Jenkins), and EU ambassador to Moscow (1991-1996). He was then Senior Research Fellow at the London School of Economics (1996-1998). Numerous publications on EU economic and foreign policies.

Presentation title: European trade policy issues

Abstract

This note looks at the trade policy landscape of the EU and the wider Europe, with a focus on issues of common interest, notably those arising from the signature on 27 June 2014 of Deep and Comprehensive Free Trade Agreements (DCFTAs) between the EU and three East European countries (Georgia, Moldova, Ukraine), and actual or prospective issues relating to the customs union of Belarus, Russia and Kazakhstan (BRK), and the Eurasian Economic Union whose founding treaty was signed on 29 May 2014.

Alexander Libman

International Centre for Social and Economic Research «Leontief Centre», Russia



Short bio-note:

Alexander Libman is an assistant professor at the Frankfurt School of Finance & Management. He is also an associated researcher of the International Center for the Study of Institutions and Development (ICSID) of the Higher School of Economics in Moscow, of the Institute of Economics of the Russian Academy of Sciences and of the Center for Russian Studies of the East China Normal University.

He holds a PhD degree in Economics from the University of Mannheim and specializes in regional economic integration and subnational governance studies. His most recent publications include *Holding-Together Regionalism: Twenty Years of Post-Soviet Integration* and *Eurasian Integration: Challenges of Transcontinental Regionalism* (both Palgrave MacMillan, with Evgeny Vinokurov), as well as articles in economics (*Journal of Comparative Economics*, *European Journal of Political Economy*, *Public Choice*, *Economics Letters*, *Energy Economics*, *Empirical Economics* and *Kyklos*) and political science journals (*Journal of Common Market Studies*, *Review of International Political Economy*, *Political Studies*, *Studies in Comparative International Development*, *Publius*, *Review of International Organizations and Post-Soviet Affairs*).

Presentation title: Economic Crises and Regional Integration in Eurasia

Abstract

The paper investigates the effects of economic crises on the likelihood of regional integration. Historically, the literature typically assumed that crises should be associated with the surge of protectionism, driven by the growing influence of interest groups, beggar-thy-neighbor policies and decline in public support of regionalism. Recent studies have suggested that regional integration can advance during the periods of crises. First, crises may challenge the limits of state capacity. Second, crises may make preserving the existing economic ties particularly important for countries. Third, signing economic integration agreements during the periods of crises may serve as informative signaling to domestic public that the crisis should not be interpreted as evidence of rent-seeking or poor policy making by the government.

This heterogeneity of effects can be explained by four factors (Mansfield and Milner 2014; Vinokurov and Libman 2014). First, the position of the interest groups depends on the extent of development of cross-border production chains and economic interdependencies. In case economic interdependencies are high, demand for disintegration from interest groups decreases. Second, the willingness of the government to use beggar-thy-neighbor policies depends on the

resources they have accumulated before the crisis, i.e., whether crisis relief payments are feasible without requiring additional revenue from trade restrictions and unilateral measures. Third, responses to the crisis depend on the prior beliefs population have with respect to regionalism, which formed prior to the crisis. If the public was generally skeptical about regionalism already before the crisis, crisis should make implementation of regional integration projects even less likely: both due to the growing likelihood of populism and inability to use regionalism as informative signaling). Fourth, political factors (level of democracy and agenda-setting powers in the regional integration project) also matter.

We investigate how these factors affected the choices with respect to regional integration in six cases: two of the EU (the crises of the 1970s and of early 2010s); one in Asia (the crisis of late 1990s) and three in Northern Eurasia (the transition recession of early 1990s; crisis of late 1990s and of late 2000s). We demonstrate heterogeneous effects these crises had on regional integration, and link them to four characteristics we have described.

Saltanat Tamenova

Institute for Socio-Economic Research, Kazakh Economic University
named after Turar Ryskulov, Kazakhstan



Short bio-note:

Saltanat Tamenova is Cand.ec.sci., professor.
Director of Institute for Socio-Economic Research of the
T.Ryskulov Kazakh Economic University.

Saltanat Tamenova has been working for a long time in higher education and has ample experience in managing education programs and in running Research and Development projects and activities.

She regularly addresses international and national scientific conferences dedicated to questions of the national economy and of higher education development. Her area of scientific research includes competitiveness, innovation and R&D, investment and monetary policy.

Presentation title: Kazakhstan's foreign trade: current status and prospects

Abstract

Foreign economic relations are a catalyst for economic transformation, shape the formation of market structures and mechanisms and contribute to the accumulation of capital.

During the years of independence, Kazakhstan has made substantial progress in the liberalization of legislation and in government support to exporters, but the analysis of the country's foreign trade activity shows that serious structural imperfections have continued to cause problems.

Along with Government policies to stimulate domestic production and import substitution policies, monetary policy, in particular exchange rate policy affects the dynamics of foreign trade flows of the country.

The policy of the National Bank of Kazakhstan is aimed at ensuring the stability of the national currency and the preservation of favorable competitive environment for domestic producers, the increase in its foreign reserves and at ensuring long-term stability in the foreign exchange market.

Under the condition of ongoing integration processes, properly chosen monetary and exchange rate policies are of high importance for Kazakhstan's foreign economic policy.

Dmitry Korshunov

Eurasian Development Bank, Centre for Integration Studies, Russia

Short bio note:



Dmitry Korshunov was graduated from the Lomonosov Moscow State University, Department of Mathematics and Mechanics. In 2008 he received an MBA degree at the California State University East-Bay. Till 2013 he has been employed at the Research Department of the Central Bank of the Russian Federation in the position of Chief Researcher. At the Bank of Russia he was the key analyst who participated in building the forecasting and policy analysis system for Russia (FPAS of the Bank of Russia).

In 2008 he worked as a visiting scholar at the Research Department of the International Monetary Fund where he helped implementing the Global Projection Model (GPM) project. Project manager at the EDB Centre for Integration Studies since 2013. He coordinates research projects focused on macroeconomic analysis and macroeconomic modeling.

Presentation title: Abolition of non-tariff barriers in the EEU: Quantitative assessment

Abstract

The project was initiated by the Government of Belarus and then supported by Eurasian Economic Commission. The EDB Centre for Integration Studies implements this project in two major stages. On the first stage the qualitative analysis is done – analysis of the international experience, conduction of business surveys, classification of the List of exceptions, restrictions and non-tariff barriers to mutual trade prepared by the Eurasian Economic Commission, etc.. On the second stage the quantitative assessment of the corresponding economic effects is performed and a set of policy recommendations developed. We utilize a wide range of economic models with the CGE approach as a main analytical tool. Project time frame – 2014.

Stefan Meister

European Council of Foreign Relations, Berlin, Germany



Short bio note:

Stefan Meister joined the ECFR in August 2013 as a Senior Policy Fellow. Previously he worked as a Senior Research Fellow at the German Council on Foreign relations, DGAP (2008-2013) on Russia and the post-Soviet region. Stefan worked several times as an election observer for the OSCE and was responsible for education projects in Russia especially in Kaliningrad. He is member of the Laboratory of the Future of the Petersburg Dialog and the Young-Leaders Club of the German-Russian-Forum. He received a Ph.D. from the University of Jena and holds an M.A. in political science, Eastern European and contemporary history. His Ph.D. is on the "Transformation of the Russian Higher Education System."

Stefan recently published an edited volume on Russia's policy towards post-Soviet countries at Nomos and wrote extensively on Germany's Russia policy, conflicts in the post-Soviet region especially the South Caucasus, the interrelationship between Russian domestic and foreign policy as well as on the EU's Eastern Partnership.

Languages: German, English, Russian, (Polish)

Areas of expertise: German-Russian relations, Russian foreign and security policy, EU-Russia relations, Russian energy, economic, and education policy, Eastern Partnership especially in the South Caucasus and Ukraine, energy policy in the Caspian Region and Russian relations with the post-Soviet countries

Presentation title: EU and EEU prospects for cooperation: a German view

Thorvaldur Gylfason

Department of Economics, University of Iceland, Iceland



Short bio-note:

Thorvaldur Gylfason is Professor of Economics at the University of Iceland. He is also Research Fellow at CESifo (Center for Economic Studies) at the University of Munich, Research Associate at the Center for U.S.-Japan Business and Economic Studies at New York University, and Fellow of the European Economic Association. He has published over 150 papers in international journals and books and over 40 scholarly articles in his native Icelandic, in addition to 20 books, including eight collections of essays in Icelandic and about 800 articles in newspapers and magazines as well as some 60 songs for mixed choir, voice, piano, and other instruments. After obtaining his doctorate in economics at Princeton University, he worked as an economist at the International Monetary Fund (IMF) in Washington 1976-1981. He was Visiting Professor of Public and International Affairs at Princeton 1986-1988, Senior Research Fellow at the Institute for International Economic Studies at Stockholm University 1978-1996, and Research Fellow at CEPR (Centre for Economic Policy Research) in London 1987-2009. He is one of three authors of *Understanding the Market Economy* (Oxford University Press, 1992), which has appeared in seventeen languages, including Russian and Chinese. In recent years, he has been a frequent consultant to the International Monetary Fund and also the World Bank, the European Commission, and the European Free Trade Association (EFTA). This work has included extensive lecturing at the Joint Vienna Institute in Vienna, in all parts of Africa, in Asia, and elsewhere. In 1996-1997, he led the SNS Economic Policy Group in Sweden. Its report appeared in Swedish and English (*The Swedish Model under Stress: A View from the Stands*, SNS Förlag, 1997). His book *Understanding Economic Growth* (SNS Förlag, 1998) reappeared as *Principles of Economic Growth* (Oxford University Press, 1999). His television series, *To Build a Nation*, which deals with aspects of the history of economic ideas in Iceland, was shown on Icelandic State Television in 1998 and issued on DVD in 2011. He is one of five authors of *Nordics in Global Crisis* (ETLA, 2010) and one of three editors of *Beyond the Curse: Policies to Harness the Power of Natural Resources* (IMF, 2011). His current research is mostly in the field of economic reforms, constitutions, natural resources, trade, and growth. He was editor of the *European Economic Review* 2002-2010 and is associate editor of several other economics journals. He has contributed regularly to Icelandic newspapers since 1985, publishing a weekly column since 2003, in addition to various writings for other Icelandic and foreign papers. He was elected to Iceland's Constitutional Assembly in 2010 and appointed by Parliament to a Constitutional Council that drafted a constitutional bill delivered to Parliament 29 July 2011. His cycle of "Seventeen Sonnets on the Philosophy of the Heart", arranged for two voices, piano, cello, and other instruments, was performed in public at Harpa, Reykjavík's new concert hall, in 2012 and 2013. His cycle of twelve new "Songs of Soaring Birds" arranged for voice, piano, and cello is scheduled for public performance in 2014.

Presentation title: Can and should the Eastern Partnership be saved?

Abstract

In a major setback for the EU, only two of four Eastern Partnership countries actually initialed Association Agreements at the Vilnius Summit in November 2013. This paper asks what went wrong and what can be done about it.

The paper is motivated by three questions: First, did the EU exaggerate the preparedness of these countries and underestimate the opposition of Russia to a weakening of its hegemony in the region? Second, was the EU unwilling and unable to counter the measures taken by Russia? And finally, will the outcome of Vilnius reduce the credibility of the EU as a negotiating partner not only in the Eastern Partnership but also in the Mediterranean partnership? The paper concludes that the answer to these questions is yes.

The paper justifies continued efforts by the EU to establish the Eastern Partnership by presenting the significant trade benefits it provides participants. Using a gravity model to estimate the effects of deep and shallow free trade agreements for the Eastern Partnership states with Russia and the EU, the paper shows that the Eastern Partnership countries, including Ukraine, by far the largest in the group, gain significantly from free trade agreements with the EU, but gain little if anything from free trade agreements with Russia.

To regain credibility as a negotiating partner, among both its Eastern and its Mediterranean Partners, the EU must, in coordination with others, counter the measures taken by Russia to dissuade Ukraine from signing the Association Agreement and to speed up and support the implementation by Georgia and Moldova of their Agreements. In the future, the EU will need to place increased emphasis on informing key sectors in Partner countries on the issues subject to negotiation and on improving the functioning of their market economies.

Alexander Shirov

Institute for Economic Forecasting (IEF) of the Russian Academy of Sciences, Russia



Short bio note:

Alexander Shirov was born February 9, 1975.

Nationality: Russian.

Institution (Date from-to):

Moscow Institute of National Economy named by G.V. Pleckhanov, 1992-1998

Postgraduate course in the Institute of Economic Forecasting, Russian Academy of Sciences (RAS), 1999-2002

Institute of Economic Forecasting, Russian Academy of Sciences, 2003

Degree or Diploma obtained
M. Sc. in Economics

Main topics: Using of the world economic development indicators for constructing a foreign trade block of inter-industry model.

Doctorate in Economics (Ph. D)

Ph.D. Thesis: The analysis and the forecast of the Russian economy and foreign trade

Membership in professional bodies:

Deputy Director, Institute of Economic Forecasting, Russian Academy of Sciences

Other skills:

The member of editorial board of The Eurasian economic integration

Present position

Deputy Director, Institute of Economic Forecasting, Russian Academy of Sciences

Key qualifications:

scientific interests are connected with the analysis and forecasting of the Russian economy, Input-Output macroeconomic models.

the participant of the International IO Modelling INFORUM project since 1998 (<http://inforumweb.umd.edu/Intpartn.html>).

Professional Experience:

1998- 2014

Institute of Economic Forecasting RAS

Deputy Director,

Head of department,

Senior Researcher

Researcher

Macroeconomics, National economy analysis and forecasting, Input-Output Modelling, Econometrics, Foreign trade.

2004-2005

Russian-European Centre for Economic Policy (RECEP), under Tacis AP2005

Senior expert

Macroeconomics, monitoring of foreign trade and WTO accession progress.

Presentation title: FTA between EU and EEU: when it may be possible?

Abstract

This article presents quantitative estimations of possibility to create a free trade area between EU and Russia in mid- to long-term perspectives and addresses the issues of competitiveness of different sectors of Russian economy in the context of lowering or total dissolution of trade barriers with EU. A list of possible issues to be addressed during the creation of an all-encompassing free trade area on the Eurasian continent is outlined.

Valery Heyets

Institute of Economics and Forecasting, National Academy of Sciences of Ukraine, Ukraine



Short bio note:

Valery Heyets is Academician (1995) and Vice-President (2009) of National Academy of Sciences (NAS) of Ukraine, and Director of State Organization “Institute for Economic and Forecasting, NAS of Ukraine” (2005). Valery Heyets is an expert in macroeconomic, economic mathematical modeling and forecasts of economic development. His field of interest also includes such subjects as state regulation of the economic development, financial security, fiscal policy, national innovation policy, and priorities of technological modernization of the economy.

As the result of his research, he has published more than 450 works, among them 39 individual and collective monographs. Since 1991, Valery Heyets with his assistants have been presenting forecasts of Ukrainian economy at LINK-UN Project. He is Editor-in-Chief of scientific journals “Economy and Forecasting” and “Economy of Ukraine“ and member of editorial boards of several other Ukrainian and international printed media, as well as various councils and commissions in the spheres of science and education.

Presentation title: A sectoral assessment of the impact of the Ukraine-EU Association Agreement on Ukraine’s economy

Peter Havlik

The Vienna Institute for International Economic Studies (wiiw)
The International Institute of Applied Systems Analysis (IIASA)



Short bio note:

Peter Havlik is staff economist and former Deputy Director at The Vienna Institute for International Economic Studies (wiiw) and guest research scholar at the International Institute for Applied Systems Analysis (IIASA). His main research areas currently cover economic transition in Central and Eastern Europe, foreign trade, competitiveness, EU integration, EU-Russian relations and analysis and forecasts of macroeconomic developments. He is also country expert for Russia and the Newly Independent States (NIS) at wiiw. During his career he participated in and coordinated various large projects, for instance ‘Industrial Restructuring in the NIS: experiences of and lessons from the new EU Member States (INDEUNIS), funded by the EU Sixth Framework Programme (2005-2007) and ‘European energy security’, a project on energy security for the OENB Jubilee fund (2008-2010). He has also contributed to and coordinated various chapters to the EU Competitiveness Reports (2003, 2009, 2012) and conducted a study on the Economic Development of the Black Sea Region for the Austrian Ministry of Economy in 2009.

Presentation title: Russia and the European Union: economic consequences and prospects for resolution of the current conflict

Laura Solanko

Bank of Finland's Institute for Economies in Transition (BOFIT), Bank of Finland, Finland



Short bio-note:

Laura Susanna Solanko is Advisor at the Bank of Finland Institute for Economies in Transition (BOFIT), specializing at Russian economic developments. Solanko received her doctoral degree from the University of Helsinki in 2007, majoring in economics.

Her PhD Thesis

"Essays on Russia's Economic Transformation" covered topics on fiscal federalism and regional economic development in Russia.

Her current research interests include Russia-EU energy relations, and financial markets in Russia and China.

Currently Solanko is the Editor of BOFIT Discussion Papers and responsible for BOFIT Visiting Researchers Programme.

Presentation title: Recent history of the trade between Finland and Russia

Abstract

This presentation describes the economic relations between Russia and Finland, with special focus on the years since the global financial crisis. The evolution of both merchandise trade and trade in services is examined. A few remarks on the possible effects of the future Eurasia Economic Union are also included.

Alexander Knobel

Foreign Trade Department, Gaidar Institute for Economic Policy (Gaidar Institute), Russia



Short bio-note:

- July 2008 – December 2010 Post-graduate study at Institute for the Economy in Transition (IET), Specialization: Economic Theory. PhD in Economics. PhD thesis is “Theoretical aspects of tariff trade restrictions in international trade”
- July 2006 – July 2008 New Economic School (NES) Masters of Art in Economics. Diploma average grade 4.5 (Master thesis “Vertical Integration, Technology Cohesion, Opportunistic Behavior and Economic Growth” with special distinction)
- July 2006 – July 2008 Moscow Institute of Physics and Technology (MIPT) Master’s degree. Department of General and Applied Physics. Diploma average grade 4.7
- September 2001– June 2006 Moscow Institute of Physics and Technology (MIPT) Bachelor’s degree. Department of General and Applied Physics. Diploma average grade 4.6

Work Experience

- April 2005 – Till now Institute for Economic Policy (IEP, Gaidar Institute). Head of International Trade Department.
- April 2007 – Till now Russian Academy of National Economy and Public Administration (RANEPA) under the President of the Russian Federation. Center for International Trade, Head of Center.
- April 2007 – Till now Russian Foreign Trade Academy (VAVT) under the Ministry of Economic Development. Senior Researcher.
- September 2008 – 2012 New Economic School (NES). Teacher Assistant (Econometrics 4, Macroeconomics 1–6, Theory of Economic Reform, Open Macroeconomics, Monetary Theory, International Finance)

Presentation title: Potential effects of the CU-EU Free Trade Agreement

Abstract

This paper investigates the possible economic impact of a free trade agreement between the European Union and Russian Federation, meaning mutual zero imports tariffs in trade of the Customs Union and the EU. We estimate the effects of FTA on the economy of the countries participating in the agreement, both at the level of the whole economy, and on the sectoral level. We also made an analysis of the results sensitivity to changes in the model parameters. These results suggest that the cumulative effect of the FTA on Russia's GDP is 0.8% in the short run (in absolute terms is about \$15 billion), and is 2.0 % in the long run (about \$40 billion). Short-term and long-term impact on the GDP of Kazakhstan are, respectively, 0.6% (~ \$1 billion) and 1.2 % (~ \$2 billion). In contrast to the economies of Russia and Kazakhstan, the impact on the economy of Belarus, as it was expected, will not be positive. Belarus GDP will decline by 0.6% (about 400 million dollars) in the short run and will reach the pre-FTA-level in the long run. EU GDP will grow by 0.1% (~ \$15 billion) in the short run and by 0.2% in the long run (~ \$30 billion). Thus, both in relative and in absolute terms, Russia is potentially benefit more than the EU from this free trade agreement.

We also estimate the effects of the free trade agreement on the economic industries in the countries participating in the agreement. We divide all economic industries to 15 subaggregated groups, for which we estimate the effects of the FTA in terms of production, household consumption, imports, exports and employment.

In Russia the production decreases only in two areas in the long run: in the industry of motor vehicles and parts and in the industry of wood products and paper. A similar pattern is observed for Kazakhstan. In Belarus, except of these two industries, the production will decrease in agriculture, food industries, as well as in manufacturing. The production in the EU decreased only in the sector of minerals, both in the short and in the long run.

Household consumption in Russia and Kazakhstan as a result of the abolition of imports duties will increase in all sectors in the short run. In the long run, this growth in consumption will be even more.

Thus, the formation of an FTA have positive impact on households consumption in Russia and Kazakhstan. Household consumption in the EU will also increase in all sectors, but the percentage change is significantly less than in Russia. Household consumption in Belarus drops in all sectors, in which the production decrease.

Natalya Volchkova

Center for Economic and Financial Research,
New Economic School, Russia



Short bio-note:

Natalya Volchkova is an Assistant Professor of Economics at New Economic School since 2008. Her research interests are in the areas of international trade theory and policy, natural resource economics and corporate governance. She has publications in Journal of Finance and Russian economic journals and co-authored chapters in books on Russian economy.

Natalya Volchkova is also a core member of the Centre for Economic and Financial Research at New Economic School (CEFIR at NES) which she joined when it was founded in 2000 and currently she serves as its Policy Director. In this capacity she is doing applied research for various Russian Ministries and agencies, Central Bank of Russia, World Bank, EBRD etc.

Natalya earned her PhD from the Central Economic and Mathematic Institute of Russian Academy of Science in 2000. She was a visiting researcher at the Massachusetts Institute of Technology in 2001-2002. In 2008 she was awarded Fulbright scholarship and was a visiting scholar at Harvard University in 2008-2009.

Currently, Natalya serves as a member of Expert Council of Open Government, and a member of Expert Board of Agency of Strategic Initiatives.

Presentation title: Russia and European PTAs

Abstract

We analyze several regional trade agreements between the European Union and FSU countries:

- (a) between the EU and EaP countries (Ukraine, Armenia, Moldova, Georgia and Azerbaijan),
- (b) between the EU and the Customs Union (Russia, Belarus, Kazakhstan, - RuBeKa), and (c) "the Grand Unification" - multilateral agreement between the EU, EaP countries and the Russia, Belarus, Kazakhstan Customs Union.

We use the GLOBE model which is the multi-regional and multi-sector CGE model of the world based on GTAP v.8 world trade dataset (base year 2007). This dataset contains data about 129 countries and regions (social accounting matrices and data about the bilateral trade for all

countries including export and import tariffs) for 57 sectors (42 commodity groups and 15 types of services).

To streamline calculations we use the following regional aggregation: (a) the European Union as a whole, (b) the Customs Union countries (Russia, Belarus, Kazakhstan), (c) EaP countries (Ukraine, Armenia, Moldova, composite region "CIS" including Georgia and Azerbaijan), and (d) other countries: India, China, USA, Japan, and the composite region ROW (Rest of the World).

The baseline scenario in our simulations is the "Customs Union only": Customs Union between Russia, Kazakhstan, and Belarus, which means zero tariffs for commodities and services within Customs Union and common external tariff (Russian WTO tariffs for 2013).

Other scenarios include the trade agreements (a) between the EU and EaP countries, (b) between the EU and the Customs Union, and (c) between the EU, EaP countries and Customs Union. These trade agreements can be either Free Trade Agreements (which means zero tariffs for commodities and 30% reduction of service tariffs - if these tariffs were accounted) or the Customs Union (this includes the common external tariff equal to tariff of the EU).

To evaluate the welfare effect for the Russian economy we use the Equivalent Variation, which is a measure of how much more money a consumer would pay before a price change to avert this price change, so positive EV means that consumers are better off after the change.

The results of the study indicate that Russia benefits from the integration where it takes any active role. Deeper integration brings higher welfare improvement for Russia.

However, the welfare improvement in Russia is always accompanied by the fall in industrial sector, which is not very surprising. Accounting for NTB, on the other hand, changes the sectoral effects considerably.

Hans Holzacker

Kazakh Economic University named after Turar Ryskulov, Kazakhstan



Short bio-note:

Hans Holzacker is currently scientific advisor at the Ryskulov Kazakh Economic University. Before he was chief economist at ATFBank, a member of UniCredit Group, in Almaty. Hans has over 20 years experience as an economist focusing on the economies of Central and Eastern Europe, especially Poland, Czech Republic, Slovakia, Slovenia, Russia, Ukraine, Kazakhstan, and in setting up country risk rating models.

Prior to joining ATFBank in Almaty, Hans was a Vienna-based senior economist focussed on Russia and Ukraine for Bank Austria Creditanstalt. There he coordinated the “New Europe Research Network” and was in charge of in charge of CEE country rating. Hans was Senior Economist covering Czech Republic, Slovakia, Slovenia and Ukraine at the Institute of International Finance in Washington, DC from 1999-2001, Head of Country Risk/Research at GiroCredit Research, Investmentbank Austria, from 1993-99, and Central European Economist at Nomura Research Institute from 1989-93.

He holds a Ph.D. in Sociology and a Masters in Economics from the University of Vienna, and held a postgraduate scholarship in the Economics Department of the Institute for Advanced Studies in Vienna.

Presentation title: The Eurasian Economic Union and the growth of firms

Abstract

The share of the Eurasian Economic Union countries in global non-energy, non-metals exports (a proxy for diversified exports) is still tiny, despite some growth. The combined share of Russia, Belarus and Kazakhstan is about Ireland’s and smaller than Austria’s. Eurasian economic integration has to help propel EEU’s global exports, not only exports within the EEU. Both, empirical studies and the so called “new new trade theory”, which builds on Melitz’s 2003 work, emphasize that exporting firms are larger than non-exporting firms. EEU’s non-energy, non-metal firms are mostly comparably small. The question arises whether firm size itself could be a policy variable. Most authors reject such a conclusion. The fourth EFIGE policy report, for example, “Breaking down the barriers to firm growth in Europe”, recommends influencing firm size only indirectly, primarily by innovation support and lowering trade costs.

However, we believe that facilitating firm concentration should also play a role. There are basically four schools of thought with regard to the growth of firms: one sees firm growth as random walk, one as determined by the product cycle. According to the third - neoclassical - view firm growth is related to the optimal size distribution of firms, and the so called “resources based view” in the tradition of Edith Penrose sees firm’s growth constrained by the availability of resources such as management, technology, capabilities, capital, etc. For the EEU countries and particularly their non-energy, non-metal sectors history matters: public support in line with the “resources based view” is probably needed but might be highly ineffective due to weak institutions. Interestingly, the Eurasian Economic Union agreement signed on 29 May 2014 has not a lot to say about cooperation in the fields of R&D and technology transfer. However, Kazakhstan, for example, only recently has come forward with a second 5-year plan within the government’s “forced industrialization and innovation” framework, obviously relying on the “resources based view”.

No matter whether firm growth will be brought about by lower trade costs, easier access to resources or by random walk and darwinistic selection, a better EEU export performance will have to go along with faster firm concentration. To facilitate firm concentration public action is required – better M&A and bankruptcy and labor market legislation and practice, accompanied by measures aimed at easing negative social consequences and possibly preserving some national interests within the common EEU concentration processes.

Leena Ilmola-Sheppard

International Institute for Applied Systems Analysis (IIASA), Austria



Short bio-note:

Leena Ilmola is a Research Scholar in the Xevents Initiative. She is a project manager in the Game Changers and the Global Economy 2030 project. Her research theme is uncertainty; she is developing new qualitative methods for foresight and planning processes.

Ms. Ilmola is one of the founding partners of Fountain Park and a leading innovator in the company. For over 20 years she worked as a management consultant in foresight and strategy processes.

Ms. Ilmola's activities in the academic community profit from her long experience as a leader and consultant and also an innovator (web-based tools for qualitative research). Her research themes are strategic flexibility and anticipation systems. Her research builds on the Complex Adaptive Systems theory, strategic planning theories and theories on social cognition.

Ms. Ilmola is also a member of the Board of the Finnish Futures Association.

Presentation title: Foreign companies perceptions on the trade barriers in the European Customs Union (ECU)

(with Nadejda Komendantova)

Abstract

The number of regional trade agreements in the world has grown dramatically in the last decades.

Any classification of regional economic integration assumes that it can have several levels or degrees of depth, including elimination of tariff and non-tariff barriers, establishment of a common customs tariff, freedom of movement of goods, services and labour force, policy harmonization and unification and others. The pressure for deepening regional integration will be enforced by the slow global growth of the economy, which is changing the business environment.

The majority of the economic integration literature is looking at the issue from a top-down perspective, namely, from the macro level trade policy. In this study we are focusing on meso-level, such as business decision making and actual corporate practices. The aim of this project, called the "Success in the changing environment of economic integration project" is to

understand the resilience requirements of corporations when the trade barriers are changing the terms of the business constantly. In order to better understand the business environment we are studying the nature of the special challenges for business strategy and practices when operating in areas with various and changing regulations and rules. The aim of our research is to understand what the features of the successful - resilient - investment, production and distribution strategies in fast developing operating environments are.

The pre-study that consisted of five case studies indicates that corporate decision-makers that do not perceive trade barriers are not the main business challenges. Trade barriers and political risks have an impact on the potential of the economic growth. Economic growth is the main trigger of business investments.

Nadejda Komendantova

International Institute for Applied Systems Analysis (IIASA), Austria



Short bio-note:

Dr. Nadejda Komendantova is currently active as a research scholar at the Risk, Policy and Vulnerability Program at IIASA, where she is also coordinator of the Risk Governance Theme, and a senior research scholar at the ETH Zurich, Switzerland. She received her PhD in development economics with the focus on sustainable industrial development in regions of the Russian Federation.

Her research interests include perceptions of risks and barriers for foreign direct and portfolio investment into projects in transition and developing economies. She is the author of several peer-reviewed publications at the Energy Policy, Renewable and Sustainable Energy Reviews, Natural Hazards, International Journal of Disaster Risk Reduction and others. Her works received awards from the Academic Council of the United Nations and the Julius Raab Foundation. She was nominated by Austria as a reviewer of the IPCC report and is associated editor of the International Relations and Diplomacy Journal.