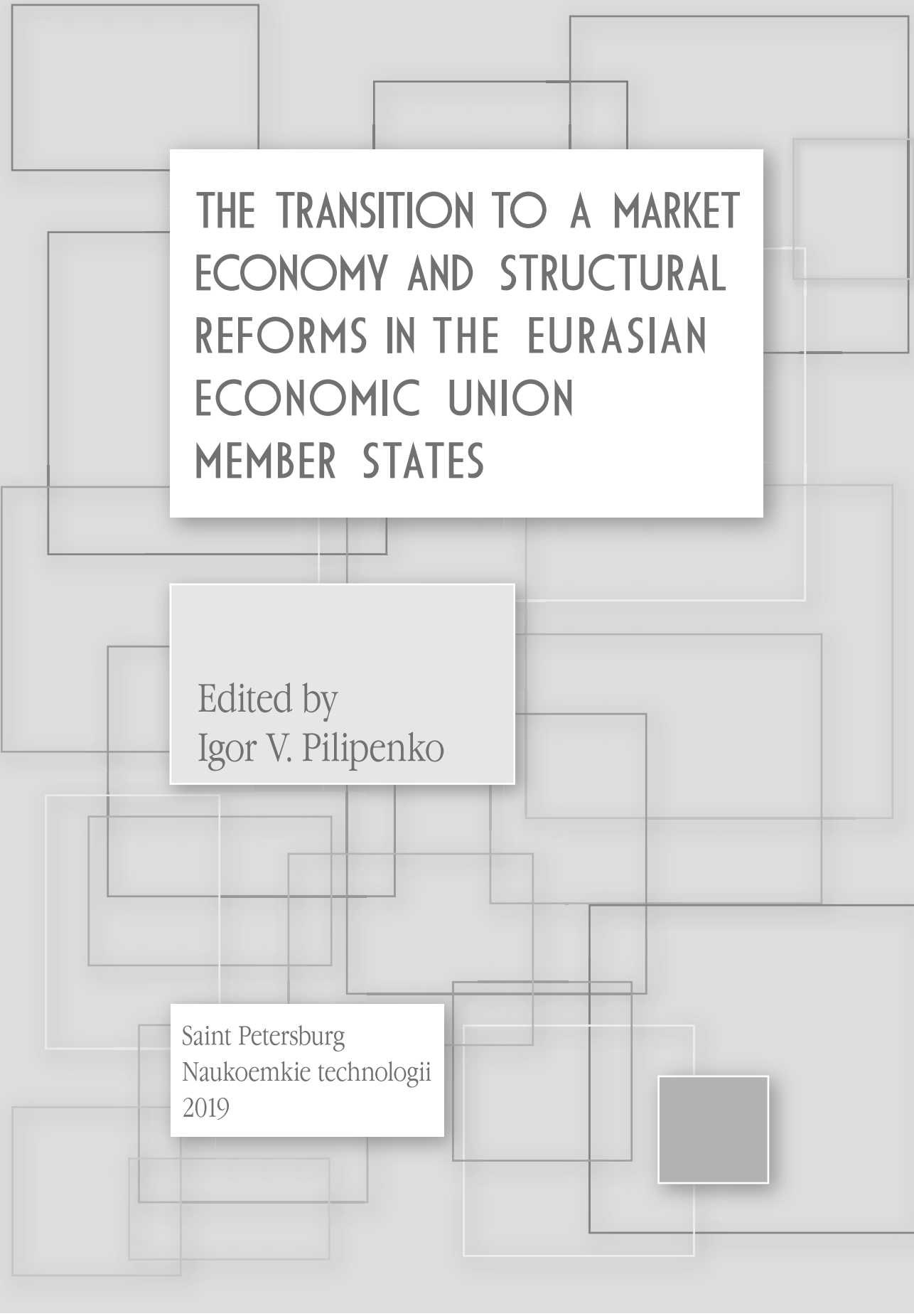


ПЕРЕХОД
К РЫНОЧНОЙ ЭКОНОМИКЕ
И СТРУКТУРНЫЕ РЕФОРМЫ
В ГОСУДАРСТВАХ-ЧЛЕНАХ
ЕВРАЗИЙСКОГО
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THE TRANSITION TO A MARKET
ECONOMY AND STRUCTURAL
REFORMS IN THE EURASIAN
ECONOMIC UNION
MEMBER STATES

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Saint Petersburg
Naukoemkie tehnologii
2019



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Pilipenko, I.V. (Ed.). (2019). The Transition to a Market Economy and Structural Reforms in the Eurasian Economic Union Member States. Saint Petersburg, Naukoemkie tehnologii Publishing House. 976 p. (in Russian).

ISBN 978-5-6042710-4-9

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Summary

In 2019, the Treaty on the Eurasian Economic Union (the “EAEU”, the “Union”) signed on 29 May 2014 has turned five years old. The same year, the idea of Eurasian integration articulated by the first President of Kazakhstan, Nursultan Nazarbayev in Lomonosov Moscow State University on 29 March 1994 has turned 25 years old. After the Treaty came into force on 1 January 2015, the Supreme Eurasian Economic Council, which is composed by the heads of state of the Union member states, approved on 16 October 2015 the following economic development priorities for the EAEU: (1) to ensure macroeconomic stability; (2) to create conditions for expansion of business activities and higher investment attractiveness; (3) innovative development and modernization of the economy; (4) ensuring affordability of financial resources and creation of an effective financial market within the Union; (5) infrastructure development and the usage of the transit potential; (6) development of the human resources potential; (7) resource saving and energy efficiency improvement; (8) regional development (interregional and transborder cooperation); (9) development of the external trade potential. The main mechanisms for the implementation of these priorities were: (1) enabling realisation of the “Four Freedoms” Principle – the free movement of goods, services, capital and labour through elimination of obstacles being in place; (2) carrying out coordinated policies in spheres of the economy with an integration potential.

At the same time, this document of 16 October 2015 identified three possible scenarios of how integration processes within the Union could develop. The first scenario was an “Own Centre of Power” in the world economy that would produce goods, which are competitive in world markets, and had a conducive environment for innovations, investments and highly qualified personnel. The second scenario was a “Transit and Resources Bridge” that would exploit its natural resources and a favourable economic-geographic location between the European Union and the quickly developing Asia-Pacific region as much as possible. The third scenario the “Prolonged Status Quo” envisaged development of the EAEU Member States based on their internal sources of growth while achieving integration effects would be postponed until after 2025, when all transitional provisions in the Treaty on the EAEU would have expired. Taking into account estimations of the integration potential, the scenario “Own Centre of Power” was considered as the most promising one.

However, the Eurasian Economic Commission (the “Commission”, the “EEC”) in its 2017 report “On the Implementation of Main Directions of Economic Development of the EAEU in 2015-2016” acknowledged that despite successful measures to maintain the macroeconomic stability under

severe external relations circumstances and falling commodity prices “the analysis of national and integration measures, realized during 2010-2016 in accordance with the above-mentioned “Main Directions” revealed diverse trends”. Also, “the intensity of regulatory measures of the member states and of the EAEU bodies depended on priorities on a national or integration development agenda”. Finally, the 2017 report indicated that from three scenarios for the EAEU development “the scenario “Prolonged Status Quo” currently dominated”.

On 6 December 2018, in anticipation of the 25th anniversary of the idea of the Eurasian integration and of the fifth anniversary of the Treaty on the EAEU the Supreme Eurasian Economic Council adopted a Declaration on Further Development of Integration Processes. The Declaration identified the following main directions: (1) enabling the maximum effectiveness of the EAEU single market and realisation of its potential for businesses and customers; (2) forming a “territory of innovations” and fostering scientific and technical breakthroughs; (3) unleashing the integration potential for people, raising their welfare and quality of life; (4) establishing the EAEU as one of the most important development centres in the world, which is open for mutually beneficial and equitable cooperation with external partners and for new formats of interaction.

Nonetheless, as the EEC stated in its report of 18 December 2018 “On the Implementation of Main Directions of Integration within the EAEU”, “the real speed of the Eurasian economic integration turned out to be lower than the envisioned one”. Moreover, “barriers are in place on the internal market *inter alia* because some facts are revealed that in practice member states just do not implement Acts of the Commission”. In addition, “the fulfilment of the task to reduce derogations and restrictions, which heads of the EAEU member states announce regularly, is still at a preliminary stage and is included only partially into the workstream on enhancement of the Treaty provisions”.

In spite of the common history of five nations, comprehensive economic linkages established within the united economy of the USSR, the common language area and the functioning of the Commonwealth of Independent States (CIS), the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation took their own path of economic development and institutional transformation in the process of the transition from a planned to a market economy. These specificities affect largely the dynamics of legislation harmonization in spheres of the EAEU competence and the process of removing obstacles to ensure implementation of the “Four Freedoms” Principle on internal markets of five countries.

This book presents a study of the transition of the Eurasian Economic Union member states from a planned economy to a market economy and of structural reforms in the 1990-2010s that was carried out using a common technique for the first time in the Russian language academic literature by teams of scholars from universities of all five EAEU states. These are the Financial University under the Government of the Russian Federation (Moscow, Russia), the Russian-Armenian Slavonic University (Yerevan, Armenia), AVAG Solutions LLC (Yerevan, Armenia), the Belarusian State Economic University (Minsk, Belarus), the Financial Academy JSC (Nur-Sultan (earlier Astana), Kazakhstan) and the Kyrgyz-Russian Slavic University (Bishkek, Kyrgyzstan). This book is based on a report prepared in November 2018 by a consortium of above-mentioned universities led by the Financial University (Moscow) in the interests of the Eurasian Economic Commission during the first stage of a research project “An Analysis of Institutional Features and Enhancement of Foundations of Institutional Structures of the Eurasian Economic Union’s Internal Market Functioning without Barriers, Derogations and Restrictions”.

This work was aimed to achieve the following goals. Firstly, a historiography on this topic was composed. Secondly, the authors of the volume carried out a detailed analysis of peculiarities of social-economic and institutional development of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation during the process of structural reforms in national segments of the Union’s single market. Thirdly, this book identified and analysed main directions (vectors) and stages (degree) of institutional development of national markets, their functional specificities, revealed institutional discrepancies between member states when the Union’s single market was formed and determined gaps in the dynamics of institutional reforms. Fourthly, an analysis was conducted in this volume that assessed how the participation of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation in partnership programmes of states and integration alliances outside the CIS affected their institutional development. Fifthly, we discussed an impact of integration processes within the EAEU on institutions of national segments of the Union’s single market.

The methodological and academic background of this study comprised theoretical and applied works of foreign economists Daron Acemoglu, Armen Alchian, Anders Åslund, Olivier Blanchard, Ronald Coase, John Commons, Harold Demsetz, Eirik Furubotn, Walton Hamilton, Nicholas Kaldor, Grzegorz Kolodko, Janos Kornai, David Kotz, Hans Peter Lankes, Gunnar Myrdal, Douglass North, Peter Reddaway, Rudolf Richter, James Robinson, Steven Rosefielde, Andrei Shleifer, George Stigler, Joseph Stiglitz, Daniel Treisman, Thorstein Veblen, Fred Weir, John Williamson, Oliver Williamson, Russian economists Leonid Abalkin,

Aleksandr Auzan, Andrey Belousov, Alexander Buzgalin, Yegor Gaidar, Sergey Glazyev, Dmitri Glinski, Leonid Grigoryev, Sergei Guriev, Evsey Gurvich, Grigorii Khanin, Andrey Kolganov, Vladimir Mau, Rustem Nureev, Viktor Polterovich, Vadim Radaev, Sergey Sinelnikov-Murylev, Oksana Sinyavskaya, Vitaly Tambovtsev, Andrey Shastitko, Leonid Vardomsky, Evgeny Vinokurov, Yevgeny Yasin and others, works by economists of the European Bank for Reconstruction and Development (EBRD), the World Bank and the Eurasian Economic Commission. The study includes also an in-depth analysis of legislative acts of the Republic of Armenia, the Republic of Belarus, the Republic of Kazakshtan, the Kyrgyz Republic and the Russian Federation adopted over last 30 years on the topic of this book.

For the purpose of this volume, we used an enhanced analysis technique of the level of social and economic development and of the institutional structure of national economies, developed and tested by Igor Pilipenko during his work in 2006-2018 in the All-Russia Business Association Delovaya Rossia, the World Bank and the European Bank for Reconstruction and Development. This method allowed *inter alia* six research teams from universities of the EAEU member states to structure and accomplish main required research within one calendar month.

Chapter 1 comprises a brief overview of academic research within the framework of institutional economics and new institutional economics, publications of Russian and foreign scholars on transition of countries from a planned economy to a market economy as well as a description of the research technique used in this book. Chapter 2 includes an overview of social and economic development of the EAEU member states during the period of the 1990-2010s. To reveal trends, we employed time series statistics from 1990 to 2017 provided by the World Bank. Subsequently, a comparative analysis of the institutional development of Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia over a 25-year period was carried out using a system of Transition Indicators of the European Bank for Reconstruction and Development, the World Bank's Doing Business reports and the Global Competitiveness Index of the World Economic Forum.

In Chapters 3 to 7, we consider in detail the institutional development of every member state of the EAEU from the beginning of the 1990s to nowadays. Each chapter identifies and analyzes main stages and features of structural reforms, their goals announced by initiators at every stage, key legislative acts adopted to realize these reforms, major results achieved during the reform process as well as goals that were not attained. We present a brief expert opinion on successful reform experience, which could be applied in other member states of the EAEU. Besides this, an impact of these countries' participation in partnership programmes of states and integration alliances

outside the CIS on their institutional development is assessed. In addition to the analysis of the institutional structure of national segments of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation, every chapter considers features of social and economic development of the EAEU member states during their membership in the Union.

In Chapter 3, firstly, an overview of the reform process in the 1990-2010s is presented and main economic development indicators of Armenia are outlined. Based on the analysis of more than 120 laws and by-laws of the Republic, a detailed analysis was carried out with regard to peculiarities of reforms in the agribusiness sector, price and trade liberalization, tax and budget reforms, energy sector reforms. We gave a special attention to the analysis of reforms in the financial sector of Armenia's economy including the reform and current state of the pension system, the regulation of the banking sector, reforms and current trends in the foreign exchange regulation, reforms and the current state of the capital market as well as the regulation of the insurance system of the Republic. A system of the state exports support in Armenia was examined separately, particularly its legislative background, institutions, infrastructure, features of the system of state exports support and promotion, financial services for exports provided by the financial sector and their availability for exporters. In this Chapter, we also considered cooperation tracks of Armenia with the European Union.

Chapter 4 presents a study of structural reforms in the Republic of Belarus based on an analysis of over 130 legislative acts (main codes, laws, decrees of the President of the Republic and decrees of the Council of Ministers). We examined reforms on price liberalization, trade and financial market liberalization, budget and tax reforms, pension and social security system reforms along with state property privatization and power sector reforms. Apart from this, a reform of state governance in Belarus was characterized through the evolution of such institutional groups as "Political Institutions" and "Economic Institutions", while cooperation with the European Union through the "European Neighbourhood Policy" and the Central European Initiative as well as cooperation with China and WTO were also considered in this Chapter. An inquiry of peculiarities of social and economic development of Belarus from the establishment of the EAEU onwards complemented the analysis of its institutional development. The Chapter also revealed the potential for the use of national currencies of the Union's member states, particularly of Russia, Belarus and Kazakhstan, employing correlation analysis between these currencies' trading at Moscow Exchange and mutual trade flows between the above-mentioned countries.

In Chapter 5, we analyzed transformation processes of the institutional structure of the Republic of Kazakhstan in a chronological order, starting from the year 1990 to nowadays. Main stages of the reforms were

characterized in this Chapter. Overall, 154 measures (stages, steps) were identified with the adoption of relevant legislative acts to build up institutional and legislative foundations to carry out monetary policy reforms, foundations of market relations in the Republic, banking and non-banking sector reforms, reforms in the budgetary system, tax policy, accounting and reporting, labour market and pension system, external economic relations, oil and gas sector, power and other infrastructure sectors, competition policy and promotion of entrepreneurship. A particular attention was paid to the system of strategic planning in the Republic, and a special focus was on the results of reforms aimed at improving Kazakhstan's scores in the World Bank's Doing Business ranking. In addition to this, the Chapter presents an overview of main indicators of social and economic development of Kazakhstan during last five years in comparison to other member states of the EAEU.

Chapter 6 contains a periodization of the reform process and an analysis of main indicators of social and economic development of the Kyrgyz Republic. This Chapter of the book considers how tax and pension reforms, price and external trade liberalization, social security system and power sector reforms were realized. An assessment of institutional advantages of Kyrgyzstan in comparison to other member states of the Union was performed with a focus on indicators of standards of living, competitiveness of the economy and business environment and taking into account an impact of formal and informal institutions. Features of the Republic's social and economic development, its exports specialization and inward foreign investments were analyzed as well as the results of the WTO membership since 1998 and international relations of Kyrgyzstan within major international organizations in the Central Asia region such as the Shanghai Cooperation Organisation and the Collective Security Treaty Organization.

Based on an analysis of more than 150 legislative acts, structural reforms and the transition process of the Russian Federation from a planned economy to a market economy is characterized in Chapter 7. We identified and examined main stages of the following economic reforms: price, foreign trade and financial market liberalization reforms, budget, tax and land reforms, pension system and social security system (monetization of social benefits) reforms. Besides this, the process of reforms in the real sector of the economy was analyzed with a focus on privatization of state property, reforms in the power sector and in the utilities sector. A special attention in this Chapter was given to reforms of state governance including the 1990 reforms that reorganized Union-Republic-subordinated ministries and state committees of the Russian Soviet Federative Socialist Republic into exclusively Republic-subordinated bodies, and to the process of creation of an institution of plenipotentiary representatives of the President of the Russian Federation in federal districts, the 2004 administrative reform and

the 2006-2010 administrative reform. An analysis of peculiarities of social and economic development and of an organization model of the Russian economy was conducted with a focus on the financial sector. Institutional specificities of monetary, budget, foreign exchange policies, of the external sector, banking services as well as stock, debt and foreign exchange markets were examined. We also considered an impact of Russia's participation in partnership programmes of the European Union and the cooperation with China on the institutional development of the country.

To identify peculiarities of institutional structures of national segments of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation according to the method used in this book, we conducted a comparative analysis of the following reforms in five member states of the Union in Chapter 8: price, trade and financial market liberalization reforms, budget, tax and pension reforms, social security system reforms and reforms in the power sector. Main stages (degree) and directions (vectors) of institutional development were revealed, and institutional discrepancies and functional specificity of national segments of the common market were characterized. In addition, this Chapter contains an overview of basic indicators of development of the services sector in the member states of the EAEU.

In Chapter 9, we assessed an impact of the Eurasian integration on institutions of national segments of the EAEU member states. Taking into consideration more than 40 legislative acts of the Union, the process of identification of obstacles being in place in the EAEU was considered as well as how these obstacles were distinguished into barriers, derogations and restrictions. In addition, perspectives to remove such obstacles in several pivotal sectors were studied, which were to contribute to the formation of a common market of the Union by 2025: pharmaceutical drugs and medical device market, the creation of the common power market, common oil and oil product market, financial services market and integration in the transport sector. We analyzed why obstacles appear and hinder implementation of the "Four Freedoms" Principle using an example of 14 obstacles from the official List of barriers, derogations and exceptions on the internal market of the EAEU.

Five annexes comprise information that complements the analysis in nine chapters of the book. Annex I presents the structure of the executive of the EAEU member states, how spheres of the EEC regulation correspond to responsibilities of relevant Deputy Prime Ministers and of relevant ministries (bodies, institutions) of five member states of the Union. In Annex II, some reference information about the evolution and current state of main institutions of state governance, state services, supervision and inspection in the member states of the Eurasian Economic Union was collected according to the spheres of regulation of the Commission. Annex III presents

a comparison of the structure of six main codes (Civil, Tax, Budget, Labour, Land and Housing Codes) of the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation. Finally, Annexes IV and V reflect the dynamics of the EAEU member states' positions in rankings by 11 indicators of the World Bank's Doing Business rankings and by 21 index components of Pillar 1 "Institutions" of the Global Competitiveness Index of the World Economic Forum. The list of references comprises 1373 sources, including 831 legislative acts of the EAEU, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, the former USSR and decisions of the Economic Council of the CIS, 449 academic literature sources, 93 statistical and references sources.

Having studied the reform process in five Member States of the Eurasian Economic Union, we can draw the following conclusions:

1. Russia was a country where economic and institutional reforms took place most rapidly during the period of 1991-1993. Later, from 1994 to 2001, Kyrgyzstan became the leading country in terms of economic liberalization. Since then, from 2002 onwards, Armenia has ranked first, and Kyrgyzstan has become second in the sense of intensity of economic reforms, as evidenced by an average of six Transition Indicators of the EBRD, which we calculated for our analysis. Since the 2000s, the Russian Federation has ranked third in terms of general economic liberalization, whereas Kazakhstan, which was second during 1997-2000, has moved to a fourth place starting from the year 2001. During the whole period, Belarus was at the fifth place among the Member States of the EAEU by progress in market reforms.

2. In 2014, before the Eurasian Economic Union was established, only Kyrgyzstan had the highest score reflecting accumulated economic and institutional reforms. However, the score value has remained unchanged from 2004 onwards, and this means that the liberal reforms process stalled during the ten-year period before the country's accession to the EAEU. The latest scores of all other EAEU Member States were lower than their maximum values reflecting more paternalist policies carried out recently. For instance, the reform peak in Armenia took place in 2005-2010 when an average of six EBRD Indicators reached its highest value ever among all the EAEU Member States. Russia's score peaked in 2012-2013, the Kazakhstan's one – during the period of 1997-1998. At the same time, there were two reform peaks in Belarus, in the year 1995 and in 2010.

3. The degree of the economic and institutional reforms' realisation in main economic sectors differs from the depth of economic reforms carried out at a macro level. Here, the Russian Federation ranked first during 2010-2016, and its average score was increasing constantly. Armenia and Kazakhstan ranked second or third, while Kyrgyzstan was at the fourth place with the degree of liberalization slightly reduced. Belarus' score in terms of

liberalization by economic sectors was steadily fifth among the EAEU Member States.

4. As regards liberalization of corporate sectors, Armenia ranked first until 2013, and then Russia caught up, whereby no greater liberalization occurred until the year 2016. Some progress in liberalization of corporate sectors took place in Kazakhstan and Kyrgyzstan. Yet, Belarus was the only state among five countries, where a modest market reform reversal occurred during the period of 2010-2016.

5. Unlike in corporate sectors, no single member state of the EAEU demonstrated more liberalization actions in the natural resources and power sectors. Quite vice versa, in the Republic of Armenia, the Republic of Kazakhstan and the Kyrgyz Republic that ranked first, third and fourth, respectively, more state presence was documented. At the same time, this indicator remained stable in 2010-2016 for the Russian Federation and the Republic of Belarus.

6. In the infrastructure sector, Russia was a leader in the EAEU in terms of market reforms realization and private sector involvement. Some liberalization occurred in 2010-2011 in Kazakhstan, however the value of this indicator has not changed since then. A slight reform reversal, i.e. less liberalization, in the infrastructure sector was observed in Armenia, Kyrgyzstan and Belarus.

7. Russia stood out considerably from other EAEU Member States with regard to institutional reforms and liberalization of financial markets, and the reforms were steadily progressing. Kazakhstan and Armenia followed Russia on the list with such flagship projects as the development of the Astana International Financial Centre in Kazakhstan and of NASDAQ OMX Armenia (Armenia Securities Exchange since 1 January 2019), which is part of NASDAQ OMX Group. The realisation of institutional reforms in the financial markets sector in Kyrgyzstan and Belarus turned out to be more modest, and therefore these two countries were closing the list of the EAEU countries ranked by this indicator.

8. Chapter 8 presents a detailed analysis of institutional differences between the EAEU Member States, directions (vectors) and stages (degrees) of institutional development as well as of functional specificities of institutional basis of the internal market's national segments. We studied in detail the results of reforms that determine the implementation of the "Four Freedoms" Principle within the EAEU: Price, Trade and Financial Market Liberalisation Reforms, Budget, Tax, Pension and Social Security System Reforms. The Reform of the Power Sector, which is one of basic sectors of every economy, was also considered in this book. It was revealed that such reforms as Price and Trade Liberalization were completed to a considerable degree in all the Member States of the EAEU but Belarus. And Kyrgyzstan as

well as Armenia were leaders in terms of progress in these reforms, since these two countries were first among the EAEU Member States to join the WTO (in 1998 and 2003, respectively). Budget and Tax Reforms were implemented most consistently and successfully in the Russian Federation, Kazakhstan and Belarus. At the same time, the Pension Reform and the Social Security System Reform are at various stages of realisation, while a system of considerable social guarantees inherited from the USSR was kept in place in Belarus. The Power Sector Reform was unleashed in a more coherent way in Russia and Armenia, and in Belarus this reform is scheduled to materialize within a framework of the common power market of the EAEU.

9. There are following reasons for obstacles (barriers, derogations and restrictions) to be in place:

- Protectionism of Member States of the EAEU that strive to restrict competition in their national segments of the internal market and not to allow companies from other Member States of the EAEU to exploit their price competitiveness, lower tax rates, etc.

- Not sufficient coordination of relevant ministries and authorities of the EAEU Member States in the process of harmonization of legislation required to remove obstacles and to ensure the realisation of the “Four Freedoms” Principle.

- Differences in legislation and in technical, sanitary and phytosanitary regulation of the EAEU Member States. From the one hand, this can be interpreted as protectionism as well, while from the other hand, it also stems from separate evolution of legislation in the EAEU Member States after the breakup of the USSR. Different large and medium business groups, business associations, other nonprofit organizations as well as international organisations also played a role affecting progress, direction and dynamics of institutional transformations in the EAEU Member States during the 1990-2000s.

- Some objective factors such as land size, distance and access to the sea can also be reasons for sustaining obstacles as these factors determine specificities of state regulation in such infrastructure sectors as rail, maritime, river transport, etc.

10. Taking into account all the different data analysed in this work, one can also infer that national interests oftentimes might prevail over the Union’s ones in the course of intra-EAEU relations. In this regard, it seems necessary for the Commission to put on the agenda measures to tackle such challenges, which would coincide with inherent national interests of the EAEU Member States, and would be reasonable and apprehensible for the population as well. Among such challenges is the need to resolve acute social problems: raising standards of living, leveling off disparities in regional development, tackling unemployment through a more comprehensive utilisation of the internal

market potential of the Eurasian Economic Union without barriers, derogations and restrictions. In the absence of ideological restrictions that were present during the formation of the USSR and of the European Union, addressing critical day-to-day problems for the population could become a long-term goal of the integration and development that could unite all the EAEU Member States.

11. To remove obstacles hindering free movement of goods, services, labour, and capital, from our point of view, it would be beneficial to readjust some lessons learnt from the experience of the European Union:

- To use more actively all the opportunities of the intergovernmental dialogue by creation of the Council of Ministers of the EAEU Member States. Heads of relevant ministries and other authorities could participate in this Council, which would become a legislative body of the EAEU, according to the main spheres of competencies of the Eurasian Economic Commission such as technical regulation, customs and tariff policy, etc.;

- To ensure a continuous interaction in each sphere of competencies of the Commission through relevant departments of national ministries/other authorities that would prepare meetings of the Council of Ministers of the EAEU;

- To organize continuous and obligatory consultations with the business community in each sphere of competencies of the Commission through regular meetings in working groups of representatives of relevant industry/sectorial business associations or of relevant bodies of nationwide business associations;

- To arrange an obligatory and strict regulatory impact assessment procedure and compel all the EAEU Member States to inform the Eurasian Economic Commission about any draft laws concerning any sphere of competencies regulated within the EAEU. The Commission should have sufficient time available (up to several months) in order to analyse draft laws and their possible impacts on the internal market of the EAEU and to give an opinion on whether suggested changes correspond to the EAEU legislation or not.

12. Taking into consideration the recent integration experience of countries with a market economy and a former planned economy within the European Union and the Soviet experience of integration of different states and territories after the breakup of the Russian Empire, one can distinguish two general approaches to overcome institutional differences between the countries:

- To amend legislative acts using legislation of an exemplary or most advanced state in any particular field. When this approach is applied, legislative bodies can pass laws that would substitute completely one or several previously existing legislative acts.

- To eliminate differences in legislative acts gradually through a comparison of acts between each other and removal of inconsistencies between them. Given that, for instance, main codes of the EAEU Member States differ considerably in terms of their structure, such approach would be lengthier in realisation but less radical as no fundamental changes in existing legislative acts would be necessary.

This book might help refine goals and enhance medium term and long term strategies of the Eurasian Economic Union's development. In case a systemic approach is applied to the resolution of the issues outstanding, it could enable an establishment of the EAEU as its "Own Centre of Power" in the world economy that produces competitive goods and creates conducive environment for innovations, investments and highly skilled labour.