11 Chronicle of Eurasian Regional Integration 2007

Nazira Tiuliundieva

Institutional Integration

Major events of political and economic integration in the region took place in the second half of the year. October 2007 signified several important political initiatives and cardinal decisions taken in accordance with the results of the summits, sessions and meetings of integration agencies, which were held in the FSU countries. The Heads of the CIS countries were also active in reaching certain important conclusions and in tackling different decisions in an economic and political way. In Dushanbe, the capital of Tajikistan, on 5-6 October 2007, the “trilateral summit” meeting of the leaders of the CIS countries (Commonwealth of Independent States), Eurasian Economic Community (EurAsEC) and Collective Security Treaty Organisation (CSTO) took place. On the 16th of October 2007 in Tehran, the Summit of Caspian States was held. Later, on the 17th of October in Almaty, a meeting of a committee of senior officials was held at the Conference on Interaction and Confidence-Building in Asia and was devoted to the 15th anniversary of the forum initiated by the President of the Republic of Kazakhstan, Nursultan Nazarbayev.

The key decisions taken as a result of the summits are the basis for the real integration of the countries. First of all, they relate to the establishment of the Customs Union within EurAsEC, the MoU concluded between CSTO and Shanghai Cooperation Organisation (SCO), Russia’s initiative on the sale of the Russian arms and special machinery to CSTO countries at the local prices, and the adoption of the Declaration from the Summit of Caspian States where the parties have undertaken not to provide their territories to any third-party countries for aggression against any of the littoral states.

The involvement of new countries into the management process of the activity of integration unions and entities is an important factor in institutional integration. The change of the General Secretaries of EurAsEC and CIS, Kyrgyzstan’s chairmanship at the next CIS summit, as well as at the CSTO session in 2008, and Tajikistan’s chairmanship in EurAsEC can all be labeled as evidence that the interests of small, non-key countries in the integration organisations have started to be more widely considered.

EurAsEC Summit

The most important conclusion of the EurAsEC Summit on 6 October 2007 in Dushanbe was the decision to establish the customs union between Russia, Belarus and Kazakhstan (for details see Establishment
of the Customs Union). With this, the important issue was the decision on the establishment of the legal base of the Customs Union and the signing of the package of documents concerning it. The Presidents of Kazakhstan, Russia and Belarus signed the treaty on the establishment of the Customs Union, its commission and the unified customs territory. The signing and ratification of additional agreements is expected to be completed in 2010.

Another important outcome of the EurAsEC Summit in Dushanbe was the change of the Secretary General of the organisation. Instead of Grigoriy Alexeevich Rapota, the new General Secretary Tair Aimukhametovich Mansurov will represent the organisation. T.A. Mansurov is Kazakhstan’s representative and he was appointed this post on 6 October 2007. Born in 1948, he graduated from the Kazakh Polytechnic Institute, Higher Party School in Moscow, with a PhD in political sciences. After the institute he worked according to his specialty: he was a concrete worker, an engineer, and then a senior engineer in the construction division “AlmatyCentroStroy”. He was also a manager in the public administration agencies in Almaty, Karaganda, and Moscow. From 1994 to 2002 – Extraordinary and Plenipotentiary Ambassador of Kazakhstan to Russia; from 1996 to 2002 – Extraordinary and Plenipotentiary Ambassador of Kazakhstan to Finland (jointly); in 2002-2003 – ambassador at large (MFA RK), advisor to the President of Kazakhstan. From 2003 to 2007 he was the akim of North-Kazakhstan Oblast.

The summit of the Eurasian Economic Community set further objectives for the organisation’s activity. The activity of EurAsEC agencies for 2008 will be aimed at the establishment of the Customs Union and the Single Economic Space. This is mentioned in the budgetary statement of the EurAsEC Inter-State Council “On Budget Policy for 2008”, which was approved by the heads of the Community’s member countries. The statement notes that one of the objectives in the Community’s further development in 2008 will be to further elaborate on inter-state target programmes for the establishment of the unified transport territory, the common energy market and the efficient use of the water and power resources of the Central Asian region. Included amongst the main priorities of EurAsEC are: the development of peaceful use of nuclear power, progression in the fields of modern science and technology, information technologies, biotechnologies, nanotechnologies, microelectronics, alternative power sources etc. EurAsEC will aim to continue working on the development and improvement of cooperation in the social and humanitarian area and in the area of migration policy. As the budget statement mentions, the budget policy in 2008 “must be implemented with the consideration of the basic activity directions of EurAsEC in the real economy sector.

1 Resolution No. 346 “On Establishment of the Legal Base for the Customs Union within EurAsEC” (http://www.evrazes.com/ru/main/infopage/190/).
2 Resolution No. 1 “On Establishment of the Legal Base for the Customs Union within EurAsEC” (http://www.evrazes.com/).
and must support the deeper economic integration of the Community’s member states”. In 2008 the budget policy, with regard to revenues, will be aimed at the current and full payment of the countries’ shares to the Community’s budget in accordance with the obligations outlined, as well as at not letting them fall into debt. With regard to expenses, it is necessary to use the Community’s budget funds strictly according to the target use, including the financing of EurAsEC agencies, interstate target programmes and investment projects. As mentioned in the document, great significance in the financing of investment projects and programmes will achieved by cooperation with the Eurasian Development Bank. The statement highlights that “at the same time it is necessary to observe the principles of transparency when spending the budget of funds”. The document also states that due to the integration of CACO in EurAsEC and the Republic of Uzbekistan joining the Community, the EurAsEC budget in 2006 will increase from 109 million to 145.4 million Russian roubles. In 2006 the growth of the member states’ economies continued, and practically all of the basic social and economic indicators improved. Thus, gross domestic product increased in comparison with 2005 by 7%, production of consumer products by 4%, and production of agricultural products by 3%. According to a preliminary assessment, mutual trade constituted 70 billion USD.


A Session of the CSTO Security Council was held on 6 October 2007 in Dushanbe. During this CSTO Session the heads of the member countries (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan) approved the package of documents on joint peacemaking activity, and came to an agreement on the development of the military-economic cooperation. According to the results of the session, the decision was reached to establish two coordination councils: on the fight against illegal migration and on emergencies.

The MoU between the SCO Secretariat and CSTO was signed. In accordance with the MoU, interaction between the two organisations will be implemented in the following areas: provision of regional and international security, stability; counteraction to terrorism; fight against (and prevention of) illegal drugs and weapons trafficking; counteraction to organised transnational crime; and in other spheres that represent mutual interest. Thus, the CSTO countries set new priorities and extended their capacity, thanks to cooperation with SCO on security issues.

With regard to the fight against illegal migration, the member countries of CSTO intend to cooperate with EurAsEC. It was supposed that in the very near future, the coalition council of the heads of migration services would be established, and its tasks would include regulation of the labour migration, harmonisation of the countries’ legislation and adoption of measures on prevention of illegal migration from third-party countries. Thus, the CSTO member-countries decided to focus their efforts
on separate areas of cooperation, with both SCO and EurAsEC having excluded duplication in the above-mentioned areas of interaction and thus encouraging enhanced performance of the organisation.

The main outcome of the CSTO summit was the signing of the **Cooperation Agreement on Security Issues with Shanghai Cooperation Organisation**. This document consolidates the common targets and directions of the bilateral activity of the international Eurasian organisations. According to this document, SCO and CSTO will now exchange information, hold consultations, lay out joint programmes and measures for the development of cooperation on securing regional and international security and stability, and aid each other in the counteraction of terrorism, illegal drugs and weapons trafficking, and transnational organised crime. The Cooperation Agreement between CSTO and SCO is aimed at the liquidation of duplicating agencies and the establishment of a unified security system from Belarus to China.

During the session of the Collective Security Treaty Organisation, Russia offered the member-countries the option to buy Russian arms and special machinery for their armed forces and special services at local Russian prices. Moscow also expressed the wish that other CSTO members – Armenia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan or Uzbekistan – should take more active roles in international peacemaking activities.

The outcome of the session was that the Declaration of the heads of the states was adopted, which developed the main conclusions of the organisation’s aim in supporting peace and stability within the area of its responsibility, and which stated the priority directions of these activities. The CSTO document appeals for fulfillment of the obligations stipulated by international agreements, and for peaceful settlement of the Iranian nuclear problem. It also prevents the forced settlement of frozen conflicts. One of the key components in the agenda of the Session of the CSTO Security Council was the issue of establishing peacemaking forces. According to the Deputy Minister of Defense of Tajikistan Ramil Nadyrov, the establishment of peacemaking forces in the CSTO format will allow the Organisation’s member-countries to take part in peacemaking operations under the banner of the UN – not only in the territory of the organisation’s member-countries, but also in the territory of other states. A full package of the documents discussing the establishment of the CSTO peacemaking forces has already been coordinated. The General Secretary of CSTO Nikolai Bordyuzha expressed the opinion that the CSTO peacemaking forces could be positioned in South Ossetia and Abkhazia. So far it is expected that the peacemaking forces will take part in operations in accordance with UN mandates and will be used upon the decision of the CSTO Council. During the CSTO session Kazakhstan also offered a few initiatives. In particular, the President of Kazakhstan made the proposal to include the issues of ecological and power security into the list of issues, because they are transnational and directly relate to the interests of all member-countries. According to N.Nazarbayev,
the “provision for collective power security will be encouraged by the adoption of the Eurasian Pact of Stability of Power Supplies”.

Initiatives in the area of provision for global power security were also mentioned by the President of Kazakhstan during the work of the 62nd Session of the UN General Assembly in New-York in September 2007, when the President of Kazakhstan stated his idea of developing the Global Power Ecological Strategy.

The Summit of the Leaders of Caspian States on October 16, 2007

Relying on dialogue to solve problems in the strategically significant post-Soviet territory – Caspian region – was a success during the summit of the leaders of Caspian States in Tehran, held on October 16, 2007. The Presidents of the five neighbouring states to the Caspian Sea: Russia, Iran, Azerbaijan, Kazakhstan and Turkmenistan discussed the most significant components of regional policy and the different approaches used in tackling the problems that were rising due to the legal status of Caspian Sea. A Joint Declaration was accepted following the results of the summit. Its signing became a critical point in the negotiations that have already lasted 12 years. The adopted document is not final, as the Convention on Legal Status of the Caspian Sea will become the full and official document.

The final declaration or “Pact of Political Stability” in the region, as the mass media dubbed it, consolidated the current political level agreements of the States on the general issues of the legal status of the Caspian Sea, such as the security and stability of the sea, and on the problems concerning the position of the Caspian States according to separate aspects of international relationships (consolidation of the role of the UNO, International Atomic Energy Agency, non-proliferation of nuclear weapons, international terrorism). The Declaration especially stresses the necessity to activate the negotiation process for these problems. As a result, the following decisions were taken: the Heads of the States agreed to conduct a summit once a year and to hold meetings on the level of the Ministers of Foreign Affairs twice a year. The Declaration also states that the Caspian Sea shall be used exclusively for peaceful purposes and that the five states should decide any problems on the sea using only pacifistic methods. In addition, they agreed on the establishment of expert groups to solve the problems of stability and safety, joint biological resources conservation, reproduction and preservation of ecological safety of the Caspian Sea.

In the process of the Caspian Summit, the President of Kazakhstan proposed to revise the existing mechanism of allocating quotas for biological resources, where Iran possesses 45%, Russia 27%, and Kazakhstan, Azerbaijan and Turkmenistan 28%. Moreover, the President of Kazakhstan pointed to the necessity of holding back the item discussion on free transit through the sea in the forthcoming Convention on the Legal Status of the Caspian Sea. In this case it concerns not only the vessels but also the transit of energy carriers. With this method, the
routes of the pipelines will be coordinated with the territories of the countries. The decision made by the summit’s participants to deny the use of their territory to third-party countries for aggressive purposes against coastal states became the main and strategic result of the summit. The appearance of this item in the text of the Declaration could be interpreted as a diplomatic success for Iran. The signed Declaration finally settled all the geopolitical claims of the world players. It actually forbids the presence of the West in the Caspian region.

Participants of the summit also raised questions concerning the establishment of new international routes to transport cargoes on the Caspian Sea and from the Caspian Sea to the Sea of Azov and the Black Sea. Particularly, the ability to develop the international “North-South” transport corridor was discussed.

One more important result of the summit was the agreement of closer economic integration for the five Caspian States. This fact is attested by the decision of the Heads of the Caspian States to conduct the Conference on Economic Cooperation in Russia in summer 2008, where they plan to discuss the problems of development of sea, railway transport, trade, tourism, biological resources conservation and reproduction. The next summit of the Caspian States will be held in Azerbaijan in 2008.

The proposal of the President of Iran, Mahmud Akhmadinezhad, to establish a new Caspian integration structure is symbolic. This proposal brings about the conclusion that mechanisms of problem solving in the process of integration meetings about the Caspian Sea are implemented. This fact clearly illustrates that the leading country-players of the region realise the need and potential that these integration structures have to solve unsettled, disputable intergovernmental problems within water area of the Caspian Sea, where geopolitical interests of leading world forces meet.

*Conference on Interaction and Confidence-building Measures in Asia held on October 17, 2007*

The meeting of the representatives of another integration union, in which coverage is wider than post-Soviet territory, was held on October 17, 2007. On October 5, 2007, 15 years after the day when the President of Kazakhstan, Nursultan Nazarbaev, initiated a meeting of the Conference on Interaction and Confidence-building Measures in Asia (CICMA) from the UN chair. Pursuant to the decision of the second summit of the Heads of the States and Governments of CICMA, the 5th of October was declared an official holiday – the Day of CICMA.

A solemn meeting of the Committee of senior officials of CICMA was held at the level of the Deputy Ministers of Foreign Affairs in Almaty. In the opinion of the Minister of Foreign Affairs of the Republic of Kazakhstan, Marat Tazhin, general efforts by CICMA achieved the next stage of its development – the execution of confidence-building measures among member states in humanitarian, economic and ecological areas, and in
the sphere of the struggle against new challenges and threats. The idea of calling the Conference on Interaction and Confidence-building Measures in Asia resulted in the establishment of a notable international forum, the area for the dialogue and search of mutually acceptable measures to find a solution to the problems and conflicts in the region. It is expected that the Conference on Interaction and Confidence-building Measures in Asia will soon receive the status of rightful observer under the UN General Assembly. Today the forum integrates 18 states, occupying 90% of the territory of Asia, and their population amounts half of the population of the Earth. Other countries also desire to become rightful members of the Conference. This fact is witnessed by the global community, which widely acknowledges the purposes and activity of CICMA.

The Summit of the States of CIS

The Summit of the States of CIS was held on October 5, 2007, and the result of this was that 17 agreements were signed. The Presidents of Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan and the Head of the Ministry of Foreign Affairs of Ukraine took part in the summit.

The prospective of the further development of the Commonwealth was one of the main agendas of the summit. It was agreed that one main theme would be chosen once a year. Migration became the first theme in 2007 (for more details see the section Problems of migration in CIS). It is evident that this is very considerable problem for all the states of the CIS, including the Russian Federation. An agreement was reached to establish a special body for coordinating positions on migration. The Declaration on Coordinated Migration Policy of the States of the CIS was accepted. Cooperation on security resulted in the adoption of draft legal documents.

Georgia, Moldova, Azerbaijan and Turkmenistan refused to sign the Declaration on Coordinated Migration Policy. However, the document for the support of the chairmanship of the Republic of Kazakhstan in OSCE did not cause discord and was signed unanimously. The proposal of the Head of Kazakhstan for the establishment of the Economic Union of Central Asian states will be noted among the other initiatives of the Kazakhstan party in the summit held in Dushanbe. In the opinion of the President of RK, the necessity of such integration was caused by the requirement “to permit the strong 50-million region to establish an independent market, applying both economic and political means”.

4 http://www.cis.minsk.by/webnpa/text.aspx?RN=N90700504#dekl
5 Decision on the Program of cooperation of the member states of the Commonwealth of Independent States in the struggle with terrorism and other violent manifests of extremism for 2008-2010; Decision on Intergovernmental Program of joint measures to struggle against crime for 2008-2010; etc.
The prospects of CIS development are rather multifaceted and diversified. It is not by accident that the heads of the states have insistently returned to the question of the model of further CIS developments during the last two years. In the process of the previous CIS summit held on November 2006, its Chairman, N.Nazarbaev, proposed the Concept of CIS Reforming, which included the understanding of the CIS as an independent space of post-Soviet integration. The Concept proposed then by the President of Kazakhstan, or as it was called during the October summit, the Concept of Further Development and Improvement of the CIS, and the Plan for its Implementation were the main items on the agenda for the October summit of the Commonwealth.

The affirmation of the concept of further development in the Commonwealth and the plan of main actions for its implementation is a significant step forward from dissociation and centrifugal trends to centripetal tendencies. The conception provides for the long-term successive reform of the CIS and is designed to transform the CIS into a capable organisation and to enable its future development. Today, the major purpose of CIS development is the formation of integrated economical and political association of interested states, providing effective development of every its participant in long-term prospective.

The majority of its participants, excluding the President of Georgia, M. Saakashvili, signed the documents of the summit. Turkmenistan also refused to sign the concept document, which reduced the level of its participation in CIS to associated membership some years ago. Azerbaijan took a special position on the problem of future CIS development. The President of Azerbaijan, I. Aliev, signed the concept of further CIS development but reserved special opinion. This means that Azerbaijan will participate in the execution of the document, but only selectively. Other states also keep to such practices, as membership in CIS does not assume any obligations.

Pursuant to the accepted concept, the increase in efficiency of the Commonwealth’s activity will be the main purpose of the forthcoming CIS development stage. It will be required to achieve a singular understanding of the legal status of decisions of CIS agencies, and must be able to enable the states to execute taken obligations, and monitor their execution.

The concept provides for the evolutionary improvement of existing structures without abruptly breaking of what was already acquired, therefore keeping a wealth of experience. The main purposes of the Commonwealth, and the total vision of their achievement, and the mechanisms of the Commonwealth’s functioning body and its organisational enhancement, are outlined in the concept document.

The main purposes of CIS development are:

- To support social and economic stability and international security;

• To strengthen good-neighbourly relations between the member states of CIS, based on mutual respect of interests;
• To increase the competitiveness of the member states, to ensure their entrance into the global economy to achieve progress and prosperity in the territory of the Commonwealth and in the member states of the CIS;
• To achieve maximum efficiency in joint solutions of the problems caused by the globalisation, use its advantages;
• To increase the living standards and welfare of the citizens of the member states of the CIS;
• To contribute to the access of every member state of CIS to the World Trade Organisation;
• To oppose traditional and new threats and challenges;
• To develop cooperation in the humanitarian sphere;
• To implement basic international principles and standards in area of democracy and human rights;
• To bring together further national legislations of the member states of the Commonwealth in different spheres of multilateral cooperation, basing on admitted principles and regulations of international law;
• To provide efficient dialogue area on all the levels to implement above mentioned purposes and prepare the Commonwealth to new stages of advanced cooperation.

When elaborating the methods of further CIS development, the member states will proceed from the necessity to keep achieving and strengthen their existing positive experience. A new qualitative level of interaction will be reached gradually and step-by-step. The Commonwealth will be entrusted with a large volume of the work at every stage, which it should fulfill successfully in the interests of all the member states. With it, the diversified character of CIS unlimited with separate spheres of cooperation will be preserved. All new and existing spheres of interaction will be developed harmonically.

Priority directions of the activities of CIS such as: the development of economic integration, cooperation in the humanitarian sphere, and the provision of stability and security, are also affirmed in the document.

Today, economic cooperation is the top-priority task in the CIS. Fully-fledged trade and economic interaction of the member states of CIS is a necessary condition for the stable development of the states of the Commonwealth. Economic relations within the CIS will be based on market principals, mutual respect and mutual benefit. The economic purpose of the CIS on the current stage will become the completion of the formation of the free trade zone and its further improvement pursuant to the principles, rules and regulations of the WTO. It is necessary to take complex measures in this area and elaborate the Strategies of CIS economic development, the mechanism of economic cooperation of the member states of the CIS, the appointing of priorities directed to assist the development of national economies, the close cooperation in mutually
beneficial economic areas, the establishment of new investments and technical bases of production in essence, the provision of progressive structural transformations in economy, and the strengthening of the scientific and technical potential of the states of the Commonwealth.

With it, pursuant to the document, the main role will be given to activities according to the following priority directions:

- The completion of the introduction of a full-scale regime of free trade;
- The liberalisation of the conditions and further development of mutual trade, and cancellation of current restrictions and withdrawal from the regime of free trade, including those concerning the import of raw materials and export of ready products to provide free access of for the products of national manufacturers to the markets of the member states of the CIS;
- The development of a conformed line for energy resources and transport services, development of common markets for separate types of production – firstly, agricultural products;
- The development of interaction in areas of transport, including the formation of the network of international transport corridors in the territory of the CIS; the increase of efficiency of tariff policy and the removal of affection on national level of fiscal and administrative barriers, when implementing international freight traffic; the increase of the level of interaction between various types of transport in transit transportation; the harmonisation of national systems of air traffic organisation of the states of the CIS according to the standards and regulations of international organisations of civil aviation;
- The intensification of cooperation in areas of energy to increase the reliability of power supply and to optimisation of fuel and energy resource use;
- The multilateral cooperation in areas of extraction, transportation and transit of hydrocarbons;
- The development of production cooperation relations between the enterprises and the technologically related productions, the development of intergovernmental programmes on technical re-equipment, innovation technologies, the interaction on the advanced directions of scientific and technical cooperation;
- The development of military and economic cooperation of interested states with the help of interaction of national military-industrial complexes, when developing, updating, maintaining, providing exploitation and utilisation of military products, and diversification and conversion of military production;
- The development and implementation of big large-scale joint investment projects, in the first place in area of transport, energy and
telecommunications, providing significant influence on development of economies of the states of the Commonwealth;

- The establishment of efficient mechanisms of payment and account relations;
- The establishment of financial and industrial groups, transnational companies, joint enterprises and other forms of economic cooperation;
- Integration with the world economy;
- The establishment of the network of information and marketing centres for the promotion of goods and services to national markets of the member states of the CIS;
- The creation of favourable legal, economic and organisation conditions for an extension of leasing the activity in the CIS.
- Adjusting methods of exchanging opinions on key global policy problems, the development of cooperation in the observation of elections and referendums, the establishment and development of contacts and mutual benefit cooperation with other regional organisations and integration consolidations are planned in the political sphere.

It is expected that the Plan will define the methods of approaching the national laws of the member states of the Commonwealth in various areas of multilateral interaction, based on the accepted principles and regulations of international law, within the area of intergovernmental cooperation.

Humanitarian cooperation is the most important element of interaction within the Commonwealth. The Plan of the Conception implementation contains measures for further development of total educational, scientific, information and cultural spaces, health care, sports and tourism. Forums for communication and interaction with the representatives of social organisations, mass media, academic circles, creative intellectuals, business, local government and citizens on key directions and questions about Commonwealth activities will serve for this purpose.

The Plan provides for the development of various target programmes to increase the information awareness of society, the strengthening of the peaceful culture, the practice of intercultural dialogue, and tolerance in national and religious questions in area of security. The most basic of measures is directed to activate the efforts of the member states of the CIS in the area of the struggle against international terrorism and other manifests of extremism and international organised crime, including the illegal turnover of weapons, narcotic drugs and psychotropic substances, in counteraction to corruption, legalisation (laundrying) of profits gained illegally, human trafficking, information technology crimes, in the registration and protection of national borders.

To raise the effectiveness of the Commonwealth, it is planned to appoint national coordinators from high officials to monitor the execution...
of the decisions of the high agencies of the Commonwealth pursuant to national law in the member states of the CIS.

**Development of Security Legal Base on October CIS Summit**

The states of CIS, as well as the world community, have to oppose various global challenges and threats. It is impossible to struggle effectively against the growing levels of international terrorism, organised crime and drug dealing without coordinated collective efforts.

Cooperation development of law-enforcement machinery of the states of CIS received a new impulse, when the heads of the states signed the **Agreement of the member states of the Commonwealth of Independent States of counteraction to legalisation (laundering) of criminal profits and finance of terrorism**, which focused on the improvement of the legal base and cooperation in this sphere, and the **Agreement of cooperation of the member states of the Commonwealth of Independent States on counteraction to the theft of cultural artefacts and provision for their return**, which was developed to implement coordinated measures to prevent, suppress, reveal, or disclose infringements of the law concerning the theft of cultural artefacts, their search and provision for their return.

The experience of integration development of CIS shows the theme of cooperation in area of security is one of the most topical. Today the Commonwealth possesses the complex of base agreements and programs on joint counteraction to current challenges and threats, which are implemented successively. The Presidents approved the **Intergovernmental Programme of Joint Measures of Struggle against the Criminality for 2008–2010**, the **Programme of Cooperation of the Member States of the Commonwealth of Independent States in the Struggle against Illegal Turnover of Narcotic Drugs, Psychotropic Substances and their Precursors for 2008–2010** and the **Programme of Cooperation of the Member States of the Commonwealth of Independent States in the Struggle against Terrorism and Other Violent Manifestations of Extremism for 2008–2010** for the change of implemented programmes.

The Deputy UN General Secretary and Executive Director of United Nations Office on Drugs and Crime, Antonio Maria Costa, who took part in the summit as an observer, spoke to the heads of the states on the subject of narcotic drugs and possible ways of cooperation in this direction.

---

He noted that the flow of narcotic drugs coming from Afghanistan promised not only consequences in healthcare but would also bring in big revenue to extremists and finance terrorism. According to his figures, approximately 70% of Afghan opium is raised in southern regions of the country and controlled by the Talibs, and about 20% of heroin is produced in Central Asia and passes through this country. It amounts to over 200 tonnes. The UN representative expressed regret of the fact that just 4% from the total volume of Afghan narcotics is withdrawn. He also expressed confidence that the CIS may play a key role in the resolution of the problem by blocking the northern route of narcotic traffic.

The heads of the states also approved the Protocol of affirmation of the Provision for the organisation of interaction of border and other agencies of the member states of the CIS in assisting in the initiation and adjustment (liquidation) of crisis situations on external borders, which aims to discover bases of organisation and mechanisms of interaction, the order of joint actions and decisions of concerning disputable questions, and legal status of the group.

The Presidents signed the Agreement of social and legal guarantees to the staff of CIS Collective Peace-Keeping Forces, elaborated to provide security and protection of the staff of the CIS Collective Peace-Keeping Forces (CPKF), when executing peace-keeping operations on the territories of the member states of the CIS, and including complex measures aimed to keep CPKF in operational readiness, creation of favourable conditions for them to implement assigned tasks appropriately, and to strengthen social and legal protection of the staff of the CIS Collective Peace-Keeping Forces and members of their families.

Appointment of S.N. Lebedev to the Post of the Executive Secretary of CIS

Sergei Nikolaevich Lebedev was appointed to the post of the Chairman of Executive Committee, the Executive Secretary of CIS, on October 5, 2007. S.N. Lebedev was born on April 9, 1948 in Dzhizak town (Uzbek SSR), and finished secondary school with a gold medal in 1965. When he graduated from Chernigov subsidiary of Kiev Polytechnic Institute in 1970, he stayed at the Institute, and was elected as the Secretary of Chernigov City Committee of Komsomol in a short time. Lebedev served his military obligations in the Kiev military district in 1971-1972, then worked in the Chernigov regional committee of VLKSM. He served in state security agencies from 1973 and in foreign intelligence (the First Main Department of KGB of USSR) from 1975. Lebedev passed his counterintelligence preparation (Kiev school of KGB) and intelligence training (Krasnoznamenniy Institute of KGB). He graduated from the Diplomatic Academy of MFA of USSR with honours in 1978. S.N. Lebedev speaks both German and English. He was the official representative of the foreign intelligence service in the USA between 1998 and 2000. He was appointed the Director of SVR by the Decree of the President of RF on May 20, 2000. His military rank is Army General. He possesses many state awards.
Results of Industrial Council Work of CIS for the year

52 documents, introduced by the agencies of industrial cooperation, were accepted into the meetings of the Council of the Heads of States of the CIS, the Council of the Heads of the Governments, the Council of the Ministers of Foreign Affairs and Economic Council of the CIS in 2007. They include the following: the Agreement of the formation of general electric energy market of the member states of the CIS, Actions on development of leasing for agricultural equipment, machinery and devices in the member states of CIS for the period till 2010, the Protocol of amendments to the Agreement of coordinated policy for standardisation, metrology and certification dated March 13, 1992, Intergovernmental programme of joint anti-criminal actions for 2008–2010, Program of cooperation of the member states of the CIS in the struggle against the illegal turnover of narcotic drugs, psychotropic substances and their precursors for 2008–2010 and others.

The Meeting of the Council of the Heads of the Governments of CIS Held in Ashgabat

Delegations of Moldova, Kazakhstan, Azerbaijan, Armenia, Georgia, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Belarus, Ukraine and Russia participated in the regular meeting of the Council of the Heads of the Governments of the CIS on November 22, 2007. 27 and their questions were presented for discussion. The participants focused their attention on the development of cooperation in the areas of fuel and energy complex, finance, and border and interregional interaction.

Problems on transport and transport infrastructure were emphasised. They did not succeed in reaching a full unity of positions. The Russian Federation refused to sign an agreement on the market of motor transport services in the territory of the Commonwealth of Independent States. Russian experts noted an infringement of Russia’s interests in this proposal. Despite this, a record attendance of the Prime Ministers for the last years was fixed in Ashgabat, they demonstrated the readiness to take serious decisions, and openness to the discussions on disputed issues. Undoubtedly, the participation of the President of Turkmenistan, Gurbanguly Berdymukhamedov, who negotiated with Victor Zubkov for a relative extension of trade and economic cooperation between Russia and Turkmenistan, gave weight to this meeting.

Gurbanguly Berdymukhamedov called the heads of the Governments to participate in one of the most large-scale projects in the transport and communication sphere, the establishment of transport corridors combining railway and sea routes. “If the ferry service connects sea ports between Astrakhan, Turkmenbashi and Aktau (Kazakhstan), and the railways connect Kazakhstan, Turkmenistan and Iran, significant possibilities will be opened for foreign transportation on the North-South, West-East routes for the states of the CIS”, the President of Turkmenistan stressed.

Shanghai Cooperation Organisation

Anti-terror maneuvers “Peace Mission-2007” were held within the Shanghai Cooperation Organisation in August. As it was mentioned above, a Memorandum of Understanding was signed between the secretariats of the Shanghai Cooperation Organisation and Collective Security Treaty Organisation in Dushanbe. Also two packages of the documents on the regulative and organisational formation of mechanism of peacemaking activities within the CSTO and on enhancement of regulative legal base of activity of Intergovernmental Committee on Military and Economic Cooperation (ICMEC) were signed at the same summit of the member states of the CSTO.

The meeting of the Council of the Heads of the member states of the Shanghai Cooperation Organisation was held on August 16, 2007 in Bishkek. Pursuant to the agreement achieved on the anniversary meeting of the Council of the Heads of the member states of SCO (Shanghai, June 15, 2006), the Heads of the states signed the Agreement of long-term neighbourliness, friendship and cooperation of the member states of the Shanghai Cooperation Organisation. The leaders of six countries signed the Bishkek declaration and affirmed the Plan of actions for the member states of SCO on provision of the international information security (IIS), elaborated as development of the Statement of the member states of the SCO on IIS dated June 15, 2006. The authorised representatives of the member states of Organisation signed the Agreement between Governments of the member states of the SCO of cooperation in the area of culture. Significant agreements between financial and economic structures of the SCO, Business Council and Interbank Association were signed.

The Memorandum of Understanding Signed between EurAsEC and Two UN Regional Committees

The secretariats of the UN Economic Commission for Europe (ECE), UN Economic and Social Commission for Asia and Pacific Ocean (UNESCAP) and secretariat of Integration Committee of Eurasian Economic Community (EurAsEC) concluded the Memorandum of Understanding on May 23, 2007. A Reporter of the agency “Interfax-Kazakhstan” testified that the document was signed in Almaty during the 63rd session of UNESCAP. The Executive Secretary of UNESCAP, Kim Khak Su, the Executive Secretary of UNECE, Marek Belka, and the General Secretary of EurAsEC, Grigoriy Rapota, signed the Memorandum.

Integration of Organisation “Central Asian Cooperation” with Eurasian Economic Community

Uzbekistan ratified the Protocol of integration of the “Central Asian Cooperation” organisation with the EurAsEC on April 3, 2007. The Law “On Ratification of the Protocol of Integration of the Central Asian Cooperation organisation with the Eurasian Economic Community” (Minsk, January 25, 2006), signed on the eve by the President Islam
Karimov, was published in official mass media on Tuesday and came into force” – “Interfax” was informed by the press service of the President. Earlier the Legislative house had accepted it on January 26, 2007 and the Senate approved the document on the plenary meeting on March 30. The press service remarked that the adopted law contains proviso of non-usage relatively the Republic of Uzbekistan of stated documents in the annexes concerning use of water and energy resources of Naryn-Syr Darya cascade of reservoirs in 1998 and 1999, the execution term of which is expired, and of the activity of the Central Asian Bank of Cooperation and Development (CABCD) in connection with the fact that its subsidiary bank “Tashkent” ceased its activity in 2003. Provisos were made according to Article 24 of the Law of the Republic of Uzbekistan “On international treaties of the Republic of Uzbekistan”.

**Cooperation of Russia and Kazakhstan**

In the process of an official visit of the President of the RF to Kazakhstan on May 10, 2007, prospective of further cooperation between the RF and RK actually on all the questions of bilateral interaction was discussed and planned. The highest priority directions of cooperation are research of the space, transport, industry, fuel and energy complex, cooperation between regions of two countries.

The plan of actions for cooperation in 2007–2008, which defines special directions of bilateral cooperation, terms of their implementation and responsible representatives of the parties, including the solution of social problems of population of Baikonur, was affirmed. This plan of actions creates a good basis for complex development of integration processes.

The agreements on the establishment of an international centre for uranium enrichment, on establishment of subsidiaries of trade representative offices of the Republic of Kazakhstan and the Russian Federation were signed. The signed agreement on cooperation in the nuclear area, in the sphere of the peaceful use of nuclear energy is an extremely significant decision for cooperation between Kazakhstan and Russia.

Agreements on the joint use of Baikonur, enhancement of transport and energy infrastructure, simplification of regimes in control points on Russian and Kazakhstan border will be reached in the near future.

The President of Kazakhstan raised the problem of the possible extension of the Caspian pipeline consortium (CPC). Agreement of admissible prices for gas was achieved on existing joint project of extension of Orenburg gas and condensed fluid processing plant at Karachaganak field.

**Relations between Russia and Belarus**

The President of the Russian Federation V.V.Putin visited, in an official capacity the Republic of Belarus on December 13–14, 2007

In the process of negotiations of the President of Russian Federation V.V.Putin, with the President of the Republic of Belarus and regular
meeting of High State Council of Union state, the Parties discussed a wide range of Russian and Belarusian relations, considering the development of integration processes within the union, building and actual international problems. Priority attention was given to Russian and Belarusian cooperation in trade and economic, fuel and energy areas. A memorandum of the current stage of development between the Russian Federation and the Republic of Belarus, concerning importance of implementation of bilateral agreements in the economic sphere and provision of the Republic of Belarus with governmental loan by the Russian Federation, was signed.

The parties expressed their support of the rapid establishment of an actual customs union, extension of interregional relations, intensification of industrial cooperation and establishment of highly-efficient joint ventures, including implementation of union cooperation programmes. It was noted that the Russian Federation and the Republic of Belarus will take agreed actions concerning accession to the WTO, coordination of tariff and nontariff policy and extension of mutual trade.

The heads of the two countries stressed the significance of the execution of the Agreement of provision of equal rights of the citizens of Russia and Belarus for freedom of movement, choice of residence on the territories of the member states of the Union State, concluded between the Russian Federation and the Republic of Belarus. Efforts will be applied to implement the concept of the social development of a Union State, provision of agreed approaches in areas of education, healthcare, science, sports and culture. It is necessary to execute the agreement of the property of the Union state, which shall fix joint status of the property created within the union building and deal with basic questions of its use. In the area of military and military technical cooperation, the Presidents of Russian Federation and the Republic of Belarus marked high level interaction between Russia and Belarus, stressed the significance of strengthening of collective security, including within the Collective Security Treaty Organisation, and the efforts of all the international community on counteraction to new global threats and challenges.

Evident progress was not noted in the building of the Union between Russia and Belarus. The most important decisions were noted in the Statement for the press along with answers for questions according to the results of the meeting of High State Council of Union state of Russia and Belarus on December 14, 2007. To provide gradual transfer of bilateral energy cooperation to universal market principles, provided the parties shall obligatorily execute previously signed agreements and contracts, the Russian Federation took the decision to provide Belarus with state credit to the amount of $1.5 billion. It was declared Gazprom prices for gas supplied to Belarus would not be increased. Gazprom will execute in full volume all obligations of the Agreement concluded between Gazprom

http://www.kremlin.ru/appears/2007/12/14/2241_type63377type63380type63381_154348.shtml

In the result of the meeting of the High State Council of the Union State of Russia and Belarus, the following documents were signed:

- The Memorandum of the current stage of development of economic cooperation between the Russian Federation and the Republic of Belarus.

- Joint statement according to the results of negotiations of the President of Russian Federation Vladimir Vladimirovich Putin and the President of the Republic of Belarus Aleksandr Grigorievich Lukashenko.


- Agreement between the banks Vnesheconombank and Belvnesheconombank on providing Belarus banks with a subordinated loan.

Russia and Belarus concluded the Agreement of provision of Russian stabilisation credit to the amount of 1.5 billion USD, based on the Memorandum signed on December 20, 2007 in Moscow. Funds of stabilisation credit are provided with one tranche for 15 years under the rate LIBOR+0.75%. Belarus is provided with a 5-year grace period for payments of principal debt. However, percents shall be paid during this period.

Russia and Belarus planned the budget of Union state for 2008 in amount of 5 billion Russian roubles, it amounts 14.9% more than the level of 2007.

**FUNCTIONAL DIRECTIONS OF INTEGRATION**

*Establishment of Customs Union*

Integration processes in EurAsEC will receive strong impetus after the establishment of a customs union, the agreement of which was signed by Russia, Belarus and Kazakhstan. This agreement was planned to conclude within the CIS with participation of Ukraine, but its government refused to participate in it after many years of negotiation. Customs Union is supposed to become the most important step in formation of single economic zone in the post-Soviet space: it is open for other states to join. Central Asian states already declared their intention to join, however, there is the issue of unsatisfactory status of control over movement of people and freights.
Russia, Belarus and Kazakhstan signed international legal documents defining the structure of customs union management, mechanism of attachment of other states to it, establishment of single customs territory in an October meeting of the Interstate Council of EurAsEC. Plan of actions on forming of customs union under EurAsEC also was affirmed. Formation of Customs Union between Russia, Belarus and Kazakhstan will be completed by 2010.

Contractual basis was established in 2007. Four documents were signed by Belarus, Kazakhstan and Russia. These are: the Treaty of Establishment of an Integration Committee. Agreement of single customs territory, etc. The Protocol of amendments of basic agreement of establishment of EurAsEC was signed. Pursuant to this protocol functions of the superior body of Customs Union shall be transferred to tariff regulation national agency – Interstate Council. The total number of documents forming the customs union is 22 to be signed in 2008–2009.

The process of domestic procedures and harmonisation of drafts of international treaties forming the legal base of the customs union started in 2007. The drafts of such documents as the Agreement of indirect taxes charge on exporting and importing goods and providing services in Customs Union; the Agreement of defining of customs cost of goods transported through the customs border of the customs union; the Agreement of single rules of identification of country of origin of goods; the Agreement of single measures of nontariff regulation concerning the third countries were discussed and approved.

The Members of EurAsEC Will Integrate Transit Controls

Customs officers of the member states of EurAsEC will work on the common technological basis. The Council of the heads of customs agencies under Integration Committee of EurAsEC approved the draft of the conception of interstate program on establishment of Customs transit control system.

This system provides for the elimination of internal barriers, preventing movement of goods through the territory of EurAsEC states. Integration Committee of EurAsEC explained that the Customs transit control system implies unification of data of freight, following as transit through several countries. Every border shall possess data on freight. “Information which Kazakhstan customs officers fixe accepting freight from China shall be transferred, for instance, to Brest on the border with Poland in order for the customs officer to close transit. This shall be done automatically. “We already take measures in this direction”, the employees of the committee noted.

Interaction of Revenue Services

The Chief of Russian Federal Revenue Service, M.P. Mokretsov, was in charge of XXI meeting of the Council of Heads of Revenue Services under Integration Committee of EurAsEC conducted on June 1 in Kazan. Results of the activity of the Council, analysis of main indices of work of tax
systems and changes in tax legislation of the member states of EurAsEC in 2006 were heard, and the Conception of bases of tax legislation of the member states of EurAsEC was formed at the meeting.

The results of information exchange between Revenue Services on entities and natural persons, gaining incomes from the sources in the member states of EurAsEC, export and import transactions between business entities of the Community were considered.

Recommendations for improvement of taxation of small business enterprises were prepared, based on the results of analysis of taxation indices of small business in the member states of EurAsEC.

Experience was exchanged on questions of control on subjects of shadow economy, use of indirect taxation methods. Enhancing the method of formation of basic Revenue Service indices.

**Migration in the CIS**

The history of the states of the Commonwealth, cultural relations of nations, general traditions, lack of language barriers generate the basis for the active movement of population. Concerning this issue, proposals on coordinated migration policy of the CIS member states was one of key points in the agenda of the summit of the CIS.

In general, necessary legal and organisational base for cooperation of the states concerning regulation of migration flows of population in the CIS already exist. However, significant periods of time expired after the acceptance of majority of normative legal documents, during which both internal and external conditions for the CIS member states changed significantly. States gradually formed various approaches to the solution of population migration issues. As a result, national legislations of the CIS states differ on many parameters.

Today, two agencies of industrial cooperation (the Consultative Council on labour, migration and social protection of population, and the Joint Committee of the member states of the Agreement of cooperation of the member states of the CIS in counteraction of illegal migration) deal with questions of migration. The Consultative Council is responsible for preparation of proposals on work force migration regulation; the Joint Committee deals with counteraction to illegal migration. As a result, these agencies, acting parallel, solve the urgent problems of migration cooperation in their spheres. At the same time, a complex approach to the solution of cooperation questions in this area, is lacking as specified industrial agencies act separately from each other. The situation becomes more complicated because the questions of migration regulation are treated by specialists of various departments.

Despite the fact that, starting from 2000, the volumes of officially registered migration increased, actual number of migrants remains much higher, according to various expert assessments, than reports of migration services, statistic agencies and other bodies involved in the process of
population migration regulation show. Lack of actual indices and efficient interaction of the parties on elimination of the gaps in this direction results in spontaneity of migration flows and distortion of the balance of social and economic interests of the countries of the Commonwealth; this immediately influences the big picture of migration cooperation.

To execute the Decision of the Council of the heads of states of the CIS dated June 10, 2007, the Group was established to elaborate proposals on coordinated migration policy. In the result of such work, raw documents, regulating interaction of the states in this area, were submitted to the Presidents. The heads of states signed the Declaration of coordinated migration policy of the CIS member states on the summit in Dushanbe on October 6. However, Georgia, Moldova, Azerbaijan and Turkmenistan refused to sign the document. Moreover, the Council of the Heads of the Governments received a slew of assignments: to elaborate on the complexities of the first-priority measures directed to practical implementation of the principles, provided in the Declaration, make decisions on the draft of the Convention of legal status of working migrants and members of their families on behalf of the Council of the heads of states, and consider the draft of the Convention of migration policy of the member states of the CIS, proposed by the Republic of Tajikistan, in the stated order.

The Agreement of establishment of the Council of the leaders of migration agencies of the member states of the CIS, signed by the Presidents, shall contribute to the solution of the migration problems.

The Plan provides for actions directed to increase the level of interaction of migration agencies of the member states of the CIS to solve the migration problems. The activity of the existing and reasonability of new structures is supposed to be considered in the definition of the coordinated migration policy. The list of joint actions for prevention of illegal migration and regulation of labour migration was also formed.

**Formation of General Energy Markets**

One of the most crucial tasks for post-Soviet states is the establishment of a single energy space. Interaction on problems of energy policy and the provision of protection to the interests of the states producing gas started from the May Central Asian tour of the President of Russia in 2007, when agreements on the building of the Caspian gas pipeline were achieved.

“The Agreement of formation of general energy market of the CIS member states” was signed within the CIS on May 25, 2007. Russia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan and Armenia signed the document. Establishment of the general energy market implies first of all development of relations concerning purchase and sale of electric power and associated services on the basis of general rules and appropriate agreements. General energy market is created to form single energy market space, based on the principles of equal rights, honest competitiveness and...
mutual benefit. Its establishment is aimed to increase service quality and provision of reliable electric power supply to the consumers in the member states of the CIS, based on economic, technical and technological advantages of the parallel operation of electric energy systems.

The Agreement is the fundamental document for the development of normative legal documents of formed general electric energy markets in the member states of the CIS. It was agreed that competent agencies of the member states of the CIS (after signing of the Agreement) will submit their own schedules of main measures, directed to preparation and accession to the general electric energy market of the member states of the CIS to the Execution Committee of the Electric Energy Council of the CIS within a year. The Execution Committee of the Electric Energy Council of the CIS will prepare an aggregate schedule of the formation of a general electric energy market of the member states of the CIS on their base and submit it to the Electric Energy Council of the CIS for affirmation.

Formation of the general energy market of the states of EurAsEC assumes solution of the problems of the several levels: political, economical and social, based on the principles of complementing and balance of interests. Generality of tasks shall be expressed also in harmonisation of legal provision. General principles shall result not only in interstate treaties, but also in certain measures on unification of the norms of national legislations concerning regulation of fuel and energy complex.

The necessity of the establishment of the Energy Club of the SCO as soon as possible was stressed at the meeting of Prime Ministers of the member states of the Shanghai Cooperation Organisation in November 2007 in Tashkent. It will assist, institutionally, to coordinate actions of gas producing countries of the SCO on regional and world energy markets, and also develop cooperation between producers and consumers of gas within the organisation, and, at last, elaborate coordinated strategy, harmonizing economy of gas complexes of these states with their geopolitical interests. Bilateral and multilateral energy projects are implemented between the countries of the former USSR (in the areas of oil and gas, generation and supply of electric power, etc.).

The proposal of the President of RK on design of the project of other energy strategy – Asian energy strategy, made at the anniversary summit of the SCO on June 2006 in Shanghai, was also implemented in 2007. The draft of the Asian energy strategy was presented by the Kazakhstan party on the second meeting of the SCO Forum on June 15, 2007 in Almaty. The main purpose of the designed project of the Asian energy strategy is to enable global energy balance and energy security of entire Central Asian region. The leaders of ministries and agencies responsible for the fuel and energy complex (FEC) of the member states of the SCO discussed this project on their first meeting on June 29,
2007 in Moscow. The draft of the strategy is coordinated between the member states of the SCO. The establishment of the Energy Club of the SCO, which will become the starting point on the way to acceptance of the Asian energy strategy by SCO states will contribute to formation of integral energy infrastructure within the SCO.

*Establishment of Three Joint Enterprises in Nuclear Power Sector*

**Three joint enterprises** were established within strategic cooperation of RF and RK in the nuclear power complex in 2006-2007. Firstly, JV “Zarechnoe” was established on the territory of Kazakhstan to extract natural uranium to supply reactors designed in Russia with fuel. The JV, financed by Eurasian Development Bank, started extraction of uranium in 2007. Secondly, the Presidents of RF and RK agreed to involve Kazakhstan to the implementation of Russian initiative on the establishment of the International center for provision of services on nuclear fuel cycle, including uranium enrichment on the territory of Russia under International Atomic Energy Agency control at the meeting held on October 3, 2006 in Uralsk. The representatives of Russia and Kazakhstan signed articles of association of three Joint Ventures concerning peaceful uses of atomic energy on October 12, 2006 in Moscow, and the agreement of establishment of a Uranium enrichment international centre was signed in Angarsk in presence of the Presidents of RF and RK on May 10, 2007. Thirdly, the third JV was established between “Kazatomprom” and “Atomstroyexport” within the program of strategic cooperation for the development of atomic energy. The generation of Russian and Kazakhstan nuclear reactors with power units of the new type VBER-300, designed by Experimental design bureau of machine building named after Afrikantov, will be the result of work on this JV. Power units VBER can be used in the building of a new Nuclear power plant in Aktau. Reactors with power units of the new type may have a strong export position of Russian and Kazakh JV.

*Cancellation of the Cooperation Agreement between the Government of Tajikistan and Rusal*

The President of Tajikistan, Emomali Rakhmon, signed the cancellation of the agreement between the Government of Tajikistan and the Russian company Rusal building of Rogun hydro power plant on September 2007. The Tajikistan party declared “non-fulfillment of obligations by Russian company” as the reason of such decision in the publication of the press service of the Tajik President.

Tajikistan established the “Rogun Hydro Power Plant” Public Corporation for the construction of the plant. However, undoubtedly, other foreign investors will be attracted. Authorities of the republic also declared they succeeded to raise their own funds in amount of 50 million USD.

Construction of the dike was started in 1987; its height reached 40 meters by 1993. However, construction was suspended, and the dike was washed out with flood water, when the Soviet Union collapsed. Rusal
owned by Oleg Deripaska, concluded the agreement with Tajikistan about the completion of the Rogun hydro power plant with a capability of 3.6 thousand megawatt in 2004. The project was estimated to cost 1.3 billion USD. However, the construction of the hydroplant was not started due to technical disagreements between the company and the Government of Tajikistan concerning type and height of the dike.

The company “Russian Aluminum”, formed by merging the companies “Rusal”, “SUAL” and Swiss trader “Glencore”, received notification of cancellation of the agreement from Tajikistan. Experts agree that it will be difficult for Tajikistan to find other investors after cancellation of the agreement with one company. China, Russia and Kazakhstan show relative interest in Rogun hydro power plant as economic benefits from the production of electric power in Rogun hydro power plant are significant. Nevertheless, Russian companies are likely be involved in the project possibly under much stricter terms.

*EurAsEC: Single Educational Standards*

Single educational standards will be introduced in the states of Eurasian Economic Community. An appropriate agreement was signed on May 18, 2007 in Bishkek during the 12th meeting of the Council of mutual acknowledgement and equivalence of documents of education, academic degrees and titles under Integration Committee of EurAsEC. The agreement contains acknowledgement of requirements to the order of state certification of educational institutions, acknowledgement of educational standards of the states of EurAsEC. The authorized representatives of Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan took part in the meeting in Bishkek. The long-term purpose of the Council under the Integration Committee of EurAsEC is to establish single educational space.