

IIASA Project

Challenges and Opportunities of Economic Integration within a Wider European and Eurasian Space

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What is IIASA?

- Established in 1972 by USA and USSR: **bridge between East and West**, science diplomacy
- **2017**: International, independent, interdisciplinary research on **major global problems**
- Solution oriented, **integrated systems analysis** into the issues of sustainability and global transformation
- Dimensions: energy, land use, climate, air quality, technology, biodiversity, demography, natural hazards
- Currently **24 member countries**



Background

- Eurasian Economic Union (EAEU) is a **new and promising integration process** on the post-soviet space
- Scenarios of a **win-win EU-EAEU interaction**?
- Impact on and role of countries “of the **common neighborhood** (Ukraine, Moldova)?
- Connection with the developments in the key neighboring countries (**China, Japan**)?
- Role of **global trends** (liberalization of trade vs. protectionism, new energy sources, climate change, massive migration,...)?
- Motivated by the ambition to (re)establish a deep economic cooperation between the EU/EAEU and their neighbors - “**Lisbon to Vladivostok**” concept



Project Timeline

June 2013: Launch

The project was launched upon the initiative and with the strong support from the Administration of the President of the Russian Federation and the Russian Academy of Sciences.

2014-2016: First (pilot) phase

Series of round tables took place and delivered an initial screening and synthesis of expert opinions and results on the current state of affairs and plausible future scenarios of economic cooperation between the EU, EAEU and neighbouring countries.

2017: Transition phase

Three one-year-long studies are carried out aimed at producing concrete results and policy recommendation on key bottom-up elements of economic cooperation involving the EU and EAEU: investments, transport & logistics and non-tariff barriers.

2018-2020-2022: Second phase

This phase aims to provide scientific foresight into plausible futures of an EU-EAEU economic cooperation, as well as to research into sectorial issues relevant to the integration processes across Greater Eurasia. Research questions are to be co-designed with involved stakeholders.

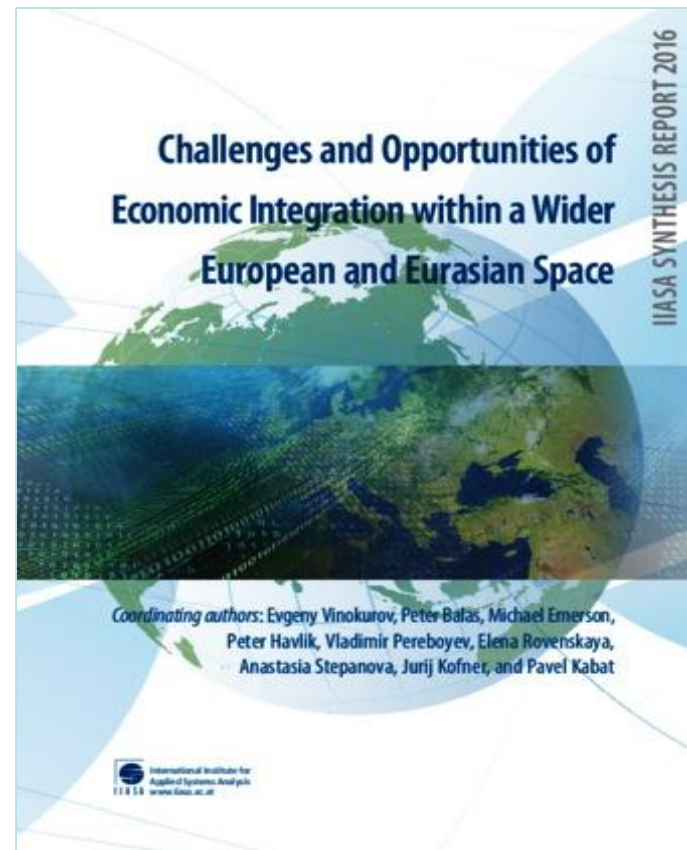
Phase I: 2014-2016

- Facilitated **de-politicized dialogue** between researchers, experts, policy advisers and decision makers across all relevant domains and regions (200+: Russian, European, etc.)
- Three pillars:
 - Goods and services: **Trade in general**, including **trade barriers** (tariff and non-tariff) + **critical sectors**: energy, transport
 - Capital flows: **Investments**
 - People: **Migration**
- More information: <http://www.iiasa.ac.at/web/home/research/eurasian>



IIASA workshops in 2014-2016

1. **Methodological Approaches to the Assessment of Economic Impact – March 2014**
2. **Trade Policy Regimes – July 2014**
3. **Non-Tariff Barriers and Technical Regulations – November 2014**
4. **Futures of Energy in Eurasia in a Global Context – May 2015**
5. **Development of Transport and Infrastructure in Eurasia – September 2015**
6. **Labor Market and Migration across the Eurasian Continent – April 2016**
7. **EU-EAEU in Greater Eurasia: Long-Term Agenda for Economic Cooperation – November 2016**



Transition Phase: 2017

Three fast-track studies were produced by IIASA

- Aim at offering **recommendations for policy makers for short term actions** on
 - Continental transport corridors in Greater Eurasia
 - Aligning TBT and phyto-sanitary standard regulations policies in the EU-EAEU-CIS space
 - Foreign direct investments in EU-EAEU-EaP and Central Asian countries

Several high-level consultations and other events were held by IIASA in 2017

High-level consultation on Eurasian economic integration

25-27 June 2017 – IIASA, Laxenburg, Austria

IIASA hosted high-level consultation and launch meeting for the second phase of the IIASA project “Challenges and Opportunities of Economic Integration within a wider European and Eurasian Space”.



Joint workshop on economic integration between Europe and Eurasia

30 October 2017 – IIASA, Laxenburg, Austria



- A joint workshop of the Working Group “Common Economic Space from Lisbon to Vladivostok” (L2V) and IIASA project “Challenges and opportunities of economic integration within a wider European and Eurasian space” aimed at sharing experience and knowledge, as well as at defining areas and modalities of mutually beneficial collaboration.



International Youth Forum Future of Eurasian and European Integration: Foresight–2040



4- 8th December 2017 – IIASA, Laxenburg, Austria

- In cooperation with the Institute for Economic Strategies (INES), RAS
- 40 talented young minds from Europe, CIS and Asia
- Panel session with high-level experts
- Seminars and dynamic foresight sessions
- Presentation of results at the OSCE Ministerial Council

The event was co-organized and co-financed by IIASA together with the initiator of the Forum – the Institute for Economic Strategies (INES) of the Russian Academy of Sciences – with the financial support of the Russian Gorchakov Public Diplomacy Fund.

High-level side event

24th OSCE Ministerial Council

8th December 2017 – Hofburg, Vienna, Austria

Connectivity, Trade and Economic Cooperation within a Wider European and Eurasian Space

As part of its science-diplomacy mandate, and building on its continued engagement with the OSCE, IIASA convened a high-level event to facilitate dialogue on how to promote connectivity, trade, and economic cooperation in Eurasia



Phase II: 2018-2020-2022

Plans

- Comprehensive assessment of the impact of different preferential trade policies:
 - Methodology of CGE to be advanced to account for non-market forces (such as non-tariff barriers)
 - Important to model the global trade in its entirety, not only the focal region
 - Role of other integration processes (TTIP, TPP)
- Energy futures:
 - Need to assess the role of renewables, LNG, shale gas
 - Role of climate change in shaping the demand for energy
- Transport:
 - One Belt One Road
 - Transport projects as development corridors
- Digital economy



Core Group



Péter Balás
Senior Research Scholar
at IIASA and Deputy
Director General for
Trade, European
Commission (2005-2016)



Michael Emerson
Senior Research
Scholar at IIASA and
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Integration Studies, Eurasian
Development Bank

Project Funders and Research Partners

Project Funders



Project Research Partners



Summary

- High-level officials are from European Commission, Eurasian Economic Commission, related ministries, national banks, and business are involved
- IIASA has been **the only platform** where **de-politicized dialogue of experts and policy makers** has been maintained and developed **during the entire period of Russia-EU political crisis**
- Phase II aims at comprehensive research of the futures of EU-EAEU economic relations – **needs support!!!**
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