

5.4. Russia in key international institutions¹

In 2024, the main trends in the system of international institutions are related to the consolidation of two multidirectional vectors of influence. On the one side, Russia and the leading developing countries — China, India, Brazil, Indonesia and South Africa — are playing an increasingly important role and stepping up cooperation to reform the system of international relations in the interests of the global majority states. On the other side, the United States and its partners are seeking to maintain supremacy and control over the processes and institutions of global and regional governance. The G7 countries are forming an ideological basis² to change rules of international trade and climate governance and promote their norms and standards as the basis for the emerging international regulation of the digital economy and artificial intelligence (AI) governance. The participants' conflicting interests make the transformation of the global governance architecture more painful and limit the effectiveness of institutions and their ability to cope with key challenges, such as growing inequality, debt vulnerability, climate change, energy poverty, food security and other. This section deals primarily with the outcomes of Russia's work in the key informal multilateral institutions — the G20 and the BRICS — in terms of adaptation of the global economic governance system. Also, it analyzes the issues of reforming the IMF and multilateral development banks. Special attention is paid to cooperation within the UN system, the differences on the main provisions of the 2024 Pact for the Future and the decisions of the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change. Also discussed in this section are the main breakthroughs and challenges related with the harmonization of approaches of the members of the regional organizations: the SCO and the EAEU. Russia's participation in the WTO is analyzed in Section 5.5.

5.4.1. G20

Brazil, which held the G20 presidency in 2024, took full advantage of the opportunity to set the agenda and guide the negotiation process to promote national interests and those of developing countries in the G20's decisions and assign-

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 2. Economic and climate security arguments are actually used primarily to justify building different rules for themselves and their rivals in the logic of the “democratic/authoritarian states” (“like-minded / opponents”) distinction.

ments to the G20's key international partner institutions. Russia shares and supports the priorities put forward by Brazil for G20 cooperation: social integration; fighting hunger and poverty; combating climate change; promoting energy transition and sustainable development; reforming the global governance institutions. The common interests and goals are reflected in the mottos proposed by Brazil and Russia for the 2024 G20 ("Building a Just World and a Sustainable Planet") and BRICS ("Strengthening Multilateralism for Equitable Global Development and Security") summits, respectively.

Another considerable achievement was a step towards depoliticizing the G20 documents and returning to economic cooperation issues. Although the representatives of the G7 countries still sought to use the forum to condemn Russia in connection with the situation in Ukraine, all the documents focused on specific issues of cooperation, and references to differences in positions on Ukraine and Gaza were withdrawn from substantive communiques to separate presidential statements, the text of which invariably emphasized the need to implement the Delhi Commitment to strengthen the G20 as an effective consensus-based platform for economic cooperation. As a result of the negotiations, which lasted for several months, the final declaration noted the negative effects of "the war on global food and energy security, supply chains, macro-financial stability, inflation and economic growth" and declared support for all constructive initiatives aimed at achieving a "comprehensive, just and lasting peace", while respecting all the purposes and principles of the "UN Charter for promoting peaceful, friendly and good-neighborly relations between the countries."¹ For Russia, it was important that Western countries' responsibility for the consequences of the conflict in Ukraine was implied in the statement and emphasis was made on the constructive nature of peace initiatives and all the principles of the UN Charter, including the principle of self-determination of peoples, along with the principles of territorial integrity and sovereign equality.²

The G20 has succeeded in the creation of the Global Alliance Against Hunger and Poverty for achieving the key SDG2 (Hunger Eradication) (SDG is Sustainable Development Goals). By the UN Food and Agriculture Organization's (FAO) estimates, in 2023 about 28.9% of the global population, that is 2.33 bn people, experienced moderate food shortages and 10.7% of the population (or more than 864 mn people), acute food shortages; it is believed that with the existing system and scope of financing it is infeasible to eliminate hunger by 2030.³ In November 2024, the Alliance was established. It has already brought together 86 countries, 26 internatio-

1. The G20 Rio Leaders Declaration. Cl.9. URL: <http://static.kremlin.ru/media/events/files/ru/7wxub88OyzBLZO8HYhQV456fUtOkfqFA.doc>

2. RF Foreign Minister Sergey Lavrov's speech and answers to the mass media's questions following the G20 summit, Rio de Janeiro, November 19, 2024. URL: https://www.mid.ru/ru/press_service/vizity-ministra/1982450/

3. The State of Food Security and Nutrition in the World –2024. URL: <https://openknowledge.fao.org/server/api/core/bitstreams/1c940464-8571-474b-b028-4ddcb385ac48/content/cd1254en.html#gsc.tab=0>

nal organizations and 9 financial institutions and it will be operating with the support of FAO.¹ The mechanism should facilitate networking, increase the efficiency of using international organizations' resources and mobilize participants' new domestic and international resources to support such areas as 1) school meals; 2) remittances; 3) support programs for small farmers and family farms; 4) socio-economic integration programs; 5) comprehensive support for maternal and young child health care; 6) solutions facilitating access to water. Russia joined the initiative and identified as its obligations a policy of support for small farmers and the implementation of a social contract and a school nutrition program.²

However, the achievements in the fight against climate change and the energy transition are modest. As in previous years, all G20 members reaffirmed the Paris Agreement's goal of keeping global average temperature growth well below 2°C above pre-industrial levels and making efforts to achieve carbon neutrality by the middle or around the middle of the century. An essential aspect of this commitment is always the reflection of developing countries' position regarding consideration of different national circumstances, trajectories and approaches, as well as facilitation of higher accessibility of technological innovations and climate finance and investments for developing countries. These statements are also formulated in the Rio Declaration. By conservative estimates, developing countries need \$2 trillion worth of investments per year to achieve zero emissions by 2050.³ The decision of the 2015 Paris Conference of the Parties stipulated the implementation of the goals of the Paris Agreement by setting a new target till 2025, exceeding the developed countries' commitment of 2009 to allocate \$100 bn per year for adaptation and reduction of emissions. At the same time, the provision of government concessional financing should become the core of the new goal.

Like India in 2023, Brazil acted on behalf of and in the interests of the countries of the Global South. The establishment of a Task Force on Global Mobilization of Efforts to Combat Climate Change was initiated to combine the work of the Sherpas and the financial track to integrate climate change issues and the global financial and economic agenda and set a new goal ahead of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in Baku. However, developed countries, which for the first time fulfilled the promise of 2009 in 2022⁴, did not seek to make new commitments. The G7 countries

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1. Members. URL: <https://globalallianceagainsthungerandpoverty.org/members/>
 2. The Russian Federation. Statements of Commitment to the Global Alliance Against Hunger and Poverty. URL: <https://globalallianceagainsthungerandpoverty.org/wp-content/uploads/2024/11/Russia-SoC-Approved.pdf>
 3. World Needs More Policy Ambition, Private Funds, and Innovation to Meet Climate Goals. URL: <https://www.imf.org/en/Blogs/Articles/2023/11/27/world-needs-more-policy-ambition-private-funds-and-innovation-to-meet-climate-goals>
 4. Finance and investment for climate goals. URL: <https://www.oecd.org/en/topics/finance-and-investment-for-climate-goals.html>

did not demonstrate their declared leadership in speeding up the transition to zero emissions. A new specific funding target failed to be identified. The Declaration only recognized “the need to step up and increase investments from all financial sources and channels to bridge the gap in financing energy transitions on a global scale, particularly in developing countries.”¹ Shortly after the G20 summit, a new funding target of \$300 bn per year² was agreed at the 29th Conference of the Parties to the UNFCCC. However, the lack of agreement within the G20 raises doubts about the prospects for the new goal to be achieved by developed countries, despite the fact that it is far from the required level of climate finance.

Considering the fact that the provision of finance and technology is a key factor in implementing the principle of common, but differentiated, responsibility and ensuring climate equity and equitable energy transitions, progress was limited in negotiating approaches to achieving clean, sustainable, equitable and inclusive energy transitions in conformity with SDG7. The G20 adopted broadly based voluntary Principles for just and inclusive energy transitions for its members to use with taking into account national circumstances when developing and implementing domestic energy transition policies.³

There were no breakthroughs in the reform of global governance institutions, either. The declared intentions are, to a large extent, in line with the actions formulated in the Pact for the Future adopted at the UN Summit of the Future in September 2024.⁴ As part of the UN reform, the G20 members pledged to strengthen the General Assembly and the Economic and Social Council, reform and expand the Security Council in order to increase the representation of regions, such as Africa, Asia-Pacific, Latin America and the Caribbean, and promote the representation of the UN Secretariat.

As regards enhancing the role of developing countries in decision-making in international economic and financial institutions in order to raise their efficiency, reliability, accountability and legitimacy, the G20 reaffirmed the urgency and importance of reviewing quotas and willingness to facilitate the development of a new calculation formula within the framework of the 17th general review of IMF quotas. No new approaches were formulated to address debt vulnerability in low- and middle-income countries and increase concessional financing.

In terms of the reform of the international financial architecture, the most significant result was the G20 Roadmap Towards Better, Bigger and More Effecti-

1. The G20 Rio Leaders Declaration. Cl.49. URL: <http://static.kremlin.ru/media/events/files/ru/7wxub88OyzBLZO8HYhQV456fUtOkfqFA.doc>

2. <https://cop29.az/en/media-hub/news/breakthrough-in-baku-delivers-13tn-baku-finance-goal>

3. The principles include energy planning for just and inclusive energy transitions; overcoming energy poverty; social dialogue; social protection; inclusivity; respect for rights; investment in affordable and reliable solutions; implementation of safe and sustainable solutions; sustainable and inclusive economic growth for all; quality jobs and workforce development.

4. Resolution adopted by the General Assembly on September 22, 2024 URL: <https://documents.un.org/doc/undoc/gen/n24/272/24/pdf/n2427224.pdf>

ve Multilateral Development Banks (MDBs)¹ to increase their lending capacity by \$300 bn–\$400 bn over the next decade. The proposed synergetic approach is meant to optimize the strengths of each institution, eliminate operational redundancy and enhance collective impact. The main focus is made on bringing the activities of the MDBs in harmony with the objectives of the Paris Agreement. However, the roadmap does not formulate recommendations regarding strategies for attracting additional capital or using innovative financing techniques, reforming the management structure and ensuring debt sustainability², although these issues are crucially important for expanding and implementing the potential of MDBs.³

As regards international trade issues, the commitment, repeated from summit to summit, remained unchanged regarding facilitation of a “rule-based, non-discriminatory, fair, open, inclusive, equitable, sustainable and transparent multilateral trading system with a central role of the WTO” and provision of equal conditions and fair competition and support to WTO reform efforts, including a revival by the end of 2024 of a comprehensive and reliable dispute settlement system accessible to all participants. However, the gap between the rhetoric and reality is widening from year to year as demonstrated by the data on the implementation of a similar commitment of 2023.

Artificial intelligence governance is included in the section on the reform of global governance institutions, which fact can be explained by the need to modernize and update multilateral organizations, taking into account the integration of AI into work processes and the agenda of cooperation, as well as the rapid formation of international AI governance and competition for influence and control over regulation. In the context of the G7’s efforts to build AI regulation and management regimes based on approaches and mechanisms agreed upon by the group members, the significant result was that the G7 was unable to advance its mechanisms and norms which they consistently projected through international institutions into the G20’s decisions. The leaders’ declaration reflects the intention of the G20 developing countries to rely on their own UN mechanisms and structures, avoid ideologizing AI cooperation and the risks of creating regulatory instruments and technical standards that do not take into account development needs, widen digital gaps and create new dependencies. A high-level Task Force on Artificial Intelligence initiated by South Africa can play a significant role in this regard. It is important for Russia and the BRICS countries to promote consolidated approaches to AI governance in the group.

In 2024, significant achievements included the full-fledged joining of the African Union Forum, the integration of the Sherpas track and the financial track to mobi-

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1. G20 Roadmap towards Better, Bigger, and More Effective MDBs. URL: https://coebank.org/documents/1577/G20_Roadmap_towards_better_bigger_and_more_effective_MDBs.pdf
 2. Taking into account the mandate and management structure, the MDBs will implement the recommendations of the G20 Roadmap and provide regular progress reports.
 3. Beyond the Billions: Problems with the G20’s Plan for Multilateral Development Banks. URL: <https://orfamerica.org/orf-america-comments/g20-multilateral-development-banks>

lize resources on hunger and climate change priorities, the convening of the first meeting of foreign ministers on the sidelines of the 79th session of the UN General Assembly open to all Members of the Organization and the holding of a Social Summit, which became a kind of G20 people's summit that brought together representatives of all groups of cooperation.

Overall, Brazil's presidency has helped consolidate the influence of developing countries in the G20 and strengthen the G20 as a key platform for economic cooperation for sustainable, stable and inclusive global growth. Through the G20 system of institutions and cooperation with G20 partner organizations, the forum provides Russia with opportunities to influence a wide range of international cooperation issues: from climate and energy to regulation of digital markets and AI. As not all the goals have been implemented, Ronaldo Lamola, Minister of International Relations and Cooperation announced at the Sherpas December meeting that the continuity of the agenda within the framework of the 2025 South African presidency was important.¹

5.4.2. BRICS

Under Russia's presidency, a new stage of BRICS institutional development began in 2024: Egypt, Iran, the United Arab Emirates and Ethiopia² joined the BRICS, the modality of partner countries' participation was determined and a decision was made regarding 13 countries' joining the work of the organization in this status from January 1, 2025.³ It is noteworthy that around 250 events were held. At the newly expanded Kazan summit, participants endorsed over 135 substantive solutions and identified common positions on key global and regional issues. At the meeting in the "outreach" / "BRICS plus" format with the participation of the leaders of the CIS countries and delegations from Asia, Africa, the Middle East and Latin America, the priorities of sustainable development, poverty eradication, transition to a low-carbon economy, adaptation to climate change, regional and global security, as well as global governance reform were discussed.⁴

1. Welcome Remarks by the Minister of the Department of International Relations and Cooperation, Mr. Ronald O. Lamola, on the Occasion of the First G20 Sherpas Meeting. URL: <https://dirco.gov.za/wp-content/uploads/2024/12/Opening-Remarks-At-South-Africas-First-Sherpa-G20-Meeting-Delivered-By-Minister-Ronald-Lamola-in-Joh.pdf>

2. As of the end of 2024, the Kingdom of Saudi Arabia has not joined the BRICS, nor has it refused to join, either. There are no official statements on this issue. The KSA participated in most of the BRICS events, but was not represented at the leaders' meeting, nor is a party to the decisions stated in the Kazan Declaration.

3. Turkey, Kazakhstan, Uzbekistan, Algeria, Belarus, Bolivia, Cuba, Indonesia, Malaysia, Nigeria, Thailand, Uganda and Vietnam.

4. The plenary session of the 17th BRICS Summit in the "outreach" / "BRICS plus" format. URL: <http://www.kremlin.ru/events/president/news/75384>

The BRICS countries have consistently called for the reform of the WTO and the restoration of the WTO's effective work, including dispute settlement mechanisms. In 2024, the members of the association agreed to promote the dialogue and create a mechanism for informal consultations on WTO issues within the BRICS framework. The participants expressed consolidated positions on the illegitimacy of unilateral coercive measures and sanctions, their negative impact on the global economy, international trade and achievement of Sustainable Development Goals, and condemned attempts to use discriminatory and politically motivated practices and various kinds of political conditions in respect of development.

The reform of the international monetary and financial system (IMFS) was in the focus of the Presidency. The BRICS members reaffirmed their commitment to all aspects of the IMF reform, including the redistribution of quota shares from advanced economies to emerging market and developing countries, including through the review of the quota formula. At the same time, the implementation of the decision to strengthen financial cooperation and correspondent banking networks between the BRICS countries to ensure settlements in national currencies within the framework of the voluntary BRICS Cross-Border Payments Initiative (BRICS Cross-Border Payments Initiative), as well as the initiative to create an independent cross-border settlement and depository infrastructure (BRICS Clear) and the BRICS independent reinsurance mechanism, including BRICS (Re)Insurance, will play a more important role in future. The initiative to create a new investment platform based on the NDB's existing institutional infrastructure should facilitate further cooperation between the members and the influx of investments into the BRICS and Global South countries.

No decisions have been formulated to decouple the operation of the Contingent Currency Reserve Pool from the agreement with the IMF¹, although this could have created a basis for supporting Ethiopia and Egypt which face a debt trap. Helping BRICS members overcome the liquidity crisis will not resolve structural problems of the international monetary and financial system², but it can demonstrate the effectiveness of the BRICS mechanisms and lay another brick in the foundation of the emerging multilateral world order. Work on the IMFS reform will continue, and the relevant instructions have been formulated by the BRICS leaders for their finance ministers and governors of central and national banks.

In terms of the accelerated formation of artificial intelligence governance, the BRICS common approach to key parameters of future AI governance will undoubtedly be important. The BRICS members announced their intention to promote a dialogue on AI issues with the central role of the United Nations in global AI governance in order to create an effective, development-oriented and inclusive global governance

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1. The BRICS Contingent Reserve Agreement. URL: <https://docs.cntd.ru/document/564476469>
 2. *M. Fernandez*. The BRICS and the IMF's "debt traps." What can the BRICS Contingent Reserve Agreement do for the countries of the Global South? URL: <https://ru.valdaiclub.com/a/highlights/briks-i-dolgovye-lovushki-mvf/>

system to stimulate national economies, reduce the risks of malicious use, disinformation, personal data breaches, biased attitudes and discrimination.¹ It is important for the countries to implement their decisions on coordination within the framework of the UN negotiations on practical cooperation between members, as well as the promise of assistance to developing countries in building AI capacity in the near future.

The BRICS statements on climate issues reflect a common approach to a policy of equitable transition to low-carbon development: it is necessary to take into account national conditions, the structure of national economies and energy consumption, and the specific circumstances of developing countries whose economies depend on the sale or consumption of fossil fuels; effectively use all available fuels, energy sources and technologies to reduce greenhouse gas emissions. For Russia, the BRICS collective position on the unacceptability of unilateral measures imposed under the pretext of combating climate change and protecting the environment, such as border carbon adjustments, taxes and unilateral trade measures, is important. The establishment of several climate policy mechanisms has been agreed: the BRICS Contact Group on Climate Change and Sustainable Development; the Framework Program on Climate Change and Sustainable Development; the BRICS Carbon Markets Partnership as a platform for sharing know-how and conducting case studies and cooperation between BRICS countries on carbon markets, including that provided for in Article 6 of the Paris Agreement. It is also planned to create a BRICS Climate Research Platform to promote scientific and expert exchange of opinions, expertise and best practices.

A number of sectoral initiatives proposed by Russia under its presidency will be of practical importance for strengthening cooperation among BRICS members and networking with the countries of the Global South. The launch of the BRICS Geological Platform was the first step in the development of practical cooperation in the field of geology and the rational use of mineral resources.² The initiative to create the BRICS Grain Exchange with a subsequent covering of other agricultural sectors is expected to facilitate trade in agricultural products and fertilizers, minimize disruptions and protect producers and suppliers from unlawful restrictive measures.³ The creation of an informal BRICS cooperation platform with the participation of African diamond-mining countries is designed to promote free trade in rough diamonds and the sustainable development of the global diamond industry in full compliance with the standards of the Kimberley process.⁴

1. The 16th BRICS Summit. The Kazan Declaration. Cl. 77 and Cl. 78. URL: <http://static.kremlin.ru/media/events/files/ru/MUCfWDg0QRs3xfMUiCAmF3LEh02OL3Hk.pdf>

2. Ibid. Cl. 88. URL: <http://static.kremlin.ru/media/events/files/ru/MUCfWDg0QRs3xfMUiCAmF3LEh02OL3Hk.pdf>

3. Ibid. Cl. 73. URL: <http://static.kremlin.ru/media/events/files/ru/MUCfWDg0QRs3xfMUiCAmF3LEh02OL3Hk.pdf>

4. Ibid. Cl. 91. URL: <http://static.kremlin.ru/media/events/files/ru/MUCfWDg0QRs3xfMUiCAmF3LEh02OL3Hk.pdf>

It is important that the concrete decisions taken during the presidency are transformed into collective actions. Consistent work on building institutions of global and regional governance in the interests of the global majority will consolidate the influence of the BRICS and allow the group “to become eventually one of the key regulatory institutions of the multipolar world order.”¹

5.4.3. The International Monetary Fund

In 2024, Russia retained the status of a full member of the IMF, continuing to implement its financial obligations and facilitate the formation of the Fund’s credit resources. Despite the limitations on cooperation with the IMF, the difficulties in using its resources and the termination of contacts with the IMF through consultations and expertise, Russian officials have consistently pointed to the need to maintain a dialogue in a multilateral format and support the priorities of the IMF’s work.² The IMF’s activities are still affected by member countries’ geopolitical differences that go beyond the IMF mandate. So, the International Monetary and Financial Committee (IMFC) (along with the Development Committee, one of the main bodies advising the boards of governors of the IMF and the World Bank Group) has failed once again (since 2022) to agree on a joint communique reflecting the strategic vision of the future work of the main global international financial institutions amid disagreements in economic assessments of the consequences and the parties’ actions in the context of the conflict in Ukraine.

The problem in relations of Russia and other global majority countries with the IMF is still the lack of progress in capital and governance reforms, particularly, regarding an increase in the share of quotas and votes of “underrepresented” members and the review of quota calculation. As far back as December 2023, within the scope of the 16th General Review of Quotas, a proposal was made to increase them by 50% in proportion to current values³, which idea does not suggest a redistribution of quotas from developed countries in favor of the countries which are most in need of financing. This decision will become effective if member countries ratify quota increases at the national level. They pledged to complete the national ratification procedures by mid-November 2024, but as of December 2024 it was not done,

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1. Speech by Vladimir Putin, President of the Russian Federation at the meeting with top-ranking officials of the RF Ministry of Foreign Affairs, Moscow, June 14, 2024. URL: https://www.mid.ru/ru/foreign_policy/news/1957107/
 2. On the results of the Plenary Session of the International Monetary and Financial Committee. URL: https://minfin.gov.ru/ru/press-center/?id_4=38970-ob_itogakh_plenarnogo_zasedaniya_mezhdunarodnogo_valyutno-finansovogo_komiteta
 3. IMF Board of Governors Approves Quota Increase Under 16th General Review Quotas. URL: <https://www.imf.org/en/News/Articles/2023/12/18/pr23459-imf-board-governors-approves-quota-increase-under-16th-general-review-quotas>

nor is there any information available on ratification by Russia. Although an increase in quotas is expected to make financing more stable and constant, it will not increase the IMF's overall lending capacity, since it is to be accompanied by a proportional reduction in New Arrangements to Borrow (NAB) and a gradual phasing out of Bilateral Borrowing Agreements (the so-called second and third lines of defense in comparison with the first line, that is, quotas themselves). A more controversial decision on the redistribution of quota shares between member countries, suggesting their reduction and, consequently, a decrease in voting shares for "overrepresented" developed countries, was postponed to the 17th Review of Quotas. By June 2025, the IMF is expected to develop¹ potential approaches in terms of the guidelines for further quota redistribution, including through a new quota calculating formula.² Another delay in the quota reform leaves governance imbalances unchanged, undermines the legitimacy and credibility of the IMF, while the new review dates give rise to doubt, as the deadlines of previous revisions have been repeatedly postponed.³

The Russian authorities attach great importance to the IMF's efforts to reduce government debt levels that hinder sustainable economic growth. In April 2024, the Executive Board approved a package of reforms aimed at changing some of the elements of debt restructuring processes.⁴ In compliance with its policy, the IMF cannot lend to countries that have debts to official creditors or international financial institutions. However, with the consent of other creditors, the IMF can activate its "Lending into Official Delays" (LIOA) policy.⁵ Within the framework of the reform, the IMF was given an opportunity to implement the LIOA policy even without consent from a major creditor(s) to whom a country's debt is overdue.⁶ Formally, the change in the policy is explained by the growing attention to the problem of sovereign debt of poor countries, striving for a "proper restructuring" of debt, but in practice even the IMF's representatives associate the reform, in particular, with the need to lend funds to Ukraine, which owes an overdue bilateral debt to Russia.

In addition, the Global Sovereign Debt Roundtable (GSDR) was established as a multilateral forum for discussing debt settlement issues. The Round Table mee-

1. Chair's Statement: Forty-Eighth Meeting of the IMFC. URL: <https://www.imf.org/en/News/Articles/2023/10/14/pr23353-chairs-statement-forty-eighth-meeting-of-the-imfc>

2. IMF Quotas. URL: <https://www.imf.org/en/About/Factsheets/Sheets/2022/IMF-Quotas>

3. *Kring W. N., M. Uy, R. Mohan and H. Gao.* Quote Reform is an Opportunity for the IMF to Restore its Legitimacy. URL: <https://oecd-development-matters.org/2023/10/30/quota-reform-is-an-opportunity-for-the-imf-to-restore-its-legitimacy>

4. IMF Executive Board Endorses Reforms to Promote the IMF's Capacity to Support Countries Undertaking Debt Restructurings. URL: <https://www.imf.org/en/News/Articles/2024/04/16/pr24119-imf-exec-board-endorses-refm-imf-cap-countries-debt-restruct>

5. The IMF's Policies on Sovereign Arrears. URL: <https://www.imf.org/en/About/FAQ/imf-policies-on-sovereign-arrears>

6. Policy Reform Proposals to Promote the Fund's Capacity to Support Countries Undertaking Debt Restructuring. URL: <https://www.elibrary.imf.org/downloadpdf/journals/007/2024/017/007.2024.issue-017-en.pdf>

tings¹ at the executive level will take place during the spring meeting and annual meetings of the IMF and the World Bank.

Also, reforming the policy of the IMF's so-called additional fees is important for Russia's partners from among developing countries. In March 2024, the Fund's Executive Board decided to extend the temporary increase in the "normal access limits" in respect of nonconcessional lending operations till the end of 2024.² The "normal access" of IMF member countries to loans under the General Resource Account (GRA) is subject to two restrictions: 1) the annual limit of 145% of the country's quota and 2) the cumulative limit of 435% of the quota. Beyond these restrictions, countries are subject to the "exceptional access" policy adopted in 2002 in order to allow higher limits in case of "high uncertainty and difficult economic conditions."³ In March 2023, as part of the "exceptional access" policy, the "normal access limits" were increased to 200% and 600%, respectively, for a period of 12 months. In 2024, this temporary increase was extended till the end of the year. The IMF also applies surcharges to outstanding debt payments to prevent excessive borrowing and encourage early repayment. These surcharges affect, in particular, countries such as Argentina and Ukraine, which have a large number of outstanding loans. In October 2024, the IMF completed a review of the policy of such surcharges.⁴ By the Fund's estimates, the new approach to the calculation will reduce the cost of borrowing by a total of 36% for all member countries (about \$1.2 bn per year)⁵, and the number of countries affected by the levy of additional fees will decrease from 19 to 11.⁶

Thus, Russia and the IMF still have problems in their bilateral relations and there is a lack of progress in implementing reforms that meet the interests of the Russian Federation and its partner countries. Western countries are constantly trying to politicize the Fund's activities, particularly, in the context of financial support for Ukraine. In 2023, to finance the Ukrainian budget deficit the IMF approved a \$15.5 bn

1. With the participation of the Managing Director of the IMF, the President of the World Bank, the Minister of Finance of the G20 host country, representatives of official bilateral creditors, members and non-members of the Paris Club, private sector creditors and borrowing countries.
2. IMF Executive Board Extends Temporary Increase in Access Limits Under the General Resources Account. URL: <https://www.imf.org/en/News/Articles/2024/03/11/pr-2482-imf-extends-temporary-increase-in-access-limits-under-the-general-resources-account#:~:text=The%20annual%20access%20limit%20in,at%20600%20percent%20of%20quota>.
3. IMF Exceptional Access and Reform Legislation: Do Not Link the Two Issues. URL: <https://www.piie.com/blogs/realtime-economic-issues-watch/imf-exceptional-access-and-reform-legislation-do-not-link-two>
4. IMF Managing Director Kristalina Georgieva's Statement on the Review of Charges and the Surcharge Policy. URL: <https://www.imf.org/en/News/Articles/2024/10/11/pr-24368-imf-md-kristalina-georgieva-statement-on-the-review-of-charges-and-surcharge-policy>
5. Q1. What was the outcome of the Review? URL: <https://www.imf.org/en/About/FAQ/charges-and-surcharge-policy#Q1>
6. Q7. How many countries pay surcharges? URL: <https://www.imf.org/en/About/FAQ/charges-and-surcharge-policy#Q7>

financing package, of which \$9.8 bn was allocated in December 2024.¹ In February 2024, the Ukrainian Capacity Development Trust Fund (UCDF) was established to provide technical assistance under the economic reform program; the USDF received \$16.5 mn from the Netherlands, Slovakia, Japan, Latvia and Lithuania.²

5.4.4. Multilateral Development Banks

Cooperation is still on a halt between Russia and large multilateral development banks (MDBs), including the World Bank Group (WBG) which announced the suspension of all types of work in Russia in March 2022.³ The moratorium on approval of new projects in Russia, introduced by the International Bank for Reconstruction and Development (IBRD) and other institutions of the WBG in 2014, is in effect; all previously approved projects in Russia have been completed or cancelled.⁴ Russia's cooperation with the World Bank in the expert and analytical field, including the implementation of a Financial Sector Assessment Program and the issuing of regular reports on the Russian economy, has also been terminated.

As in the case of the IMF, along with restrictions on financial and expert-analytical cooperation, there is no progress in the implementation of equity capital and governance reforms promoted by Russia and global majority states for the benefit of “underrepresented” states. A review of the IBRD's equity capital structure is to be conducted in 2025; such a review is carried out every five years. The review is not expected to lead to a significant shift in the allocation of the bank's capital. Thus, according to the results of the last review, Russia's actual share in the subscribed capital exceeded the “fair” one (determined in terms of the relative role of the country in the global economy).⁵ No decisions have been made over the past years to significantly change the shares even for largely “underrepresented” partner countries (for example, China was underrepresented by more than 100%).⁶

In October 2024, the WBG announced a package of measures to increase its lending facility and credit availability. The package includes a reduction in the mini-

1. IMF Executive Board Completes the Sixth Review of the Extended Arrangement under the Extended Fund Facility for Ukraine. URL: <https://www.imf.org/en/News/Articles/2024/12/20/pr-24493-ukraine-imf-completes-6th-rev-of-extended-arrangement-under-eff>

2. Ukraine Capacity Development Fund Launches Operations. URL: <https://www.imf.org/en/News/Articles/2024/02/12/pr2444-ukraine-capacity-development-fund-launches-operations>

3. World Bank Group Statement on Russia and Belarus. URL: <https://www.worldbank.org/en/news/statement/2022/03/02/world-bank-group-statement-on-russia-and-belarus>

4. Projects. URL: https://projects.worldbank.org/en/projects-operations/projects-list?os=0&countryshort-name_exact=Russian%20Federation

5. 2020 Shareholding Review: Concluding Report to Governors at the Annual Meetings 2021. URL: <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/mgr/DC2021-0008%20Final%20Shareholding%20paper.pdf>

6. IBRD Subscriptions and Voting Power of Member Countries. URL: <https://financesone.worldbank.org/ibrd-subscriptions-and-voting-power-of-member-countries/DS00051>

mun equity-to-loans ratio from 19% to 18%, thus facilitating an additional credit capacity of \$30 bn, as well as the cancellation and postponement of a number of fees for borrowers.¹ Given the existing financing needs of poor countries, these measures seem insufficient.

The activities of other MDBs, including those which Russia is a member of (the European Bank for Reconstruction and Development (EBRD), the New Development Bank (NDB), the Asian Infrastructure Investment Bank (AIIB)), have also shrunk to the minimum amid the current geopolitical situation and the sanctions in the financial sector.

The EBRD has not invested in Russia since 2014. In April 2022, the EBRD Board of Governors decided to suspend Russia's access to its resources and closed down its offices in Moscow. At the same time, Russia continues to be a shareholder of the EBRD.² The EBRD's representatives make regularly politicized statements about the situation in Ukraine. Since February 2022, Ukraine has received over \$5.4 bn from the EBRD and this sum is steadily growing.³

Despite the fact that the NDB and the AIIB are controlled by countries friendly to Russia, these banks are building their policies taking into account the risks of secondary sanctions and are not yet considering financing new projects in Russia; the implementation of the already approved projects has been suspended.⁴ However, Russia attaches great importance to cooperation with the NDB and AIIB "for the future." Thus, Vladimir Putin held his first meeting at the BRICS Kazan summit with Dilma Rousseff, President of the New Development Bank, noting that the NDB is a "good developing" financial institution that has financed about 100 projects totaling \$35 bn since 2018 and making it feasible to "reduce debt service fees, promote financial independence of the BRICS member countries, minimize geopolitical risks and detach as much as possible economic development from politics in today's world."⁵ In turn, Dilma Rousseff said that "the dollar is being used as a weapon to change the living conditions of the population", and the bank has set a goal to provide at least "30% of financing in national monetary units." The NDB is also holding negotiations with other countries on their joining the bank.⁶

After reducing Russia's share in the paid-up authorized capital from 66.0% to 44.8% in 2023 to minimize the risks of sanctions, the Eurasian Development

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1. World Bank Group Announces New Financing, Adjusts Pricing Terms. URL: <https://www.worldbank.org/en/news/press-release/2024/10/15/world-bank-group-announces-new-financing-adjusts-pricing-terms>
 2. The EBRD in Russia. URL: <https://www.ebrd.com/russia.html>
 3. Ukraine data. URL: <https://ria.ru/20231023/ukraina-1904646556.html>
 4. Our Projects. URL: https://www.aiib.org/en/projects/list/year/All/member/Russian%20Federation/sector/All/financing_type/All/status/All; Russia Projects. URL: https://www.ndb.int/projects/all-projects/?country=russia&key_area_focus=&project_status=&type_category=&pyearval=#paginated-list
 5. The meeting with Dilma Rousseff, President of the New Development Bank. URL: <http://kremlin.ru/events/president/news/75367>
 6. The expanded BRICS summit. URL: <http://kremlin.ru/events/president/transcripts/75375>

Bank (EDB) continued its activities in Russia, although the share of Russian projects in the bank's portfolio decreased. As of January 1, 2024, the bank's current investment portfolio in Russia amounted to \$1.481 bn and included 22 projects in 7 industries.¹

Thus, the sanctions led to the main MDBs' suspension of projects in Russia. At the same time, Russia continues to fulfill all obligations to these institutions, while in those banks where Russia and friendly countries are key shareholders, the networking is underway in the expert and analytical field and the dialogue on the expanded use of national currencies, protection of borrowers' interests and other lines of reform of the international financial system is going on.

5.4.5. The United Nations

In 2024, the key event in the United Nations' work was the Summit of the Future, which took place within the framework of the 79th Session of the UN General Assembly. The summit was aimed at boosting progress towards achieving the Sustainable Development Goals (SDGs) amid growing global challenges and slow progress in achieving the goals by 2030. During the summit, the Pact for the Future and the Global Digital Compact as an annex were agreed upon and endorsed by Resolution 79/1.²

The Pact for the Future outlined key areas of joint efforts and identified 56 actions in 5 thematic areas: financing sustainable development; peace and international security; science, technology, innovation and digital cooperation; development of youth and future generations; transformation of global governance.

To facilitate sustainable development, it is planned to mobilize "significant and sufficient resources and investments from all sources", as well as fulfill developed countries' obligations to provide official development assistance in the amount of 0.7% of gross national income. According to the provisions of the Pact, these funds should be used to eliminate poverty, hunger and inequality. Thus, the document outlines the tasks of ensuring universal health coverage, expanding access to high-quality and inclusive education, as well as providing clean and safe water, sanitation and hygiene opportunities for all on a sustainable basis. The United Nations Framework Convention on Climate Change (UNFCCC) estimates that developing countries will need almost \$6 trillion of financing by 2030 only for the implementation of national climate plans and this determines the need to adjust the financial goals for development after 2025.³

1. The 2023 Annual Report of the Board of the Eurasian Development Bank. URL: https://eabr.org/upload/iblock/a8b/EDB_Annual_Report_2023_RU_web_2024_06_18.cleaned.pdf

2. The Resolution adopted by the UN General Assembly on September 22, 2024. URL: <https://documents.un.org/doc/undoc/gen/n24/272/24/pdf/n2427224.pdf>

3. The Sustainable Development Goals Report 2024. URL: <https://unstats.un.org/sdgs/report/2024/The-Sustainable-Development-Goals-Report-2024.pdf>

The Pact reaffirmed commitments under the UNFCCC and the Paris Agreement, including goals to keep the global average temperature rise below 2°C and make efforts to limit temperature increases to 1.5°C above pre-industrial levels. Efforts are also envisaged to develop carbon capture and storage technologies and to build energy systems with a net zero emissions balance based on the use of carbon-free and low-carbon fuels. The Pact provides for the elimination of inefficient fuel subsidies and suggests a solution with the interests of developing countries taken into account, namely, the phasing out of inefficient subsidies for fossil fuels that “do not solving the problem of energy poverty or a fair transition.” The emphasis on the phased nature and social orientation of energy transformation is fully consistent with the position of Russia, BRICS and most developing countries.

In terms of the global governance development, the document envisages the reform of the UN Security Council, taking into account the need to “make it a more representative, inclusive, transparent, productive, effective, democratic and accountable body.” The intentions were declared to reform and consolidate the entire system of UN institutions and speed up the transformation of the international financial architecture (IFA). These provisions do not appear to be sufficiently concrete, elaborated and agreed upon with all participants in the negotiation process (which is largely of concern to the Russian side) and are declarative in nature. The implementation of the actions in the field of reforms of international institutions and global governance depends on the balance of interests of major international actors and groups of states and does not look feasible in the foreseeable future. Specifically, it is unlikely that actions will be taken to accelerate the IFA reform and expand the representation, influence and participation of developing countries in the governing bodies of the World Bank. By 2024, developing countries accounted for only 39% of the votes, well below their 75% share in the bank’s membership. Russia consistently and in various formats adheres to the position that it is necessary to expand the role of developing countries in global governance, including the IFA. In particular, within the framework of the BRICS presidency in 2024 Russia prepared a report on upgrading the international monetary and financial system and expanding the representation of developing economies in the governing bodies of the IMF, the World Bank and other international financial institutions.¹

The most important component of the Digital Package is the Global Digital Compact (GDC), which includes key objectives for cooperation for building an open, sustainable, fair, secure and reliable digital future for all. By 2030, it is planned to eliminate all digital gaps and speed up the achievement of the Sustainable Development Goals; expand participation for all in the digital economy; create an inclusive, open, secure and protected digital space in which human rights are respected, protected and promoted; facilitate progress in the development of responsible, fair and inte-

1. Improvement of the International Monetary and Financial System. URL: https://cdn.brics-russia2024.ru/upload/docs/BRICS_Research_on_IMFS_20241008.pdf?17285842411564413

roperable approaches to data management; strengthen international regulation of artificial intelligence for the benefit of humanity. The GDC establishes universal principles of cooperation and defines obligations and specific actions for implementation thereof.

The development and adoption of the GDC was accompanied by criticism because of disagreements on the principles laid down in it.

Firstly, the GDC equalizes the position of states, representatives of the private sector and the civil society in “drafting and implementing norms, guidelines and principles related to the responsible use of digital technologies.”¹ This raises concerns about the feasibility of implementing the digital sovereignty of the state and protecting the interests of consumers; this situation runs counter to the position of Russia and China, which defend the primacy of the state in addressing the issues of digital regulation, as well as the interests of developing countries to whom the GDC proposes to solve the issues of interaction between users and digital platforms in accordance with user agreements developed by platforms without establishing general rules governing the activities of large digital companies.² This approach is beneficial primarily to the United States, which actively stands for the multistakeholder approach³, since the US jurisdiction includes the largest international digital platforms.⁴

Secondly, the GDC focuses on respect for human rights issues and gender equality as interpreted by Western countries. The United States and the EU are bringing the right to freedom of speech to the forefront, saying that it should be protected in the digital space, as well. Russia, China and Iran believe that such an approach creates prerequisites for interference in the internal affairs of other states via large platforms run by Western companies. Conservative countries such as Saudi Arabia and Iran regard the West’s close attention to ensuring digital equality for women, minorities and vulnerable groups as a challenge to traditional society. Developing countries in Africa and Latin America believe that the primary task is to implement the right to access digital services and technologies and eliminate the digital divide, rather than support freedom of speech and information dissemination in the digital space.

1. Concept Note 5 for “Our Common Agenda”: The Global Digital Compact: an open, free and secure digital future for all. URL: https://digitallibrary.un.org/record/4011891/files/%5EEOSG_2023_5%5E--EOSG_2023_5-RU.pdf

2. The Ministry of Foreign Affairs of the Russian Federation: Guterres’ global digital compact does not meet the interests of developing countries. URL: <https://tass.ru/politika/20493507>

3. The multistakeholder approach, by contrast to the multilateral one, implies the involvement of non-governmental actors in the rule-making process, primarily business representatives, as well as civil society organizations, representatives of the academic community and local communities. The multilateral approach is based on the leading role of states and excludes the active participation of non-state actors in the negotiation process.

4. Pact for the Future, Global Digital Compact and Declaration on Future Generations Key Deliverables and U.S. Explanation of Position. URL: <https://usun.usmission.gov/pact-for-the-future-global-digital-compact-and-declaration-on-future-generations-key-deliverables-and-u-s-explanation-of-position/>

Russia criticized the provisions of the GDC and proposed to postpone the vote and discuss an amendment supported by Belarus, North Korea, Iran, Nicaragua, Sudan and Syria to the Treaty's controversial provisions. However, the UN General Assembly voted on the original text of the GDC, thus violating the principle of making decisions on the GDC only on the basis of consensus. It is noteworthy that 15 countries (Algeria, Bolivia, Iraq, Kazakhstan, Kiribati, China, Cuba, Laos, Malaysia, the Maldives, Oman, Pakistan, Saudi Arabia, Sri Lanka and Thailand) abstained from voting.¹

The Russian Federation did not support the adoption of the Pact for the Future and the GDC. Sergei Vershinin, Russian Deputy Foreign Minister declared that the final text of the resolution included “non-consensual elements.” According to Sergei Vershinin, no intergovernmental consultations or expert meetings were held during the work on the adopted documents and therefore the Pact reflects only the positions of a narrow range of countries.² The Russian side is concerned about the “selective quoting of generally recognized principles of international law,” particularly, the lack of references to the principle of non-interference in the internal affairs of sovereign states and the principle of cooperation. Further, the chosen approach could lead to a lack of focus and fragmentation of global efforts to facilitate transition to a sustainable growth model.

The weak side of the Pact for the Future in terms of its contribution to revitalizing the SDGs is also the lack of ambition and structural transformation of 17 Sustainable Development Goals which are necessary for intensifying the activities of states. In fact, the Pact only confirms a large part of the goals and objectives outlined in the agenda on sustainable development till 2030 (Agenda 2030) adopted in 2015. The decision to create a “framework for indicators for assessing progress in sustainable development that complement and go beyond gross domestic product” can be regarded as a positive step within the framework of the Pact. It is expected that an independent expert group will be established to make recommendations on the development of universally applicable sustainable development indicators in close consultation with member states and with taking into account the Statistical Commission's work based on the system of global SDG indicators. The findings of the expert group's work are to be presented in 2025 at the 80th session of the UN General Assembly. Also, it is planned to “initiate the UN-led intergovernmental process in consultation with relevant interested parties, including the Statistical Commission, international financial institutions, multilateral development banks and regional commissions.” Taking into account Russia's negative assessment of the Pact and the process of its development, Russia's participation in the plans to monitor and develop a new system for assessing progress in the field of sustainable de-

1. Nothing lasts forever under the UN. URL: <https://www.kommersant.ru/doc/7180538>

2. Statement by Deputy Foreign Minister Sergey Vershinin on amending the draft Pact for the future. URL: <https://russiaun.ru/en/news/pactforthefuture2209>

velopment is questionable. However, in order to ensure the objectivity of the system and achieve maximum consideration of the interests of Russia and developing countries, Russian experts should participate in the work of the expert group in 2025–2030.

In 2024, significant progress was made on the UN platform in unifying approaches to cybersecurity risk management. In August 2024, the UN Special Committee finalized the draft Convention against Cybercrime initiated by Russia in 2017.¹ This document is aimed at promoting international cooperation against crimes committed with a use of information and communication technologies (ICT). The Convention criminalizes ten types of offenses, including illegal access to ICT systems, illegal data interception, impact on electronic data and systems, misuse of digital devices, as well as crimes related to the dissemination of intimate content on the Internet. The document provides for the establishment of a network of national contact centers working 24 hours a day to assist investigations and the exchange of electronic evidence. Russia has achieved that the Convention enshrines the principle of non-interference in the internal affairs of states, thus making it as an alternative to the 2001 Budapest Convention on Computer Crimes criticized by Russia for provisions allowing foreign interference in cybercrime investigations.² However, during the negotiations, provisions that included acts related to terrorism and extremism in the list of the main types of cybercrime were excluded from the final text; this can be explained by insufficient definition of the concepts of “terrorism” and “extremism”, which are interpreted differently in various countries, and concerns that the inclusion of such provisions may lead to abuses and suppression of dissent under the pretext of fighting terrorism.³ It is expected that the final text of the Convention will be approved during the 79th session of the UN General Assembly and after that states will proceed with its signing and ratification.

5.4.6. The United Nations Framework Convention on Climate Change

Russia is taking an active part in the development of a global climate governance regime. The presence of the Russian delegation, which included for the first time in a long while Prime Minister Mikhail Mishustin, at the 29th Conference of the Parties (COP29) to the United Nations Framework Convention on Climate Change (UNFCCC) in Baku is evidence of Russia’s readiness to promote its vision of a fair climate policy. The Russian delegation highlighted several priority topics of the Con-

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1. The UN has approved Russia-proposed draft treaty to fight cybercrime. URL: <https://digital.gov.ru/ru/events/52056/>
 2. Updated draft text of the convention against cybercrime (crimes committed through the use of information and communications systems). URL: <https://ifap.ru/pr/2024/n240729a.pdf>
 3. Cyberterrorism. URL: <https://www.unodc.org/e4j/ru/cybercrime/module-14/key-issues/cyberterrorism.html?>

ference, particularly: negotiation of a new goal for climate finance; fair energy transition; creation of international carbon markets under the auspices of the United Nations.¹ At COP29, the Russian delegation reaffirmed the goal of achieving carbon neutrality by 2060 based on higher energy efficiency, promotion of electric transportation, and the introduction of modern solutions in agriculture and forestry. In general, COP29 in Azerbaijan can be considered a success for Russia as positive results were achieved on all the issues.

Firstly, it became feasible to avoid the demonization of hydrocarbons, which strengthens the principle of technological neutrality in reducing emissions and also ensures that the interests of energy exporting countries are taken into account. This reflects Russia's understanding of a fair transition to low-carbon development. Many countries, especially EU countries and small island states, sought to ensure that the goal set out in the 2023 COP28 Global Stocktake Agreement was reaffirmed; the agreement called on all countries to contribute to a "gradual transition away from fossil fuels" and make climate commitments consistent with the goal of limiting temperature increases to 1.5°C above pre-industrial levels. However, this was not achieved, and the abandonment of hydrocarbons was not mentioned at all in the final documents of the conference largely owing to the position of the group of Arab states led by Saudi Arabia with the support of Russia and Azerbaijan, the host of COP29.

Secondly, the remaining provisions of Article 6 of the Paris Agreement dealing with carbon markets were finally agreed. In the first few days of the Conference, the participating countries approved regulatory documents and guidelines for trade in carbon units between countries in accordance with Article 6.2² and Article 6.4³ of the Paris Agreement within the framework of Paris Agreement Crediting Mechanism (PACM), which allows companies to sell carbon units to foreign counterparties and replaces the Clean Development Mechanism (CDM) of the Kyoto Protocol.⁴ The adopted guidelines and standards for the development and evaluation of climate project methodologies, CO₂ absorption requirements and social and environmental safeguards will allow countries to begin trading in carbon units under Article 6 in the near future. The development of carbon markets and the implementation of climate projects are Russia's key priorities in international cooperation on climate issues.

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1. There is an ecology: the Russian Federation will become carbon neutral by 2060. URL: <https://iz.ru/1790317/ekaterina-khamova/est-ekologika-rf-vyidet-na-uglerodnuiu-neitralnost-k-2060-mu>
 2. Article 6.2 allows countries to trade emissions reductions and removals with each other through bilateral or multilateral agreements. These tradable credits are called internationally transferred climate change mitigation results. They can be measured in carbon dioxide (CO₂) equivalent or using other metrics, such as kilowatt-hours (kWh) of renewable energy.
 3. Article 6.4 provides for the creation of a global carbon market under the supervision of the UN structure and the development of rules, conditions and procedures for the implementation of joint international projects.
 4. Key Outcomes from COP29: Article 6 of the Paris Agreement. URL: <https://unfccc.int/documents/644797>

Thirdly, despite the opposition of European countries and the United States, the so-called response measures were discussed at the Conference.¹ At the UN climate talks, the “response measures” are a forum for discussing the cross-border impacts of carbon reduction policies, especially for developing countries’ economies. At COP29 in Baku, the countries agreed to develop a four-year work plan to discuss response measures for 2026–2030. This means that trade-related climate measures, such as the EU’s Cross-border Carbon Adjustment Mechanism (CBAM), now have a formal space where their impact can be discussed and assessed at the UN climate talks. Thus, the implications and negative impact of trade and industrial policy measures in the field of carbon neutrality will be discussed within both the WTO and the UNFCCC. By some estimates, the future of climate policy will be determined, to a large extent, by trade policy measures.²

Unfortunately, COP29 ended without a fair transition program -- another priority of Russia and its BRICS partners — being agreed. High hopes for progress in this area of cooperation are pinned on Brazil’s presidency in 2025 as fair transition issues are a priority for Brazil.

The adoption of a new collective goal on climate finance was less of a priority for Russia due to its status³, but a key one for the entire Baku COP. COP29 was initially called a “financial” conference because the countries had to agree on a new collective quantitative goal for climate finance. The goal set in 2009 called for the annual allocation of \$100 bn until 2030. A new global goal on climate finance announced at the Baku conference stipulates that developed countries will “take the lead” in raising \$300 bn per year for developing countries by 2035.⁴ Developing countries insisted that they needed \$1.3 trillion per year exclusively from developed countries. Instead, the document calls on “all participants” to increase funds from “all public and private sources” to “at least \$1.3 trillion” by 2035. Unlike the wording of the previous goal, the new one also leaves the door open for “voluntary” contributions from developing countries that have not previously provided official funding to combat climate change.

Though some delegations welcomed the agreement⁵, many representatives of developing countries expressed their great disappointment with the “offensively low” funding target, and the representative of India strongly condemned the new target,

1. Policies, programs and actions to mitigate the effects of climate change, “under jurisdiction” and “beyond jurisdiction” or transboundary impacts by the Parties under the Convention, the Kyoto Protocol and the Paris Agreement to combat climate change.

2. The Future of Climate Action Is Trade Policy. URL: <https://time.com/7178427/climate-trade-policy-baku-cop29/>

3. Russia is neither a donor, nor a recipient of climate finance.

4. COP29 UN Climate Conference Agrees to Triple Finance to Developing Countries, Protecting Lives and Livelihoods. URL: <https://unfccc.int/news/cop29-un-climate-conference-agrees-to-triple-finance-to-developing-countries-protecting-lives-and>

5. What was decided at the COP29 climate summit in Baku? URL: <https://www.climatechangenews.com/2024/11/27/explainer-what-was-decided-at-the-cop29-climate-talks-in-baku-outcomes/>

calling it a “meager amount.”¹ The situation is complicated by the fact that funding of climate action support programs in the United States is likely to decrease in the coming years. Many European countries have cut their aid budgets, and the likely consolidation of right-wing forces in elections from Germany to Canada in 2025 may further weaken countries’ readiness for climate actions abroad. This situation does not suggest a positive forecast for the achievement of the financial target. In the field of financing, COP29’s success can be seen in the decision to fully operationalize the Loss and Damage Fund which developing countries, including small island states, the least developed countries and African states have been waiting for a long time.² The Fund’s total amount of funding has not been fixed; as of the end of last year the amount of promised financial support exceeded \$730 mn.

The results of the US presidential election had a significant impact on the conference. Just a few days before the start of COP29, Donald Trump won the election, promising to roll back climate regulation measures and withdraw the world’s largest emitter from the Paris Agreement. The potential impact of his re-election on the talks within the framework of the summit, as well as on the multilateral approach in general, became immediately the main focus of the negotiations and significantly affected the general mood of delegations. With the expected US withdrawal from the Paris Agreement, many are hoping that China will play a more active role in developing further climate policy to fill the vacuum.³ China, as the main producer and supplier of green technologies, is generally ready to take this role, but its position will certainly differ from that of developed countries.⁴

Overall, most COP29 participants were unsatisfied with the results, and the discussions highlighted once again the growing differences between developed and developing countries. Simon Stiell, UNFCCC Executive Secretary, recognized that the Baku agreement did not meet the expectations of all parties, noting that “no country got everything it wanted.”⁵ Discussions on climate finance highlighted deep inequalities in climate program financing. Developing countries stood for non-debt financing mechanisms, arguing that an additional debt burden would make it difficult for them to invest in climate resilience and adaptation. However, developed countries resisted these demands, insisting on the expansion of the donor base at the expense

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1. COP29 climate talks end with \$300 billion annual pledge, Guterres calls deal a ‘base to build on’. URL: <https://news.un.org/en/story/2024/11/1157416>
 2. Historic Decision in Baku: The Loss and Damage Fund fully operationalized. URL: <https://cop29.az/en/media-hub/news/-1732385682>
 3. China’s influence grows at COP29 climate talks as US leadership fades. URL: <https://theconversation.com/chinas-influence-grows-at-cop29-climate-talks-as-us-leadership-fades-243239>
 4. China Briefing 28 November 2024: How China approached COP29; Xi cuts energy deals in South America; Solar’s ‘disorderly’ expansion. URL: <https://www.carbonbrief.org/china-briefing-28-november-2024-how-china-approached-cop29-xi-cuts-energy-deals-in-south-america-solars-disorderly-expansion/>
 5. The United Nations Climate Conference COP-29 agreed on a threefold increase in climate finance for developing countries. This will protect lives and livelihoods. URL: <https://unfccc.int/ru/news/konferenciya-oon-po-klimatu-ks-29-soglasovala-troekratnyy-rost-klimaticheskogo-gosfinansirovaniya>

of middle-income countries, while seeking tougher measures to reduce emissions. As a result, the talks were characterized by high tension, which further undermined the spirit of cooperation needed for achieving substantial results. Calls for reform of the COP process are gaining momentum, and prominent figures, such as former UN Secretary-General Ban Ki-Moon, stand for more compact, problem-solving meetings that prioritize implementation over negotiation.¹ This reflects widespread dissatisfaction with too slow progress within the existing structure.²

High hopes are pinned on Brazil, the host country of the next COP Conference, which is able to facilitate compromise and progress on key issues of climate cooperation: mobilizing financing for developing countries and updating contributions determined on the national level to bring closer approaches to determining an equitable transition. Russia should use Brazil's BRICS and UNFCCC presidencies in 2025 as a platform for promoting its vision of technological neutrality, facilitating growth and balanced implementation of social, economic and environmental goals and preventing unjustified discrimination in taking measures to combat climate change that affect international trade.

5.4.7. The World Health Organization

In 2024, Russia continued its full-fledged participation in the World Health Organization (WHO). Despite the ongoing international tensions and a reduced level of public participation in events, negotiation tracks still exist and Russian experts continue to participate in the WHO's work.

According to Mikhail Vujnovich, WHO Special Representative in Russia, Russia participates in all WHO decisions in the formats of the World Health Assembly, the WHO Executive Committee, expert groups on the adaptation of international health regulations and agreements on pandemic protection, as well as the regional committee.³

The 77th session of the World Health Assembly was held in Geneva on May 27 – June 1, 2024.⁴ The outcomes of the session included the approval of the global health strategy for 2025–2028, which priority topics were as follows: a response to the increasing health threats associated with climate change; preventive impact on the underlying causes of health disorders; development of primary health care

1. Open Letter on COP reform to All States that are Parties to the Convention Mr. Simon Stiell, Executive Secretary of the UNFCCC Secretariat and UN Secretary-General António Guterres. URL: <https://www.clubofrome.org/cop-reform-2024/>

2. COP29 in Baku: A Post-Conference Analysis of Climate Action Commitments and Challenges. URL: <https://horninstitute.org/cop29-in-baku-a-post-conference-analysis-of-climate-action-commitments-and-challenges/>

3. The WHO declared that Russia participated in all decisions of the organization. URL: <https://tass.ru/obschestvo/19684891>

4. The 77th session of the World Health Assembly. URL: <https://www.who.int/ru/about/governance/world-health-assembly/seventy-seventh#>

and the capacity of health care systems to ensure universal health coverage; raising of the level of financial protection to address inequality; reduction of health risks and facilitation of preparedness to such risks; prompt identification of health emergencies and effective response to them.

The Resolution on Health and Climate Change¹ adopted at the WHO session deals with the correlation between climate change threats and human health risks and calls on member countries to ensure periodic review of vulnerabilities and adaptation measures in the context of climate change for the development of national plans for the adaptation of health systems, as well as the development and implementation of national plans aimed at decarbonization and environmental sustainability.

The most important result of the 77th session of the World Health Assembly was the approval of amendments to the International Health Regulations (IHR) (2005) and the commitment to conclude a global agreement to combat pandemics.² The adopted amendments to the IHR include: the definition of a pandemic emergency, the introduction of a declaration of commitment to the principles of solidarity and equality, the introduction of the concept of a “national IHR authority”, as well as the establishment of a Committee to facilitate the effective implementation of the amended Rules. According to WHO Director General Tedros Ghebreyesus, the amendments made to the IHR are meant to strengthen the ability of countries to detect future outbreaks of diseases and pandemics, as well as to respond to them jointly and in a coordinated manner.³ At the same time, it is noted that countries retain full sovereignty over the implementation of the IHR and any other WHO decisions.⁴

Overall, the Russian Federation supported the documents adopted at the 77th session of the World Health Assembly. However, at the plenary session on June 1, 2024, the Russian side emphasized its sovereign right to consider amendments to the IHR in terms of national legislation and, if necessary, make reservations or reject the amendments “as provided for by the WHO Constitution, as well as Article 61 and Article 62 of the IHR.”⁵

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1. Health and Climate Change. URL: https://apps.who.int/gb/ebwha/pdf_files/WHA77/A77_ACONF7-ru.pdf
 2. At the session of the World Health Assembly, an agreement was reached on a broad and decisive package of amendments aimed at improving International Health Regulations. URL: <https://www.who.int/ru/news/item/01-06-2024-world-health-assembly-agreement-reached-on-wide-ranging--decisive-package-of-amendments-to-improve-the-international-health-regulations--and-sets-date-for-finalizing-negotiations-on-a-proposed-pandemic-agreement>
 3. World Health Assembly agreement reached on wide-ranging, decisive package of amendments to improve the International Health Regulations. URL: <https://www.who.int/news/item/01-06-2024-world-health-assembly-agreement-reached-on-wide-ranging--decisive-package-of-amendments-to-improve-the-international-health-regulations--and-sets-date-for-finalizing-negotiations-on-a-proposed-pandemic-agreement>
 4. The WHO chief called on the mass media to dispel myths over the global pandemic accord. URL: <https://tass.ru/obschestvo/17917199>
 5. The 77th session of the World Health Assembly. URL: <https://www.who.int/ru/about/governance/world-health-assembly/seventy-seventh>

In April 2024, the latest version of the Pandemic Agreement was presented.¹ The document describes the measures that countries can take during pandemics and inter-pandemic periods (including operational readiness, purchasing of vaccines, routine immunization and introduction of preventive measures) and recognizes the principle of the sovereign right of states to determine national policies in this area. Negotiations on the Pandemic Agreement approved at the 77th session of the WHO are expected to be completed before the World Health Assembly in 2025.

In 2024, the WHO continued to focus on pandemic response and preparedness for future global disease outbreaks. Topical health issues were also considered in connection with other global agenda issues, such as climate change and facilitation of equal and universal access to basic services. Russia remains an important participant in all WHO processes and continues to ensure that national interests are taken into account in the WHO's decisions.

5.4.8. The Shanghai Cooperation Organization

Along with BRICS, the Shanghai Cooperation Organization (SCO) is considered by Russia an important engine of global development and promotion of multipolarity.² Indeed, the SCO has significant potential: over 3 bn people (42.2% of the global population and 20% of the world's total workforce), a quarter of global GDP and over 60% of the territory of the Eurasian continent.³ In 2024, Kazakhstan's SCO presidency ended in July with the Astana Summit of Heads of State. Kassym-Jomart Tokayev, President of Kazakhstan put forward a number of significant initiatives aimed at harnessing the organization's potential to ensure sustainable and inclusive growth in the region and create conditions for promoting universal peace, security and stability and building a new democratic, just, international political and economic order. Specific projects include the creation of a Financial Support Mechanism for project activities based on the Astana International Financial Center and the establishment of a partner network of strategic ports and logistics centers within the SCO to strengthen transport connectivity.⁴ The goals set by the presidency meet the interests of Russia and all SCO members. The outcome of the work has become an undeniable success; almost 60 joint documents have been agreed. The Republic of Belarus joined the SCO.

1. The proposed WHO Pandemic Agreement. URL: https://apps.who.int/gb/inb/pdf_files/inb9/A_inb9_3Rev1-ru.pdf

2. The meeting of the Council of Heads of SCO Member States. URL: <http://www.kremlin.ru/events/president/news/74464>

3. The SCO countries' GDP amounted to \$24.5 trillion, which is almost a quarter of global GDP. URL: <https://cronos.asia/ekonomika/vvp-stran-shos-sostavil-24-5-trln-eto-pochti-chetvert-ot-mirovogo-vvp>

4. President Kassym-Jomart Tokayev addressed the meeting of the Council of Heads of SCO Member States. URL: <https://www.gov.kz/memleket/entities/mfa-amman/press/news/details/804496?lang=ru>

Following the results of the presidency, two key documents were endorsed: the Initiative “On World Unity for a Just Peace, Harmony and Development” and the draft Development Strategy of the Shanghai Cooperation Organization until 2035; these two documents set the objectives of the SCO’s long-term development in the field of politics and security, inclusive growth and sustainable development.

In the Initiative “On World Unity”, the SCO members formulated the principles and approaches to building international relations, solving problems of international and regional development and ensuring security and stability. The Initiative is based on the principles of respect for sovereignty, independence, justice, equality, mutually beneficial cooperation, non-interference in internal affairs, non-use of force or threat of force and the inadmissibility of attempts to ensure one’s own security at the expense of that of other states, that is, principles which are fundamental to the “Shanghai spirit”¹ and consistent with UN documents. The SCO member states reaffirmed their commitment to cooperation based on these principles, with the central coordinating role of the United Nations, and invited other countries to join the Initiative. The SCO members declared that application of unilateral sanctions was incompatible with the principles of international law and noted the sanctions’ negative impact on third countries, international economic relations and global sustainable development.

The SCO Development Strategy until 2035 set guidelines for promoting cooperation between the organization’s members in politics, security, economy, energy, agriculture, high technology and innovation. For the time being, the SCO continues to face the challenge of moving from setting goals and objectives to concrete implementation thereof. In this context, it is important for the future of the organization to ensure practical steps to implement the Program of Multilateral Trade and Economic Cooperation and the SCO Economic Development Strategy for the Period till 2030. It is expected that this will be facilitated by the approval of the Plan for the implementation of the Strategy (the decision to approve the Plan is probably evidence of India’s softening its position on the Strategy, which it previously opposed) and the Decision of the Council of Heads of Government on the Concept of developing a “New Economic Dialogue” proposed by Shavkat Mirziyoyev, President of Uzbekistan, at the 2023 Summit.²

The new mechanism should contribute to the formation of a common space for industrial and technological cooperation and the formation of a competitive industry and services sector based on combined capabilities of member countries, elimination of trade and customs barriers, formation of stable production and sup-

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1. Mutual trust, mutual benefit, equality, mutual consultations, respect for the diversity of cultures, pursuit of joint development, the inseparability of the security of an individual state from that of the region.
 2. Joint communique on the results of the 22nd meeting of the Council of Heads of Government of the SCO member States. URL: https://www.fmprc.gov.cn/rus/wjdt/gb/202310/t20231027_11169680.html

ply chains, motivation of joint localization and import substitution programs, protection and promotion of mutual investments, and infrastructure development.¹ The underdevelopment of infrastructure and logistics chains is a significant barrier to promotion of the SCO economic cooperation. The decisions of the Astana Summit on the implementation of the 2022 Concept of Cooperation in the development of interconnectivity and creation of efficient transport corridors, the 2023 Concept of cooperation in the development of ports and logistics centers and the Agreement (adopted as far back as in 2014) between the governments of the SCO member states on creating favorable conditions for international road transportation can largely contribute to sustainable economic growth in the SCO countries and the region.

Decisions on strengthening cooperation in e-commerce and the integration of national programs for the development of the digital economy (if the member countries take concrete practical steps to implement them) are expected to facilitate the elimination of barriers and promotion of innovative development. Unfortunately, many initiatives bog down in differences between member countries and are difficult to implement. For example, the 2022 roadmap for a gradual increase in the share of national currencies in mutual settlements has not morphed yet into concrete mechanisms or measures. Consultations on the establishment of the SCO Development Bank (China's initiative of 2010) and the SCO Development Fund (Special Account) (Russia's initiative of 2013) have been going on for many years. Kazakhstan's new proposal on the establishment of the SCO Investment Fund has been sent for further elaboration. The understanding of the need for financial support mechanisms for key multilateral initiatives existed before, but there was a lack of political will to select and define their parameters. In particular, Russia opposed the establishment of the SCO Development Bank and China stopped considering it as a priority after the launch of the One Belt, One Road Initiative (OBOR). In the new geopolitical environment, the need for mechanisms, independent of the US dollar-based international monetary and financial system, has increased. The SCO countries are increasing the use of national currencies in mutual settlements. In 2024, the share of such settlements in Russia's commercial transactions with SCO members exceeded 92%. In 2024, Russia put forward the idea of establishing the SCO payment and settlement mechanism of its own.

The SCO member states' common approach to energy and environmental issues is important to Russia. The SCO stands for a coordinated and balanced energy transition in accordance with national priorities and capabilities, with the interests of both traditional fuels producing and consuming countries taken into account. Common priorities include environmental protection, environmental safety, rational use of natural resources, mitigation and adaptation to negative effects of climate change, particularly, through technology transfer and resource mobilization

1. Uzbekistan's proposals for the SCO: food security, interconnectivity, support for Afghanistan. URL: <https://www.gazeta.uz/ru/2022/09/16/suggestions/>

to meet the needs of developing countries. In 2024, an agreement was signed between the governments of the SCO member states on cooperation in the field of environmental protection, joint approaches were adopted to solve environmental problems, a program for the development of cooperation between the SCO member states in the field of protected territories (specially protected natural areas, protected natural areas) and ecological tourism and a Joint Action Plan for the implementation of the SCO Green Belt Program for 2024–2026 were approved; also it is planned to establish a SCO Special Working Group on climate change. This is important for promoting cooperation within the SCO and the SCO common positions on the platforms of the UN Framework Convention on Climate Change, the WTO and other multilateral institutions.

As in previous years, security issues had a considerable weight on the cooperation agenda. The SCO members have adopted a program of cooperation in countering terrorism, separatism and extremism in 2025–2027 aimed at raising the effectiveness and stepping up the fight against the forces of the “three evils” and promoting the activities of the Regional Anti-Terrorist Structure (RATS). The SCO Anti-Drug Strategy for 2024–2029 and the Action Program for implementation thereof have been approved to combat the global drug threat and build a drug-free society. The SCO members came out with a common position on the need to conclude an international legally binding document that would strengthen the legal regime providing exclusively for the peaceful use of outer space. In the field of international cyber security, the SCO members supported the adoption of the comprehensive Convention on Countering the Use of Information and Communication Technologies for Criminal Purposes within the framework of the United Nations and agreed on the SCO document on cooperation in combating crimes in the field of information technology. The SCO member states reaffirmed their common positions on the sovereign right of the state to manage the Internet in its national segment.

Within the framework of its presidency, China intends to ensure the continuity of the agenda, promote sustainable development in the SCO and the region and build on the achievements of OBOR and its technological competitive advantages. The year 2025 has been declared the SCO Year of Sustainable Development. China’s proposals include the establishment of a pilot zone for regional trade and economic cooperation and an innovation base in ecology and environmental protection, expansion of the share of settlements in national currencies and work on creating a financing platform.¹

However, not everything in the SCO’s work is simple. The differences still exist between China and India. Thus, in 2024 all members, except India, confirmed once again their support for China’s One Belt, One Road Initiative (OBOR) and the integration of the development of the Eurasian Economic Union and OBOR.

1. The Shanghai Cooperation Organization: a common home for a wonderful future. Speeches at the SCO Plus meeting in Astana. URL: https://www.mfa.gov.cn/rus/zxxx/202407/t20240704_11448348.html

The SCO members supported Russia's proposal to establish the Greater Eurasian Partnership (GEP) with the participation of the SCO countries, the Eurasian Economic Union, the Association of South East Asian Nations (ASEAN) and other interested states and multilateral associations. The Russian-Chinese Economic Partnership will play an important role in the implementation of the GEP.¹ To implement the concept, it is important to promote the vision of the GEP not as another independent project, but as an initiative combining numerous SCO projects and programs into an integrated structure in order to enhance the effectiveness of the organization's cooperation as one of the pillars of future Partnership.

5.4.9. The Eurasian Economic Union

The Eurasian Economic Union (EAEU) is an important platform for promoting the interests of the Russian Federation, preventing its economic, financial and political isolation, as well as ensuring effective reorientation of economic and trade flows.

In 2024, considerable progress was achieved in a number of areas which are of priority to Russia.

The EAEU members have negotiated the draft Agreement on Electronic Trade in Goods. Tangible and digital goods, as well as related e-commerce services, will move freely within the Eurasian "five" countries. The member states will not impose any tariff, non-tariff or other restrictions on sellers of goods or marketplaces that are not provided for by the Treaty on the EAEU Union, and the marketplaces will not discriminate against sellers and buyers from other EAEU countries.²

The member countries continued to develop a common green agenda. In 2024, the Eurasian Economic Commission (EEC) presented a Concept for the introduction of green economy principles in the EAEU.³ According to the document, the green economy approach is meant to ensure an optimal balance in each member state between environmental and climate protection, on the one hand, and the achievement of national socio-economic development goals, on the other hand. This is consistent with Russia's stance regarding a fair transition to low-carbon development. To implement this approach, the EEC proposes to use a set of specific, scientifically based and internationally recognized criteria for classifying economic projects as green ones. The Concept stresses the importance of using the best avail-

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1. *Luzyanin S. G., Klimenko A. F.* Cooperation between Russia and China in the SCO on the implementation of the Concept of the Greater Eurasian Partnership. URL: <https://cyberleninka.ru/article/n/sotrudnichestvo-rossii-i-kitaya-v-shos-po-realizatsii-kontseptsii-bolshogo-evraziyskogo-partnerstva>
 2. *Andrei Slepnev.* "Fundamental agreements have been reached on the draft Agreement on Electronic Trade in Goods in the EAEU." URL: <https://eec.eaeunion.org/news/andrey-slepnev-dostignuty-print-sialnye-dogovorennosti-po-proektu-soglasheniya-ob-elektronnoy-torgo/>
 3. The concept of implementing the principles of the "green" economy in the Eurasian Economic Union. URL: https://eec.eaeunion.org/upload/files/dep_makroec_pol/green_economy.pdf

lable technologies (BAT) as an instrument of international cooperation in the field of sustainable development. The use of BAT can become a link between enterprises, investors, lenders and technology developers, regardless of the country they are residents of, thus creating additional opportunities for attracting financing and promoting international cooperation. BAT is given considerable attention in the strategy for the long-term development of the Russian Federation with a low level of greenhouse gas emissions until 2050. It is noteworthy that the EAEU Concept is considered one of the best international sustainable development initiatives of 2024 according to the results of the ISAR Honours competition held by the United Nations Conference on Trade and Development (UNCTAD)¹.

Also, cooperation was developing in other key areas. The EAEU has developed a draft Agreement on approaches to combating violations of intellectual property rights in the Internet. The document provides for the blocking of illegal content, liabilities for owners of information resources and information intermediaries, as well as the termination of information on blocked resources by search engines.² An Agreement on the unified customs transit system of the EAEU and a third party(s) has been adopted, which allows for a conclusion of an international agreement between the EAEU and a third party (for example, Uzbekistan or China) in the future, thus forming the basis for simplifying the transportation of goods through the customs territory of the member countries³. The roadmap for the implementation of the main guidelines and stages of the implementation of the common transport policy of the member states in 2024–2026⁴ and the order on the harmonization of the legislation of the member states in the field of civil aviation were approved.⁵ The Concept of forming a common commodity exchange market⁶ was signed; it is aimed at establishing fair market prices for commodities, increasing trade volumes

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1. The concept of implementing the principles of the green economy in the EAEU has become one of the best regional practices for sustainable development of UNCTAD. URL: <https://eec.eaeunion.org/news/kontseptsiya-po-vnedreniyu-printsipov-zelenoy-ekonomiki-v-eaes-voshla-v-chislo-luchshikh-regionalnykh/>
 2. The EAEU has developed a draft Agreement on approaches to combating violations of intellectual property rights in the Internet. URL: <https://eec.eaeunion.org/news/v-eaes-razrabotan-proekt-soglashe-niya-o-podkhodakh-k-borbe-s-narusheniyami-prav-na-obekty-intellektu/>
 3. The agreement on the EAEU unified customs transit system and third countries will ensure seamless cargo transportation. URL: <https://eec.eaeunion.org/news/soglaschenie-o-edinoy-sisteme-tamozhen-nogo-tranzita-eaes-i-tretikh-stran-obespechit-besshovnost-gruzo/>
 4. The Heads of government approved the roadmap for transportation for the next three years. URL: <https://eec.eaeunion.org/news/glavy-pravitelstv-utverdili-dorozhnuyu-kartu-po-transportu-na-bliz-hayshie-tri-goda/>
 5. The EAEU countries have agreed to bring in harmony legislative approaches in the field of civil aviation. URL: <https://eec.eaeunion.org/news/strany-eaes-dogovorili-sblizit-zakonodatelnye-podkhody-v-sfere-grazhdanskoy-aviatsii/>
 6. The EAEU has approved the concept of forming a common commodity exchange market. URL: <https://eec.eaeunion.org/news/v-eaes-utverzhdena-kontseptsiya-formirovaniya-obshchego-birzhevogo-ryнка-tovarov/>

in the Union, enhancing the share of settlements in national currencies and facilitating fair pricing of EAEU goods on the global market. The issues of forming common approaches to the study of digital markets in the EAEU were considered.¹ The parties noted the similarity of the methods used to assess digital markets and agreed to continue sharing law enforcement experience, which provides grounds for further convergence of approaches.

However, not all areas of integration have seen considerable progress.

The EAEU unified energy markets were expected to be launched in 2025. Accordingly, it was planned to resolve the remaining differences in 2024, but it failed to be done. The establishment of the EAEU common gas market may be postponed till 2030 or indefinitely. In 2024, the Eurasian Intergovernmental Council approved the Rules for Information Exchange in the EAEU Common Electric Power Market. This is the final document in the set of rules regarding the common electricity market.² Though there were only few minor disagreements about the operation of the electricity market, its launch may entail difficulties, which are of particular concern to Armenia that does not have a common border with other EAEU member states and fears it will not be able to get fully integrated into the markets.³ Further, different levels of technological equipment and infrastructure quality may become a challenge to effective market integration. As regards the common oil and gas markets, insurmountable differences remain primarily between Russia and Kazakhstan, as energy suppliers, and other member states. The member states that buy gas insist on uniform pricing principles to ensure competitiveness. There is also a question about the validity of bilateral agreements: Russia and Kazakhstan believe that these agreements should remain in force, while Armenia proposes to declare them invalid.

In 2025, it is planned to create a Supranational body for regulating the common financial market, however, the relevant international agreement has not been adopted within the EAEU. Other agreements prepared for implementation of the first stage of the Concept of establishing the EAEU common financial market (on standardized licenses in the banking and insurance sectors; on cross-border circulation of securities; on the admission of brokers and dealers) remain at the stage of intrastate approval and signing.

No progress was achieved either in the EAEU digital agenda or in the development of the data traffic regulation regime. These issues were not discussed in 2024.

Thus, integration lines, which are important to Russia, are actively promoted in the EAEU, primarily in the field of transportation, the green economy and e-

1. The EEC forms common approaches to the study of the digital markets of the EAEU countries. URL: <https://eec.eaeunion.org/news/eeek-formiruet-obshchie-podkhody-k-issledovaniyu-tsifrovyykh-rynkov-stran-eaes/>

2. Results of the Eurasian Intergovernmental Council. URL: <https://eec.eaeunion.org/news/itogi-evraziyskogo-mezhpravitelstvennogo-soveta-/>

3. Yerevan declared that the EAEU single energy market will not be formed until 2027. URL: <https://tass.ru/ekonomika/20198751>

commerce. Cooperation is developing in other important areas, as well. However, progress has failed to be achieved in some key areas — energy, finance and the digital agenda — owing to member countries' conflicting positions on crucial state interests.

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In 2025, the processes that cause a shift in the balance of power and transformation of the world order will develop further. The multidirectional trends in the reform of international institutions in the interests of the global majority states and building an order based on the rules of the G7 will increase tension and fragmentation in the system of multilateral institutions. In 2024, developing countries began to build more consistently their positions in international organizations proceeding from their priorities and awareness that unilateral economic measures, manipulation of political systems and regulation of market access, trade agreements and payment systems violate WTO rules, the UN Charter and the most important aspects of sovereignty and are incompatible with the goal of building a fair and effective system of international relations. Russia and its partners will have to uphold their vision of a fair and effective global governance architecture within the framework of South Africa's G20 presidency, the last one in a series of developing countries' presidencies, Brazil's BRICS and UNFCCC COP presidencies, UN negotiations on future AI and Internet governance and on many other venues.

5.5. Russia's participation in WTO disputes¹

5.1.1. The WTO crisis and Russia's participation in the WTO from the onset of the SMO

Since its accession to the WTO in August 2012, Russia has participated participates in 125 WTO trade disputes: 8 as a complainant, 11 as a respondent, 106 as a third party. The WTO dispute settlement mechanism has been in crisis for several years, primarily due to the suspension of the Appellate Body (AB) due to the U.S. blocking the appointment of new members. Despite this, countries continue to file complaints with the WTO Dispute Settlement Body (DSB), recognizing the need for reforms to the dispute settlement system.² Various ideas have been put forward,

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 2. For more information, see: URL: <https://www.iep.ru/ru/publikacii/publication/rossiyskaya-ekonomika-v-2020-godu-tendentsii-i-perspektivy-vypusk-42.html>