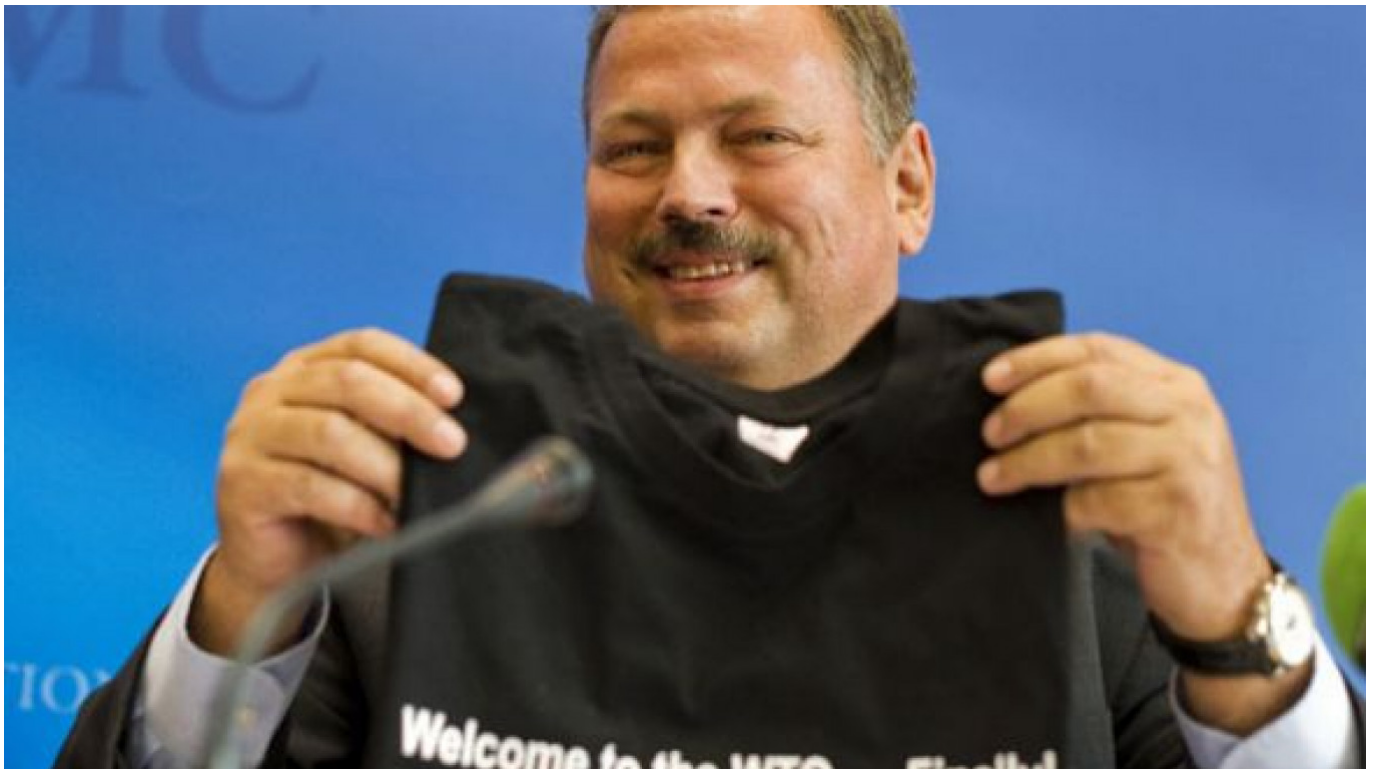


# Report: No WTO Gains Visible Yet

By [Howard Amos](#)

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WTO director-general Pascal Lamy and the Russian negotiation team leader Maxim Medvedkov celebrating Russia's entry into the global trade rules club in August 2012.

Accession to the World Trade Organization is generating minimal short-term economic gains for Russia, and the long-term benefits are exaggerated, ING Bank said.

Russia's entry into the WTO after 19 years of negotiation was like joining a "Premier League team, where success depends on interaction with other players and adherence to internal rules more than anything else," ING Bank economists said in a report for investors e-mailed Monday.

And new customs data from September suggest that there has not been a flood of foreign-made goods crossing the border, despite lower import tariffs mandated by accession.

The average import tariff will fall from 10 percent to 7.8 percent as a result of the country's joining the WTO. One-third of these cuts are already in place, and another quarter are to be implemented within three years.

No significant month-on-month increase in imported goods, including textiles, footwear and cars — all expected to be boosted by tariff cuts — has been visible since accession on Aug. 22, according to research by the Eurasian Economic Commission, RIA-Novosti reported Monday.

Some exceptions to this trend were a month-on-month 16 percent uptick in pork imports, a 50 percent increase in vegetable oil imports and a 23 percent jump in dairy imports.

But consumers should not expect lower tariffs to lead to lower prices, ING Bank said, because inflation and profit-taking are likely to bite.

"Nearly two months after the accession, there have been no visible positive price effects so far," the bank said.

Expectations for a macroeconomic stimulus to the economy are likely to have been exaggerated, the investment bank's report states.

Estimates of gross domestic product gains of between 3 and 11 percent were unrealistic because they are premised on the "questionable assumption" of sharp reductions to the barriers to foreign direct investment.

Assuming a slower pace of services liberalization, WTO accession could add just 0.5 percent to GDP growth in the short term and 1 percent in the long term, ING said.

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