The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russia, Belarus to Form Economic 'Confederacy' by 2022 – Kommersant

September 16, 2019



Alexander Lukashenko and Vladimir Putin **Kremlin.ru**

Russia and its close ally Belarus plan to form an economic confederacy by 2022, according to an undisclosed plan of action for integration seen by the Kommersant business daily.

Belarus' integration with Russia became a widely discussed possibility as one of the ways in which President Vladimir Putin could sidestep constitutional term limits that bar him from re-election in 2024. Moscow offered Minsk economic benefits in December if it complied with a 1999 deal that envisioned a union state with a common currency, legal system and a joint defense and foreign policy.

Related article: Belarus Ready to 'Unite' With Russia, Lukashenko Says

The Russian-Belarussian economic confederacy entails the creation of a single tax code, civil code and list of foreign trade rules, in addition to unified oil, gas and electricity market regulators, by 2022, Kommersant reported Monday.

“The partial economic integration is on a level no less than in the European Union, and is similar to confederate and even federal states on a number of issues,” the outlet wrote.

Among the few details disclosed in the plan of action, Kommersant reported that Russia and Belarus expect to unify their customs and energy policies by 2021. The union state tax code is expected to be adopted by April 1, 2021.

The plan of action leaves the “other provisions of the treaty” — including how executive power is organized both in Russia and Belarus — up for discussion by 2022, according to Kommersant. The plan of action also reportedly does not address integration between the two countries’ state security, defense, law enforcement and judicial domains.

An unnamed Russian cabinet source confirmed the document’s authenticity to Kommersant.

Kremlin spokesman Dmitry Peskov told reporters Monday that the plan of action cited by Kommersant is “preliminary.” He said the integration roadmap is expected to be released to the public before the start of 2020.

Earlier this month, Prime Minister Dmitry Medvedev said he and his Belarussian counterpart had completed the plan of action for a Russian-Belarussian integration roadmap. Belarus’ prime minister said he expects Presidents Vladimir Putin and Alexander Lukashenko to sign the 31-item roadmap in December.

Maxim Vilisov, the director of the Moscow-based Center for Crisis Society Studies, called the plan of action “a serious step forward” in developing a formal union state agreement.

“At the executive level it's realistic. But politically — I would not be so optimistic. For Lukashenko and his entourage, the policy of maneuvering between Russia and the West brings more benefits than a decisive choice in one direction or another, because this way the country receives dividends from both sides,” he told The Moscow Times.

Political analyst Artyom Shaibman told The Moscow Times that he doesn't think the tax unification will happen at all, describing the Kommersant report as “a salad of reality and interpretation.”

“This is a very complicated procedure, and today's political elite is not enthusiastic to engage in this process in a serious way that would suit both countries,” he said.

Kommersant noted that Russia’s economy is 29 times the size of Belarus’ economy, “making it almost impossible to talk about the feasibility of the proposed program on an equal footing.”

Original url:
https://www.themoscowtimes.com/2019/09/16/russia-belarus-to-form-economic-confederacy-by-2022-kommersant-a67297