

## Regional organisations in the post-Soviet space

Since the breakup of the USSR in 1991, Russia has cooperated with its neighbours through a series of regional multilateral organisations and agreements. These have served to maintain Russian influence over the 'Near Abroad' – ex-Soviet republics in Eastern Europe and Central Asia – while mitigating Russian isolation as its relations with the West become increasingly tense, not least due to the Ukrainian crisis.

### The Commonwealth of Independent States (CIS)

The [CIS](#) was formed by the former Soviet Republics (except for the Baltic States, which never joined, and Georgia, which was only a member from 1993 to 2009) after the breakup of the USSR in December 1991. Its remit is to coordinate national policies in areas such as economic affairs, foreign relations, defence, immigration, environmental protection, and law enforcement, through summit and ministerial-level meetings. The organisation continues to function, but a lack of common ground between member states has prevented it from ever having more than a [marginal role](#). Russia has therefore chosen to pursue closer cooperation with smaller groups of countries rather than through the CIS.

### Military cooperation – The Collective Security Treaty Organisation (CSTO)

The [Charter](#) of the [CSTO military alliance](#) was initially signed by six countries (Russia, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan) and, with slight changes (Uzbekistan has left and Belarus has joined), it still has six members. In principle, non-CIS states, such as [Iran](#), could also apply to join.

CSTO, described in [leaked NATO cables](#) as 'a waning organisation' that 'has proven ineffective in most areas of activity' is very far from developing into a serious rival to NATO. Although Dmitry Medvedev envisaged CSTO's Collective Rapid-Response Force (CRRF), agreed on in 2009, as ['operating just as well as that of NATO'](#), five years later the CRRF has [only participated in exercises](#). For example, it [failed](#) to intervene in the 2010 ethnic riots in Kyrgyzstan.

Nevertheless, the organisation has its uses for Russia. Among other things, it has helped to keep the US at bay in Central Asia, thanks to a [2011 CSTO summit agreement](#) giving each member state a veto over foreign military bases in the region. Although NATO-led operations in Afghanistan were allowed to use the Manas Air Base in Kyrgyzstan, US presence is now [ending](#), just as Russia [upgrades](#) its own Kyrgyzstan base in Kant.

### Economic integration – the Eurasian Economic Union (EEU)

#### *Antecedents to the EEU*

**1994:** CIS countries agree on a [free trade area](#), but fail to follow through.

**1996:** Russia and Belarus agree to a [union](#), which is never implemented, possibly due to Russia's reluctance to take on the costs of reforming Belarus's command economy.

**2000:** Russia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan agree to set up a [Eurasian Economic Community](#) (EAEC or EurAsEC). Initially, progress towards this is slow.

**2008:** the EU [announces](#) the launch of its Eastern Partnership programme, pushing Russia to move its own regional economic integration processes up a gear so as to offer an alternative to closer ties with the EU.

**2010:** Russia, Belarus and Kazakhstan implement a Eurasian Customs Union, with a common external tariff and no internal customs checks.

**2011:** A [CIS free trade area](#) is signed in 2011 by eight CIS countries, including Ukraine and Moldova. Meanwhile, Russia, Belarus and Kazakhstan [agree](#) in 2011 to upgrade their Customs Union to a Eurasian Economic Union by 2015, with an EU-style single market.

**2013:** following pressure from Russia to join the Customs Union, Ukraine's President Viktor Yanukovich decides not to sign the country's Association Agreement with the EU, precipitating his overthrow.

**2014:** Ukraine, Georgia and Moldova sign [Association Agreements](#) with the EU, effectively closing the door to EEU membership. Armenia by contrast signs its EEU [Accession Agreement](#) in October, to take effect in 2015, and Kyrgyzstan followed suit in [December](#). Negotiations with Tajikistan are still [ongoing](#).

*How will the Eurasian Economic Union work?*

Modelled on the European Economic Community (EEC) and its Single Market, the EEU is administered by a Moscow-based [Eurasian Economic Commission](#), similar in function to the European Commission. A single market with free movement of goods, people, services and capital will be launched in 2015, although certain sectors (such as energy) will take longer. A [common currency](#) is a medium-term prospect.

*Benefits of the EEU*

While many technical issues still have to be worked out – e.g. differing food safety standards resulting in periodic bans on [meat imports to Russia](#) – the EEU's three current members have moved from customs union to single market in just four years, a process which took the EEC three decades. However, there are serious [doubts](#) about the EEU's economic benefits for Russia, especially given that Ukraine will not join:

- as Russia is by far the largest member state, the EEU's single market (with five members) will only be 17% larger than Russia's domestic market
- with a combined GDP only slightly larger than that of Italy, the EEU will not be in a position to rival other trading blocs such as the EU
- Russia's trade with other EEU countries represents less than 10% of its total foreign trade compared to 43% with the EU.

The meagre expected economic benefits are hardly enough to outweigh the [estimated €22 billion](#) in subsidies which Russia may have to pay Belarus and Kazakhstan. The importance of the EEU for Russia – Vladimir Putin has repeatedly described it as one of the country's [top foreign policy priorities](#) – is its role in [maintaining Russia's influence](#) in the region. Kazakhstan has insisted that the EEU should only promote economic, and [not political](#) integration, and together with Belarus it has [blocked](#) Russian proposals to restrict Ukrainian imports; but their membership of a customs union precludes either country from adopting free trade agreements with external partners such as the EU.

## The Shanghai Cooperation Organisation (SCO) – cooperation with China

Set up in 1996 as the 'Shanghai Five' by China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan, and renamed after Uzbekistan's accession in 2001, the [SCO](#) promotes Central Asian cooperation on security issues (border demarcation, terrorism) and energy in particular. The organisation has proved a useful forum for dealing with shared concerns (for example, Afghanistan-based drug trafficking, gas pipelines), and it can also be seen as part of Russia's general policy of [closer relations with China](#).

On the other hand, China is a competitor for influence in Central Asia – as part of its [New Silk Road](#) strategy, it is developing closer economic ties with the region, for example by [investing](#) in Kazakh oil fields. For this reason Russia has been [cautious](#) about broadening the scope of SCO cooperation: it has yet to back China's proposal for an [SCO free trade area](#), preferring instead to pursue economic cooperation through the EEU, and only participates to a [limited extent](#) in joint SCO military exercises. Recently, however, in view of its international isolation, it appears more [willing](#) to accept a stronger military role for the SCO.

Russia also cooperates with China on a bilateral basis – with for example a [US\\$400 billion gas deal](#) – and through the [BRICS](#) grouping.

## What is Russia trying to achieve through its regional activities?

While Putin [denies](#) trying to rebuild the Soviet Union, close cooperation with CIS countries through the EEU in particular helps to maintain Russian influence over the post-Soviet space. As relations with the West deteriorate, Russia is looking for allies elsewhere – for example, China. Russia's promotion of regional organisations such as the CSTO, EEU and SCO can be seen as part of efforts to develop a 'polycentric world' order and resist the 'unilateral diktat' of US dominance (Vladimir Putin, October 2014, [Valdai speech](#)).

The EP [resolution](#) of 6 February 2014 on the EU-Russia summit calls for 'the EU and Russia to find ways of making the respective regional integration processes more compatible' and 'opposes Russia's intention to continue to consider the Eastern Partnership region as its sphere of influence'.