Risk Assessment of Trade Liberalization with Asian Countries in the Context of Russia's Policy of Pivot to Asia[1]

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Abstract

Trade liberalization with Asian countries is a key issue on the agenda of Russia and the Eurasian Economic Union's (EAEU) economic and trade connectivity with the Asia-Pacific region (APR). However, the signing of free trade agreements (FTAs) has traditionally been negatively perceived in both Russia and EAEU partner countries because of the extremely conservative prevailing trade policy. This study simulated the situation of full liberalization of Russian trade in goods with Rep. of Korea (here and after: Korea), Singapore, India, Japan and China to assess the risks of such agreements. The countries were selected on the basis of the current negotiating tracks of the EAEU and the analysis of Russian foreign trade with the APR countries. The simulation was performed using a partial equilibrium model built with the SMART software provided by the World Integrated Trade Solution.

The article highlights key product groups, increases in imports of which can be expected with a complete abolition of import duties by Russia (taking into account sensitive tariff lines). In addition, the authors conclude that in this case, imports of Indian and Korean products will increase by approximately 7.5%, and imports from Japan and Singapore, respectively, by 7% and 6.5% of the cost of imports from these countries in 2016. The simulation showed an 8% increase in imports from China, which in absolute terms exceeds the current level of trade with India and Singapore combined. This confirms the low probability of starting the FTA negotiations with China in short and medium term.

Key words: Russia; EAEU; Asia-Pacific Region; free trade agreements; imports; partial equilibrium model

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Introduction

The 21st century saw the centre of the world's economic activity shift to the Asia-Pacific region (APR). This caused Russia to strive to become part of this new global economic hub. Analysts call the trend "Russia's turn to the East", set in motion by the establishment of the Ministry for the Development of Siberia and the Far East (later renamed to the Ministry for the Development of the Russian Far East), Russia's preparations for hosting the Asia-Pacific Economic Cooperation (APEC) summit in Vladivostok in 2012, and by worsening relations with western countries and the ensuing Russia-West mutual sanctions.

At present, the Asia-Pacific region's development model is changing from "Asia for the world" to "Asia for Asia" as shown by an increase in regional trade, investments and new value-added chains [Bordachev et al., 2015; Makarov, 2016]. Asia is currently a leader by regional and global trade volume. Regional trade exceeded 50% of the 2004 overall trade turnover [WTO, 2005] and continued to increase, reaching 57.3% in 2016 [ADB, 2017], except for the crisis years which is a trend characteristic of regionalization. The world trade slump in 2015 was worse than the decrease in regional trade; consequently, the latter's share continued to grow [ITC, 2017].

Ongoing Asian integration notably does not require partial delegation of sovereignty and is aimed at liberalizing processes, for example within the scope of free trade agreements [Makarov, 2016]. The Association of Southeast Asian Nations (ASEAN) and its ASEAN+ cooperation plans can serve as an example. The next step is megaregional agreements such as the Regional Comprehensive Economic Partnership (RCEP) which do not envision supranational bodies and are aimed at closer and broader cooperation in different sectors. However, the arrangements to conclude such agreements take a rather long time, while the signing of finalized documents can be repeatedly postponed. For example, the conclusion of negotiations for the RCEP has been postponed to November 2018 due to a lack of consensus on all agenda issues [theSundaily, 2017].

Russia's integration in the region will take considerable time; furthermore, the EAEU is committed to designing an integration agenda that should account for the positions of all members. As of today, there is a free trade agreement with Vietnam (effective since 5 October 2016) [EEC, 2016], a statement linking the EAEU and the Silk Road Economic Belt [President of Russia, 2015] and an emerging conceptual framework for a Greater Eurasia; these steps are made towards promoting Russia's integration in the Asia-Pacific region as an EAEU member.

Though preferential trade agreements can deliver advantages, they can also aggravate certain risks. In this connection, a partial equilibrium model was used to assess the effect of trade liberalization with five Asian countries. Recommendations on Russia's negotiating position were developed using the data obtained.

The present study is divided into four sections: the first is an overview of current negotiations over free trade agreements between the EAEU and APR countries; the

second reviews research papers and the method used to simulate full trade liberalization with the designated partners; the third section presents the results and the fourth offers conclusions and questions for discussion.

Overview of Research Papers

Dent's study [2005] of free trade agreements in East Asia found that since the 1990s when economic agreements were largely concluded to remove existing trade barriers, the range of aspects they addressed expanded considerably by the beginning of the 21st century to include the regulation of online trade, intellectual property, labour force and other areas. This contributes to more comprehensive and effective integration between regional players which Russia needs as well.

Analysts across the world have assessed possible implications of signing free trade agreements. Izotov extrapolated the effects of free trade deals with New Zealand [2013a] and Vietnam [2013b]. He concluded that mutual cuts in tariffs would contribute to an increase in Russian imports, whereas exports would grow at the expense of other factors such as a larger investment presence in these countries. Izotov notes that the conclusion of FTAs is necessary for Russia's successful integration in the Asia-Pacific region.

Mastel [2013] refers to U.S. practice to argue that the establishment of free trade zones can be used as a serious political mechanism to create solid groundwork for political and possibly military alliances (such as FTAs with Israel and Jordan).

Koo and Hong's [2014] paper addressing Korea and Thailand trade policies concluded that Korea, despite its relative protectionism, is an active player in the FTA arena seeking to sign free trade agreements with the key world economic actors such as the U.S., ASEAN, China, the European Union, India and others.

Cheong [2007], in his assessment of the implications of the Korea-U.S. FTA cites five major advantages of this agreement as highlighted by Korea's largest private research institute. These include improved competitiveness, better business regulation, development of policy guidelines for further integration in East Asia, increasing investment and support of the peace treaty implementation on the Korean peninsula. The author also points out that the countries which heavily rely on foreign trade should either join globalization processes through FTAs or be prepared for considerable alternative expenses.

It should be mentioned in this connection that the Eurasian Economic Commission (EEC) currently has a limited range of issues to discuss at trade talks, such as different barriers to goods [Ministry of Economic Development of the Russian Federation, 2014]. For effective integration, the EEC needs a broader mandate since the discussion of other agenda items between national government representatives at trade talks might delay the process.

Gosper [2017], who reviewed possible advantages of an FTA with the European Union for Australia, concluded that such an agreement brought a wealth of benefits not only on the bilateral track but also domestically and internationally, while noting that the signatories had to be prepared to neutralize certain risks.

Fukase and Martin [2016], in analysing the economic potential of an India-U.S. FTA pointed out that the deal might launch deeper liberalization of the countries' trade regimes. They also concluded that the FTA would contribute to poverty reduction and an increase in the minimum wage in India.

The current objective is to assess the possible implications of trade liberalization, using partial equilibrium model. Izotov [2015] underscores that the general equilibrium model aims to study macroeconomic implications, whereas partial equilibrium helps identify the commodity groups showing major changes in imports or exports as a result of tariff policy adjustment. Furthermore, because experts note that the discrepancies in the partial and general equilibrium models are negligible, this study makes use only of the former.

Izotov notes in his paper that analysts often use partial equilibrium simulation to assess the implications for countries joining the World Trade Organization (WTO) or concluding agreements between themselves. To evaluate the risks for the Russian Federation related to the signing of FTAs between the EAEU and Asia-Pacific region countries, SMART software with a integrated partial equilibrium model provided by World Integrated Trade Solution [WITS] was applied. The analysis of research papers showed that the programme had been used to assess the implications of liberalization between the European Union and the Economic Community of West African States [Lang, 2008] and between the United States and Morocco [Jallab, Abdelmalki, Sandretto, 2007], as well as to evaluate the impact of the East African Community Customs Union on Uganda [Othieno, Shinyekwa, 2011].

Modelling Methodology

Using the SMART programme, the implications of full liberalization of trade in commodities (except for the designated sensitive EAEU positions based on the FTA with Vietnam) between the Russian Federation and five APR countries were analysed: Korea, Singapore, India, Japan and China. The analysis relies on 2016 data on tariff protection and two-way trade. As the objective is to assess the vulnerability of the Russian Federation, only the implications of tariff cuts by Russia and the risks of increase in imports are considered.

Ad valorem equivalents of nontariff measures (NTMs)[2] have not been included because the prevailing share of NTMs does not belong to direct protection of the domestic market or because their conversion into percentage figures is not possible. As a rule, analysts use ad valorem equivalents of anti-dumping measures and quotas. The analysis of such measures, if implemented by Russia, shows that they are only applicable to certain chemical industry goods and meat products mostly listed as "sensitive" in the EAEU-Vietnam Free Trade Agreement, i.e. the protection of these positions is not provided for.

[2] Interest duty rate.

The analysis of access to commodity markets employing a simulation is based on the following assumptions which are standard for SMART models:

– the Russian Federation immediately cancels its tariffs on all goods (except for the above-noted sensitive EAEU positions). Tariff cuts for each country are reviewed separately, not collectively;

– sensitive tariff lines include all those listed in the finalized EAEU-Vietnam FTA, i.e. the present analysis does not consider the simulated results for these tariff lines;

– cancellation of tariffs by Russia is only applicable to the selected countries, not to other states;

– price elasticity of the demand for imports is calculated by the SMART programme; and

– elasticity of exports and elasticity of substitution are assumed to amount to 99% and 1.5%, respectively.

An increase in the volume of imports is understood as a sum of trade diversion effect, trade creation effect and price effect. The outcome tables summarize the designated effects.

– *Trade Diversion Effect:* A decrease in the tariff on goods of Country A causes a decrease in their relative prices compared with Country B goods. The consumption of composite good has not changed,[3] but imports from Country A increase causing a corresponding decrease in imports from Country B.

– *Trade Creation Effect:* A decrease in the import tariff on goods of Country A reduces their domestic price. Consequently, consumers with the same level of spending can purchase more goods imported from Country A. From the market point of view, trade diversion is neutral. It has no impact on overall volume of imports but provides for market share redistribution among export partners based on new relative prices. An increase in imports from the countries benefiting from tariff reduction is balanced by a decrease in imports from all other countries.

– *Price Effect*: This effect is only present on the assumption of export supply elasticity. It reflects an increase in the world price of a product as the demand for it grows in the wake of tariff reductions. While the trade diversion and creation effects reflect the impact on quantity, the price effect represents an added cost of imports due to world price increases.[4]

FTAs: Current Situation

As of now, bilateral interaction is the basic track of the Eurasian Economic Commission's activity in trade and economic cooperation with Asia-Pacific region countries.

[3] Composite good is a part of a consumer's income spent on the purchase of all goods except the one under review.

[4] In our simulation, the price effect always amounts to zero.

There are reasons to assume the EEC, at future FTA talks with APR countries having a similar balance of trade with EAEU members, will defend the same positions. This is because building consensus within the EEC is a demanding process which might inhibit new negotiations (based on the FTA with Vietnam).

At present, EAEU negotiations with Russia's key APR countries are at various stages.

On 1 October 2017, the EAEU and China signed a joint statement on finishing the consultations on the Agreement on Trade and Economic Cooperation (TEC). Legal and technical editing of the text of the agreement and the required government processes to sign the document have to be carried out for the agreement to come into force [Gromsky, 2017]. It should be noted that the TEC agreement is not preferential as it will not cause a decrease in, or cancellation of, any tariff or nontariff measures, nor will it impact the solution of disputed issues or investment cooperation aspects. Despite the fact that it is viewed as a political rather than economic treaty, Russia is interested in it for the following reasons:

– release of domestic market operation data by China;
– elaboration of investment and cross-border cooperation mechanisms; and
– inclusion of Russian transport and logistics projects in a broader context of linking the EAEU and the Silk Road Economic Belt.

At the present time, consultations are ongoing with Korea over the possibility and expediency of concluding an FTA [EEC, 2016]. The agenda hinges on how far the parties can compromise on tariff reductions for sensitive products. In general, a decision to compromise is crucial in order to launch FTA negotiations.

As for possible negotiations with Japan, Russian President Vladimir Putin stated at the session of the Russian-Japanese business forum on 16 December 2016 that plans were in place "to discuss, at the expert level, the setting up of a free trade zone between the EAEU and Japan" [President of Russia, 2016]. However, the Eurasian Economic Commission has not yet announced the negotiations, which might be explained by the heavy workload of the seven ongoing FTA tracks with other countries.

The announcement of FTA talks with India was made at the Petersburg Economic Forum on 3 June 2017 [EEC, 2017]. Supposedly, trade regulation aspects, including customs administering, intellectual property rights protection, reduction of tariff and nontariff barriers in mutual trade, will top the agenda. The functioning joint group of experts will have new opportunities and the necessary authority to conduct further work to facilitate the launch of FTA negotiations. However, India is viewed as a difficult, inherently slow-paced negotiating partner, so significant headway on this track is unlikely in the near future.

The negotiations on signing a free trade agreement with Singapore are in the active phase and might be finished later this year [TASS, 2017]. The next meeting of the joint working group is due in the first half of 2018. The parties also plan to hold a business forum within the same period, to be arranged by the EEC jointly with the Russian-Singapore Business Council.

As of today, the EAEU only has an FTA agreement with Vietnam concluded in 2015; its full implementation will take another seven years [WTO, 2015]. In the medium term, the EAEU will be able to start trade liberalization talks with ASEAN if certain conditions are met.

The main objective of the EAEU-Vietnam FTA is to consolidate the parties' mutual commitments on easier access of goods to their markets. By 2025, the average level of Vietnamese import duties on EAEU goods will decrease from 10% to 1%, while EAEU duties on Vietnamese products will drop to 2%. In certain cases, the duties will remain unchanged. It follows from the analysis that duties on more than 500 positions of Harmonized System (HS) 10-digit code will remain at the previous level.

Consequently, no major economic gains on a preferential basis can be expected from the EAEU trade and economic cooperation with APR countries over the short term. There are nevertheless reasons to expect more vigorous interaction between the EEC and Asian states and associations (such as ASEAN) on the trade liberalization track. A preliminary analysis will help assess the expediency of conducting such negotiations.

Analysis of Russian Imports and Simulation Results

This section briefly reviews the structure of Russia's imports from each country and presents two conclusions based on the partial equilibrium model; namely it identifies the groups of products having the largest projected increase in imports and the subpositions which might be treated as sensitive in the course of negotiations (except for those selected in the EAEU-Vietnam FTA). Despite the fact that the simulation showed a significant increase in such subpositions as gear boxes, engines, bulldozers, tow trucks and tug boats and push boats, it depends not only on the national tariff protection level, but also on regional and transport policies and the companies using these goods in value-added production. In this connection, it might be expedient to raise the issues of APR countries' investments in companies operating in the Russian territory, including the production of the designated goods or their use as spares. This might be effective in the Far East which is expanding the regime of the Free Port of Vladivostok for possible new opportunities to boost production capacity and car exports to third countries.

EAEU – People's Republic of China Free Trade Agreement

In 2016, the Russian Federation imported products from China worth $38.1 billion. Machinery and equipment accounted for more than half of imports (approximately 53%) while the shares of other groups of imported goods were relatively the same (see Appendix 1).

Simulation results: The simulation showed that full trade liberalization between the EAEU and China will cause an increase in supplies of 89 HS 2-digit-level groups to the tune of $2.8 billion.

A considerable increase is also observed in value terms. An increase of over $100 million is expected for the following groups:

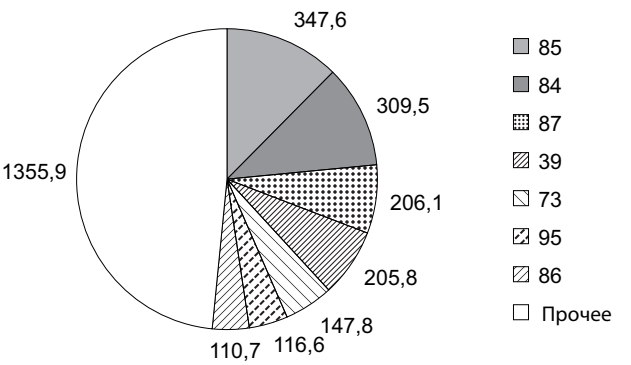

Fig. 1. HS 2-Digit-Level Groups Having the Largest Increase in Imports From China ($ Millions)

Source: Compiled by authors based on simulation results[5]

The increase for other 82 HS 2-digit-level groups ranges from $2,000 to more than $80 million.

The largest increase is projected for the following 6-digit HS groups (Table 1).

Table 1. Top Three Chinese Products by Increase in Imports if Russia Cancels All Duties

HS	Name	Increase in Imports ($ Thousands)
860900	Containers, including containers for the transport of fluids, specially designed and equipped for carriage by one or more modes of transport	109,652
871200	Bicycles and other cycles, including delivery tricycles, not motorized	79,201
950300	Tricycles, scooters, pedal cars and similar wheeled toys; doll carriages; dolls; other toys; reduced-size scale recreational models, working or not; puzzles of all kinds	77,629

Source: Compiled by authors using partial equilibrium model.

Conclusion: full trade liberalization between the EAEU and China will increase imports to the Russian Federation by $2.8 billion, which amounts to approximately 8% of 2016 imports. In value terms, the increase exceeds imports from India and Singapore

[5] HS 2-digit-level groups: 85 – electric machinery and equipment and parts thereof; audio recording and playback equipment, video recording and playback equipment, parts and accessories, 84 – nuclear reactors, boilers, equipment, mechanical devices and parts thereof; 87 – ground transport except railway transport and trams, their parts and accessories; 39 – plastics and products thereof; 73 – ferrous metal products; 95 – toys, games and sport equipment; their parts and accessories; 86 – locomotives or tram engine cars, railway cars and parts thereof; equipment and fixtures for railways or tram tracks and their parts; mechanical (electromechanical) signalling equipment of all types.

put together and nearly equals the level of imports from Japan. Consequently, this effect at the present stage can be viewed as highly risky. Nevertheless, Russia is interested in export growth, and China is the most preferable trade partner, so there must be objective pros and cons assessment of EAEU-PRC FTA. In fact, EAEU doesn't have enough experience in FTA negotiations. Moreover, it will be quite hard to start new negotiations until current ones are finished. This fact confirms the inexpediency of FTA talks with China in short and medium terms.

EAEU – Korea Free Trade Agreement

In 2016, the Russian Federation imported products worth approximately $5.11 billion from Korea. Advanced processing products account for more than half of imports, which is to be expected given the level of Korean industry (see Appendix 1).

Simulation results: The simulation showed that full liberalization of trade between the EAEU and Korea will cause an increase in imports of 85 HS 2-digit-level groups of products totalling some $381.4 million.

The largest increase in Russian Federation imports from Korea is expected for the following groups in value terms:

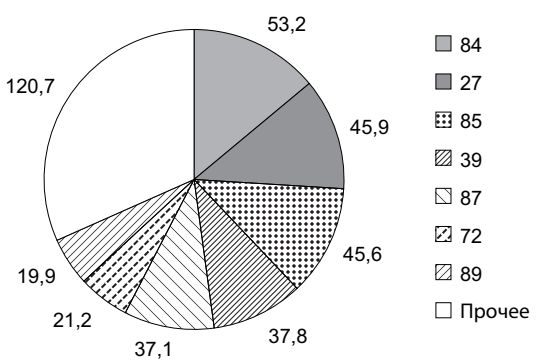

Fig. 2. HS 2-Digit-Level Groups by Largest Increase in South Korean Imports ($ Millions)

Source: Compiled by authors based on simulation results.[6]

The increase for other 77 HS 2-digit-level groups ranges between less than several thousand dollars and more than $16 million.

For 6-digit HS groups, the largest increase is expected for the groups "other distillates and petroleum products" and "tankers" ($45 million and $20 million, respectively).

[6] HS 2-digit-level groups: 84 – nuclear reactors, boilers, mechanical devices and parts thereof; 27 – mineral fuel, oil and petroleum products; bituminous substances, mineral wax; 85 – electric machinery, equipment and parts thereof; audio recording and playback equipment, video recording and playback equipment, parts and accessories; 39 – plastics and products thereof, 87 – ground transport except railway cars or trams, parts and accessories; 72 – ferrous metals, 89 – vessels, boats and floating structures.

Conclusion: in case of full trade liberalization (accounting for the designated sensitive positions) between the Russian Federation and Korea under the EAEU-Korea FTA, imports will increase by nearly 7.5%. The largest increase in imports is projected for the products that already have a prevailing share in the present-day structure of Russian imports. When building its negotiating position, it is recommended that the EEC raise the issue of adding petroleum products, mechanical devices and internal combustion engines, electric equipment and products of metallurgy to the list of sensitive goods.

EAEU – Japan Free Trade Agreement

In 2016, the Russian Federation imported from Japan products worth $6.68 billion. Transport equipment accounted for more than half of imports (51%) and machinery and equipment accounted for 25% (See Appendix 1).

Simulation results: The simulation showed that full trade liberalization between the EAEU and Japan will boost the deliveries of 84 HS 2-digit-level groups totalling some $381 million.

In value terms, the largest increase is expected for the following groups:

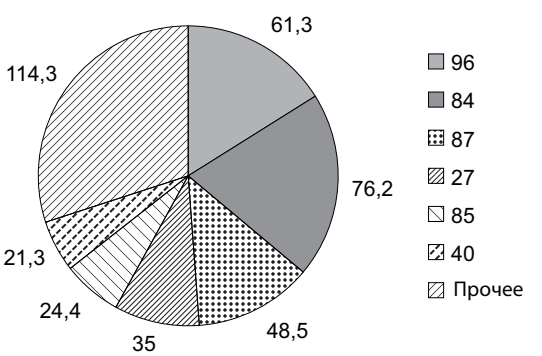

Fig. 3. HS 2-Digit-Level Groups Having the Largest Increase in Japanese Imports ($ Millions)

Source: Compiled by authors based on simulation results.[7]

The increase ranges from less than several thousand dollars to more than $15 million for other 78 2-digit HS groups.

The largest increase at the 6-digit HS level was for women's and children's hygiene products (+$59 million) and petroleum products (+$35 million).

[7] HS 2-digit-level groups: 96 – miscellaneous finished goods; 84 – nuclear reactors, boilers, equipment, mechanical devices and parts thereof; 87 – ground transport except railway cars or trams, their parts and accessories; 27 – mineral fuel, oil and petroleum products; bituminous substances, mineral wax; 85 – electric machinery, equipment and parts thereof; audio recording and playback equipment, video recording and playback equipment, parts and accessories; 40 – resin, rubber and products thereof.

Conclusion: full liberalization of trade between the Russian Federation and Japan in the EAEU-Japan free trade agreement will cause an increase of approximately 7% in imports. The products that already dominate the present-day structure of imports will post the largest increase in imports. When building its negotiating position, it is recommended that the EEC raise the issue of adding petroleum products, internal combustion engines, ground transport and electric equipment to the list of sensitive goods.

EAEU – India Free Trade Agreement

In 2016, the Russian Federation imported products worth some $2.4 billion from India. Imports from that country (see Appendix 1), unlike imports from other countries in question, are noted for the large share of foodstuffs (more than 25%) but the leading position is taken by chemical industry products (some 33%).

Simulation results: The simulation showed that full trade liberalization between the EAEU and India will boost the deliveries of 79 HS 2-digit-level groups worth $182.7 million.

Of the 79 2-digit HS groups, the largest increase in Russian imports in percentage terms is expected for the following groups:

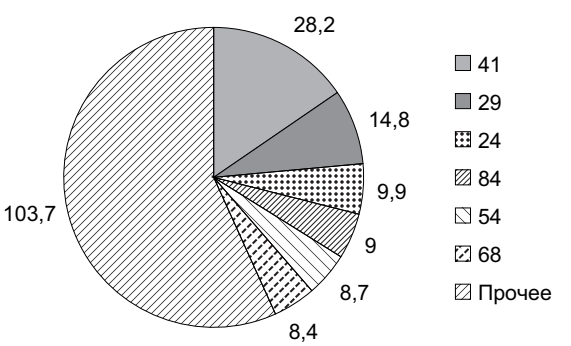

Fig. 4. HS 2-Digit-Level Groups Having the Largest Increase in Imports From India ($ Millions)

Source: Compiled by authors based on simulation results. [8]

The increase ranges from less than several thousand dollars to more than $6 million for other 73 2-digit HS commodity groups.

Cattle hides and tobacco posted the largest increase in value terms at the 6-digit HS level ($17.5 and $10 million, respectively).

Conclusion: full liberalization of trade (accounting for the designated sensitive positions) between the Russian Federation and India under a free trade agreement will in-

[8] HS 2-digit-level groups: 41 – raw hide (except natural fur) and tanned hide; 29 – organic chemical compounds; 24 – tobacco and manufactured tobacco substitutes, 84 – nuclear reactors, boilers, equipment, mechanical devices and parts thereof; 54 – chemical yarn, flat yarn and similar yarn of chemical textile; 68 – products made of stone, plaster, cement, asbestos, mica or similar materials.

crease imports by more than 7.5%. Chemical products that account for a considerable share in the present-day structure of imports will post the largest increase. When building its negotiating position, it is recommended that the EEC raise the issue of adding pharmaceuticals, meat subproducts and other foodstuffs to the list of sensitive goods.

EAEU – Singapore Free Trade Agreement

In 2016, the Russian Federation imported from Singapore products worth $495.9 million. Machinery and equipment accounted for about 44% of imports and chemical industry products for about 22%.

Simulation results: The simulation showed that full trade liberalization between the EAEU and Singapore will boost the supplies of 61 HS 2-digit-level groups totalling $32.7 million.

In value terms, the largest increase is expected for the following groups:

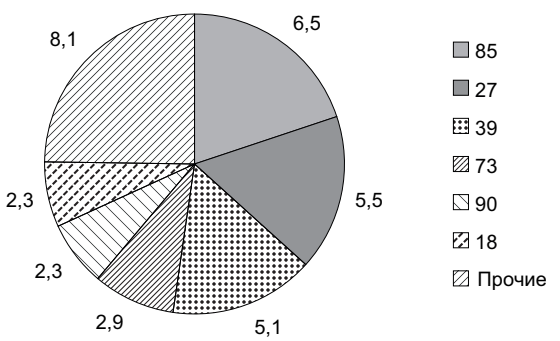

Fig. 5. HS 2-Digit-Level Groups Having the Largest Increase in Imports From Singapore ($ Millions)

Source: Compiled by authors based on simulation results.[9]

The increase for other 55 HS 2-digit-level groups ranges from less than $1,000 to more than $2 million.

The largest increase at the 6-digit HS level is projected for the following items (Table 2).

Conclusions: Full trade liberalization (accounting for the designated sensitive positions) between the Russian Federation and Singapore in the EAEU-Singapore free trade agreement will increase imports by approximately 6.5%. The largest increase in imports is projected for the products having a significant share in the present-day structure of Russian imports. When building its negotiating position, it is recommended that

[9] HS 2-digit-level groups: 85 – electric machinery, equipment and parts thereof; audio recording and playback equipment, video recording and playback equipment, parts and accessories; 27 – mineral fuel, oil and petroleum products; bituminous substances, mineral wax; 39 – plastics and products thereof; 73 – ferrous metal products; 90 – instruments and optical devices, picture cameras, cinematographic equipment, measuring, control, precision, medical or surgical instruments, parts and accessories; cocoa and products thereof.

the EEC insist on adding petroleum, metallurgy and chemical industry products to the list of sensitive goods.

Table 2. Top Five Singapore Products by Increase in Imports if Russia Cancels all Duties

HS	Name	Increase in Imports ($ Thousands)
271019	Other distillates and petroleum products	4,881
390230	Polypropylene copolymers	3,133
852691	Radio navigational aid apparatus	2,925
180400	Cocoa butter, cocoa fat	2,197
730799	Tube or pipe fittings, of iron or steel (excluding cast iron or stainless steel products; flanges; threaded elbows, bends and sleeves; butt welding fittings)	2,161

Source: Compiled by authors using partial equilibrium model.

Conclusions and Recommendations

In the short term, there is a possibility that Russia can only conclude an FTA with Singapore; the start of negotiations with India would be a benchmark, but given India's negotiating style one cannot expect much progress in the near future. Efforts should be made toward starting negotiations with Korea and beginning the assessment of the possibility to conclude an FTA with Japan. Though China is Russia's key partner in the Asia-Pacific region, concluding a FTA with it is not real in short and medium terms due to number of reasons; however, a nonpreferential trade agreement is due to be signed in the near future to benefit bilateral interaction.

The simulation showed a less than 10% increase in bilateral trade from the current import figures; however, this increase mostly appears in certain commodity groups. The results help to identify the tariff lines on which the customs rate should either remain at the level of most favoured nation or decrease gradually to secure support of the domestic market. These commodities usually comprise petroleum products, machinery and equipment.

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Appendix 1. Product Structure of Russian Imports from People Republic of China, Korea, Japan, India, Singapore in 2016

HS Code	Product Label	Import from PRC,	Import from Korea,	Import from Japan,	Import from India,	Import from Singapore,
	Total	**100**	**100**	**100**	**100**	**100**
01–24	Food and agricultural raw materials (except for textile)	4,30	2,00	0,40	25,80	4,40
25–26	Mineral products	0,10	0,10	<0,1	0,60	<0,1
27	Fuel and energy goods	0,10	1,30	0,80	0,30	3,00
28–40	Products of the chemical industry, rubber	9,40	15,60	11,30	32,60	21,50
41–43	Tanning raw materials, furs and articles thereof	1,00	0,10	<0,1	1,70	<0,1
44–49	Wood and pulp and paper products	1,00	0,80	0,20	0,20	0,10
50–67	Textiles and footwear	11,40	1,90	1,20	13,70	<0,1
71	Precious stones, metals and articles thereof	0,20	<0,1	<0,1	0,20	<0,1
72–83	Metals and articles thereof	6,70	8,30	2,70	5,30	5,60
84–85	Machinery and equipment	52,90	34,40	24,60	12,40	43,50
86–89	Vehicles	3,80	29,40	51,40	3,60	10,20
90–92	Technical instruments and equipment	2,20	2,80%	4,20	1,00	11,60
68–70, 93–97, 99	Other products	6,80	3,40	3,30	2,70	0,10

Оценка рисков либерализации торговли товарами со странами Азии в рамках российской политики поворота на Восток[1]

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Вопрос либерализации торговли со странами АТР – один из ключевых в повестке интеграции России и ЕАЭС в торгово-экономические связи в АТР. Однако заключение соглашений о зоне свободной торговли традиционно негативно воспринималось как в России, так и в странах – партнерах ЕАЭС в силу превалирующей крайне консервативной торговой политики. Для оценки рисков таких соглашений было проведено исследование, моделирующее ситуацию полной либерализации торговли товарами России с Республикой Корея, Сингапуром, Индией, Японией и Китаем. Страны были выбраны на основе текущих переговорных треков ЕАЭС и анализа российской внешней торговли со странами АТР. Моделирование производилось с помощью модели частичного равновесия, встроенной в программу SMART, которая предоставляется World Integrated Trade Solution. В работе выделяются ключевые товарные группы, увеличение импорта которых можно ожидать при полной отмене тарифных пошлин с российской стороны (с учетом чувствительных тарифных линий).

Кроме того, авторы приходят к выводу, что в таком случае импорт индийской и корейской продукции увеличится примерно на 7,5%, японской – на 7%, сингапурской – на 6,5% от стоимости импорта из данных стран в 2016 г. Моделирование показало увеличение импорта китайской продукции на 8%, однако в абсолютном выражении данный прирост превышает текущий уровень торговли с Индией и Сингапуром вместе взятых, что подтверждает низкую вероятность запуска переговоров о зоне свободной торговли (ЗСТ) с Китаем в кратко- и среднесрочном периоде.

Ключевые слова: Россия; АТР; либерализация; зоны свободной торговли; импорт; модель частичного равновесия

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