India EAEU FTA

SURVEY REPORT

India and the Eurasian Economic Union (EAEU) are discussing the possibility of signing a Free Trade Agreement (FTA). FICCI has conducted two Surveys to obtain Indian Industry feedback / views and comments on the status of trade between the two Regions and the advantages that Indian Industry can reap from the FTA

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"India and the Eurasian Economic Union are negotiating on the next steps after studying the report. It will also serve as a development of trade between our countries and other countries of the union," – Pankaj Saran, Indian Ambassador to Russia

Background

The Eurasian Economic Union (EAEU) is an international organization for regional economic integration. It's international legal personality is established by the Treaty on the Eurasian Economic Union. The EAEU provides for free movement of goods, services, capital and labor, pursues coordinated, harmonized and single policy in the sectors determined by the Treaty and international agreements within the Union. The Member-States of the Eurasian Economic Union are the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation. The EAEU is constantly evolving. The establishment of the Customs Union (CU) has created a single market of 170 million consumers. In 2014, the EAEU GDP amounted to USD 2.18 trillion, which is like that of India. Trade in goods and services is good but has the potential to reach new heights with the signing of an FTA between India and the member countries of the EAEU. There is an inherent need to enhance investment flows between the two regions. Hence, the governments of the two Regions are considering signing a formal FTA between India and the EAEU.

The EAEU, comprising Russia, Belarus, Kazakhstan, Kyrgyz Republic and Armenia established in 2015 could emerge as a prospective partner for India which has had limited trade with the CIS countries.

Currently, bilateral trade between India and EAEU is around $9 billion, and it was at $11 billion at its peak in 2012-2014. *"Supported by the modern instruments of trade policy, the trade could grow significantly," - Veronika Nikishina, Board Member and Minister for Trade of the Eurasian Economic Commission (EEC).* According to her, Belarus will benefit the most with the

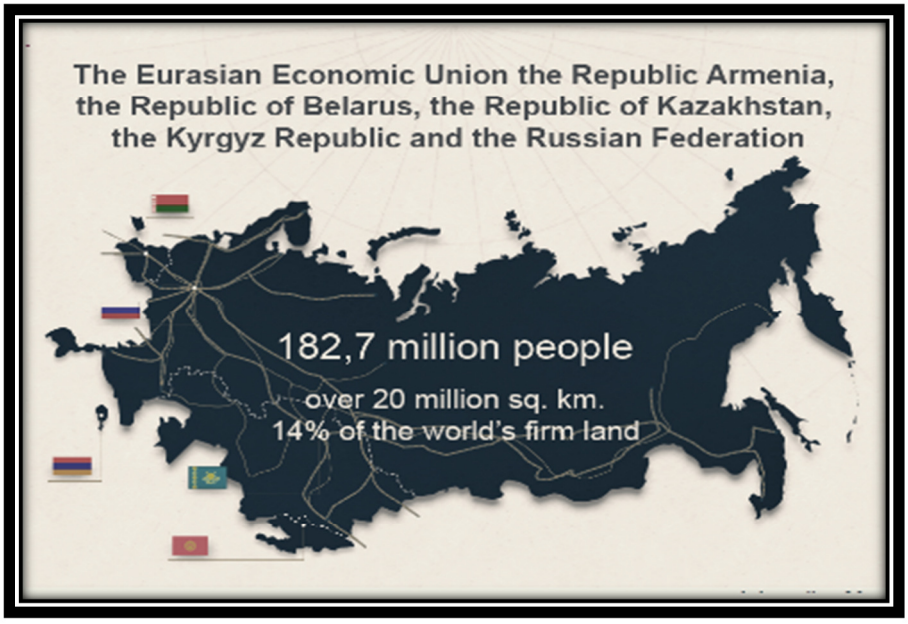
potential of trade growth with India up by 20 per cent, followed by Russia (18 per cent) and Kazakhstan (12 per cent). For EAEU as well as for India, the potential export growth is the estimated at around 18 per cent once the FTA is in place.

The Joint Feasibility Study Group report published earlier this year showed a potential growth of bilateral trade between India and EAEU up to $37-62 billion. The exports from the EAEU to India have the potential of additional growth up to $23-38 billion while in case of exports from India to the EAEU, there is potential additional growth of $14-24 billion

FTA between India & EAEU

FICCI has performed a **perception survey** on India Eurasia Relations, on various aspects of trade relations between India and the EAEU countries.

The raison d'etre for the FTA Survey is to ascertain interest areas, issues faced, factors hindering trade & investment and what could be the key items which should form part of the 'negative' list for imports and items to be promoted for better market access.

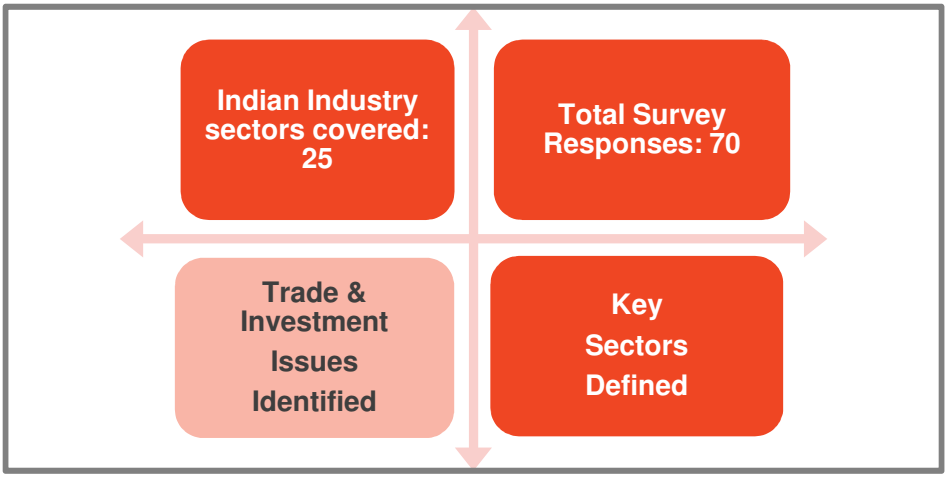


Executive Summary

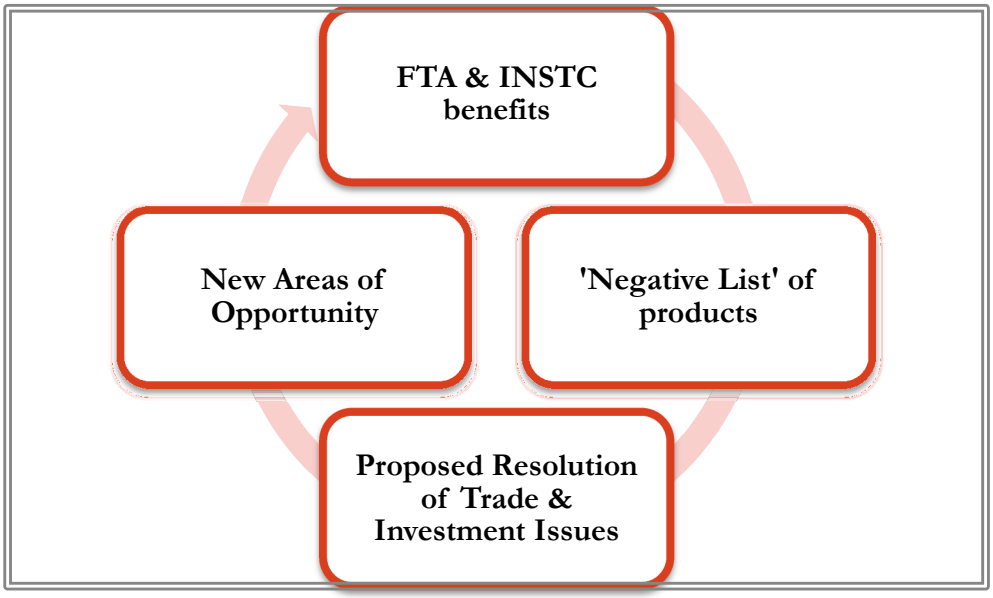
Highlights of the Survey Responses

The key highlights of the Survey are reflected in Exhibit 2 of this Report.

Exhibit 2: Key Highlights of the Survey



Key Takeaways from the Survey



1. General perception of the FTA

The overall perspective of Indian Industry on the FTA between India and the EAEU is that the FTA will – benefit Trade & Investment between the two Regions, will alleviate barriers to commercial cooperation and further provide greater market access for Indian Industry in the Eurasian Regions and onward into Europe.

2. Nature of Business:

Above 80% of the respondents are engaged in export and import business with the EAEU region and one fourth of them having joint ventures with local companies

3. Country focus:

Above 80% of the respondents do business with Russia, reinforcing the need for enhanced engagement with our historical strategic partner. Kazakhstan and Belarus are next most preferred destinations for Indian Industry in the Region.

4. The key sectors of business interest for Indian industry are:

The manufacturing sector constitutes 45% of the basket of goods & services followed by food products at 40% and pharmaceuticals/healthcare at 16 % each and chemicals at 14 %

5. The major issues hindering trade and investment between India and the EAEU:

60% of the respondents opined that financial issues constitute 60% of impediments to trade and investment between the two Regions.

24% of Indian Industry who participated in the Survey also opined that Logistics / connectivity are issues that have been restricting trade between India and EAEU
The respondents 22% also stated that Market Access Issues – import duties, customs barriers. 9% of the respondents opined that India needs to improve its Brand India image in the Region

6. Impact of the FTA:

In terms of expectations from a FTA between India and EAEU, respondents expect the following:

- **Diversification of the basket of goods & services between the two Regions**
- **Provide necessary framework to help alleviate trade barriers**
- **Improved logistics & Connectivity between the two Regions**
- **Better Consular regime**
- **FTA could make India as a hub for knowledge based services, improving 'Brand India' image**

Looking Ahead

The impending India EAEU FTA will provide a much-required fillip to trade and investment between India and the member countries of the Eurasian Economic Union. India Inc has opined that an FTA between the two Regions will provide a fillip to flacking trade and investment between India and the Members countries of the Eurasian Economic Union.

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Survey Details

Survey Objectives

The main objectives of the Survey are to obtain Indian Industry perspective on:

- Current Sectors of economic cooperation between India and Eurasian Economic Union (EAEU)
- New Areas of cooperation between India and Eurasian Economic Union
- Challenges and issues related to trade & investment between India and EAEU countries and proposed resolutions
- Benefits of FTA between India and the EAEU
- 'Negative List' of products

Methodology Used

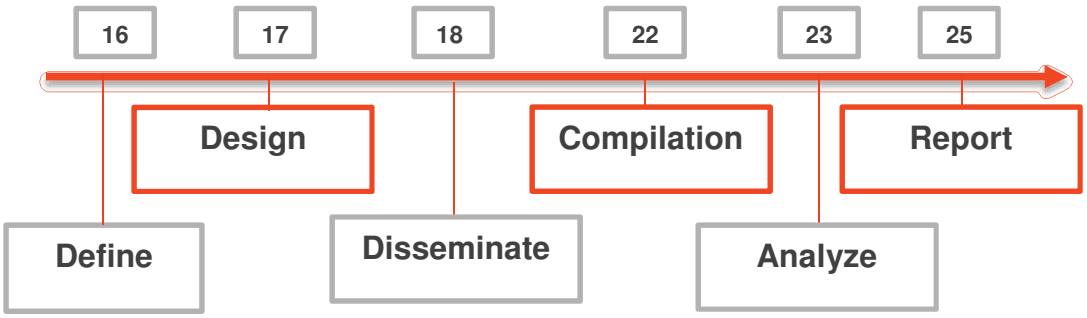
FICCI has used the following methodology for the Survey:

1. This was an **online Survey** with **ten** questions, divided into **three** sections.
2. The Survey was conducted during the months of **May-June 2017**.
3. A **Survey** was designed and uploaded on the web. The Online Survey Link was sent to FICCI's Database of Indian organizations that have business interests in the countries of the Eurasian Economic Union – Armenia, Belarus, Kazakhstan, the Kyrgyz Republic and Russia.
4. Primarily **Questionnaire Methodology** for the FTA Survey mainly in simple to answer **multiple choice format**.
5. Respondents could choose **more than one option**, to describe their response.
6. Where data and responses have been unclear, the **interview methodology** has been followed to obtain relevant information for the FTA Survey.
7. The **responses** were then compiled and analyzed per each section and then presented in this Report. The responses were received, checked, logged in per section of the FICCI FTA Survey.

The Survey Time lines

The following diagram conveys the path taken by the FICCI research team in stating designing, analyzing and then drawing conclusions for the India and Eurasian Economic Union FTA Survey.

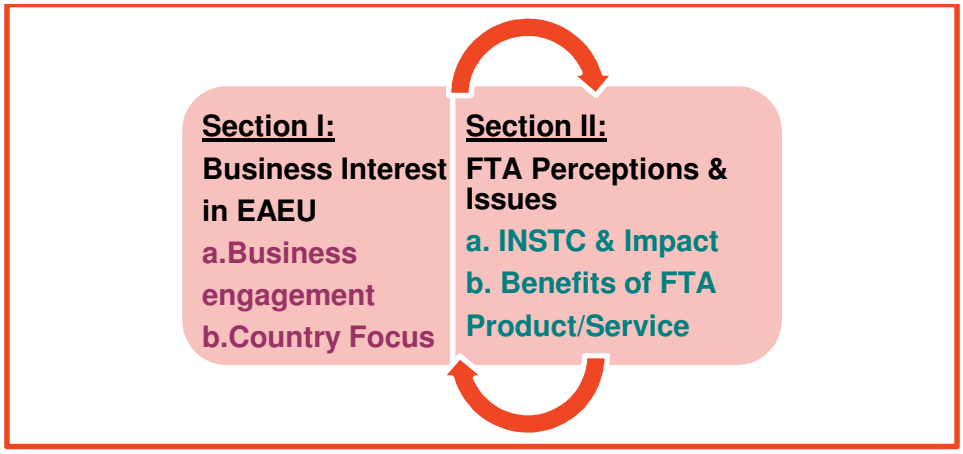
Exhibit 1: Key describes the Time Lines of the Survey (Calendar Weeks, April-June)



Survey Sections

The India EAEU Survey is a user friendly brief survey designed to obtain information related to business engagement in Eurasia, potential of trade and investment between India and Eurasia and potential gains to be obtained from the signing of a free trade agreement between India and the Eurasian Economic Union.

Exhibit 2: Survey Sections



Survey Responses

The first Section of the Survey illustrates Business Interest of Indian Industry in the Region and provides further details on nature of business, bilateral trade with Member countries of the EAEU and the composition of the basket of goods and services traded between India and the EAEU countries.

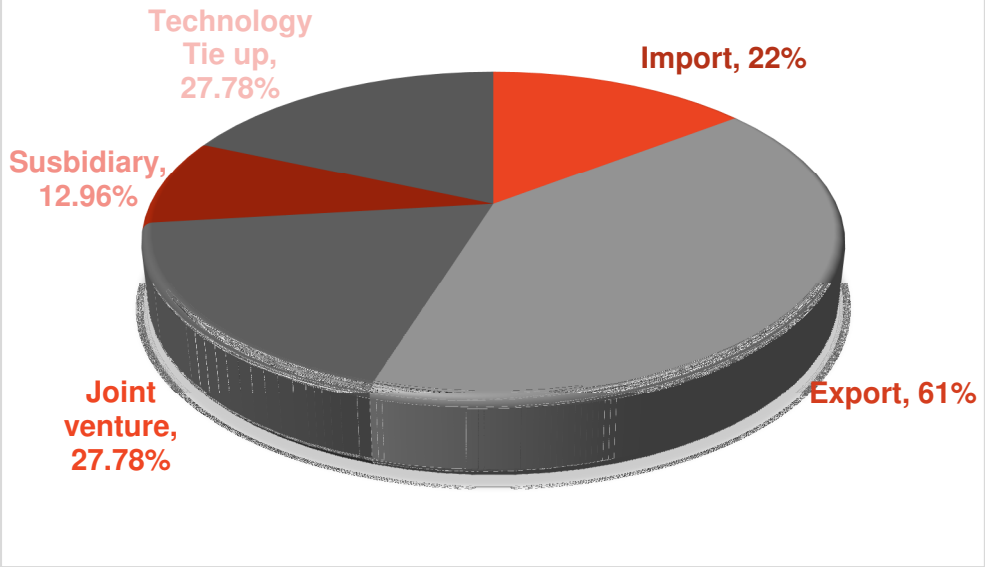
Section I: Business Interest in EAEU:

Nature of Business

Indian Industry is already engaged in the five member countries of the Eurasian Economic Union. Indian Inc is exploring further avenues of engagement with EAEU as well as looking at expanding their commercial engagement and diversifying their bilateral basket of goods and services.

Please find a break up of Indian Industry engagement in the EAEU member countries as per Exhibit 3

Exhibit 3: Nature of Business In EAEU



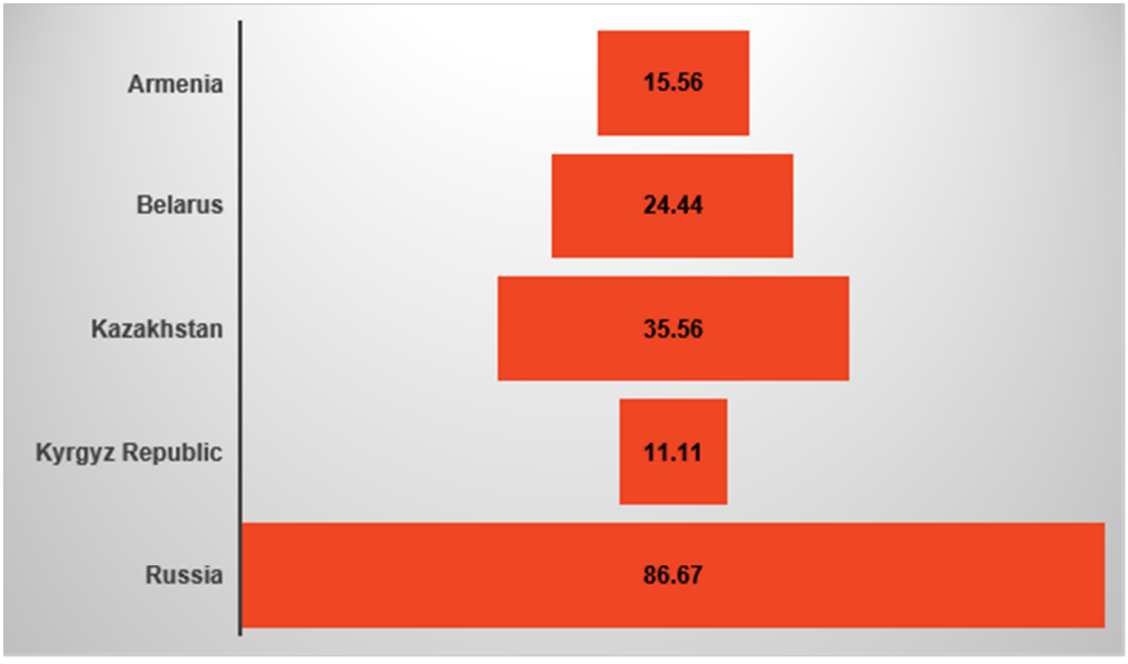
Nature of Business: **83% of the respondents were engaged in export and import business with the EAEU region and one fourth of them having joint ventures with local companies**

Country Focus

The EAEU comprises five member countries namely – Armenia, Belarus, Kazakhstan, Kyrgyz Republic and Russia. At present, the maximum trade is with Russia followed by Kazakhstan and then Belarus.

From the Survey responses, we can infer that the country focus will continue to remain the same with renewed focus on Bilateral Trade with Russia and further interest in the other economies of the Eurasian Economic Union.

Exhibit 4: Country Focus



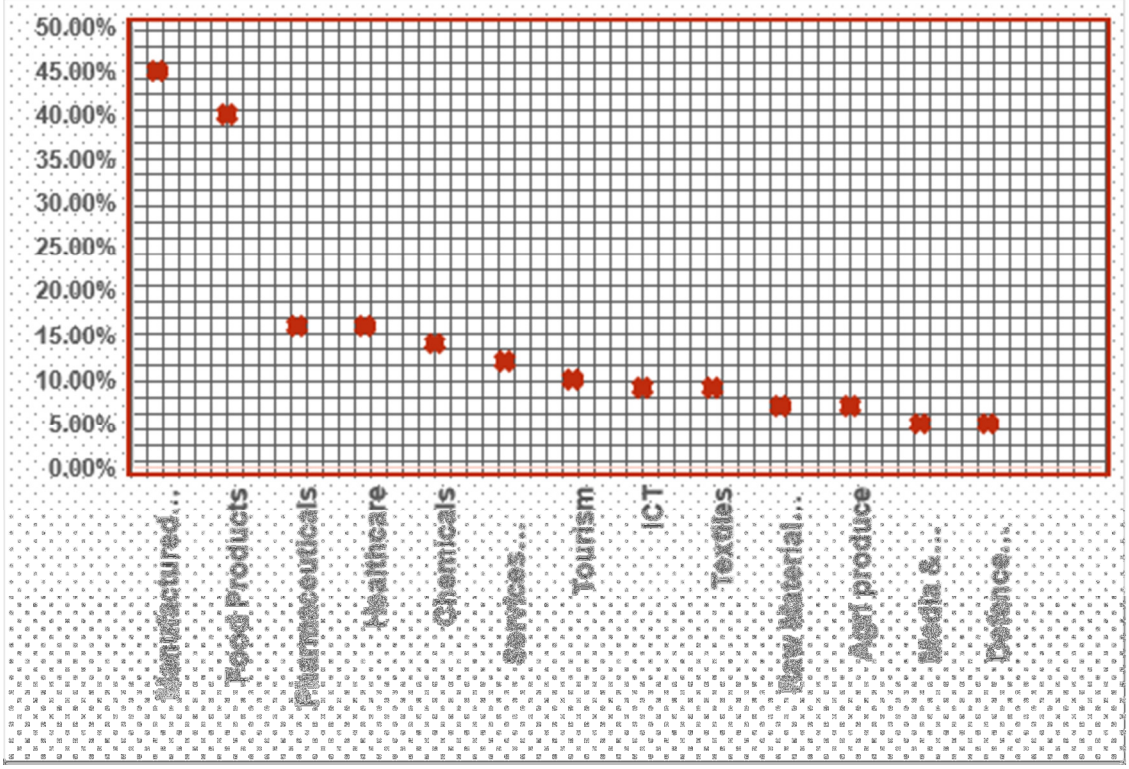
Country Focus: **87% of the respondents do business with Russia, reinforcing the need for enhanced engagement with our historical strategic partner. Kazakhstan and Belarus are next most preferred destinations for Indian Industry in the Region.**

Product / Service Focus

Indian Industry already has a robust trade basket with the countries of the EAEU. The main sectors are: healthcare, pharmaceuticals, manufactured goods, processed food, agri produce and others (Financial services, Legal services, Information Technology, Defence, Chemicals, Mining, Urban Transport and others)

The following exhibit summarizes the basket of goods and services that India Inc **would like to focus** on with EAEU.

Exhibit 5: Basket of Goods /Services

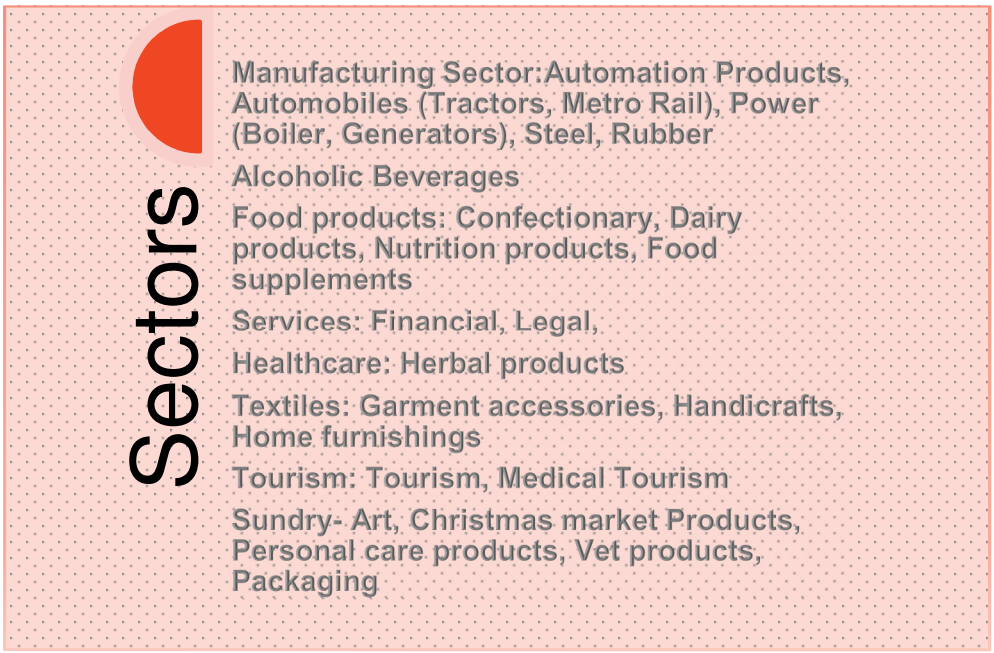


The basket of goods and services between India & the member countries of the EAEU as reflected in Exhibit 5.

The following sectors comprise '**others**' in the list of products and services that constitute the basket of goods and services traded with the countries of the Eurasian Economic Union.

Basket of Goods & Services: the manufacturing sector constitutes 45% of the basket of goods & services followed by food products at 40% pharmaceuticals / healthcare at 16 % and chemicals at 14 %

Exhibit 6: Sector Composition in Basket of Goods and Services:



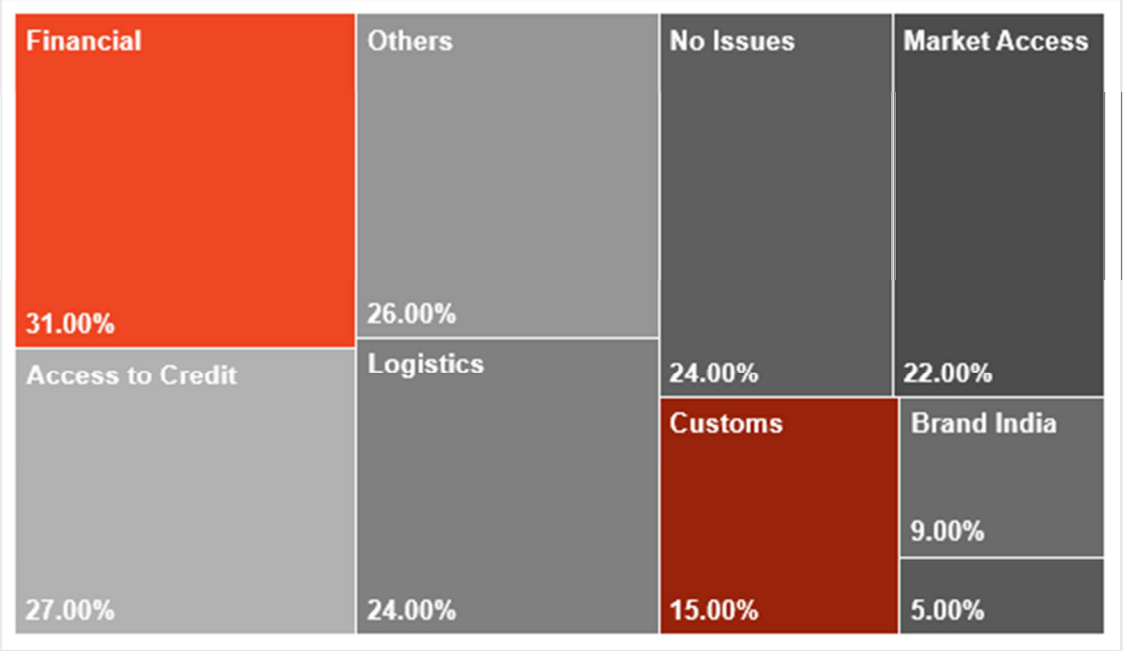
Section II: FTA Perceptions & Issues

This section focusses on Indian Industry's viewpoint on the advantages of the proposed FTA between India and the member countries of the Eurasian Economic Union, issues that are hindering trade and investment between the two regions. The Survey then focusses on the International North South Corridor and its potential impact on connectivity between the two regions and concludes with a focus on the basket of products or services between India and the EAEU.

Issues in Trade

Various factors and issues have hindered the enhancement of trade commercial relations between India and the five member countries of the Eurasian Economic Union. The issues faced by Indian Inc are reflected in Exhibit 6.

Exhibit 6: Issues hindering Trade between India and the EAEU



Key Issues:

Among the respondents describing impediments to trade between India and the EAEU region relate to Financial issues (60%), Logistics (24%) and Market Access Issues (22%) & 'Brand India' image (9%)

International North South Corridor (INSTC) and Indian Industry

86 % of the organizations covered in the Survey have stated that the INSTC will contribute to enhancing trade between India and the EAEU.

Exhibit 7: INSTC and India

	Responses	Percentage
1	**Yes**	**88.64%**
2	**No**	**11.36**
	44 Responded and 25 Skipped the Question	

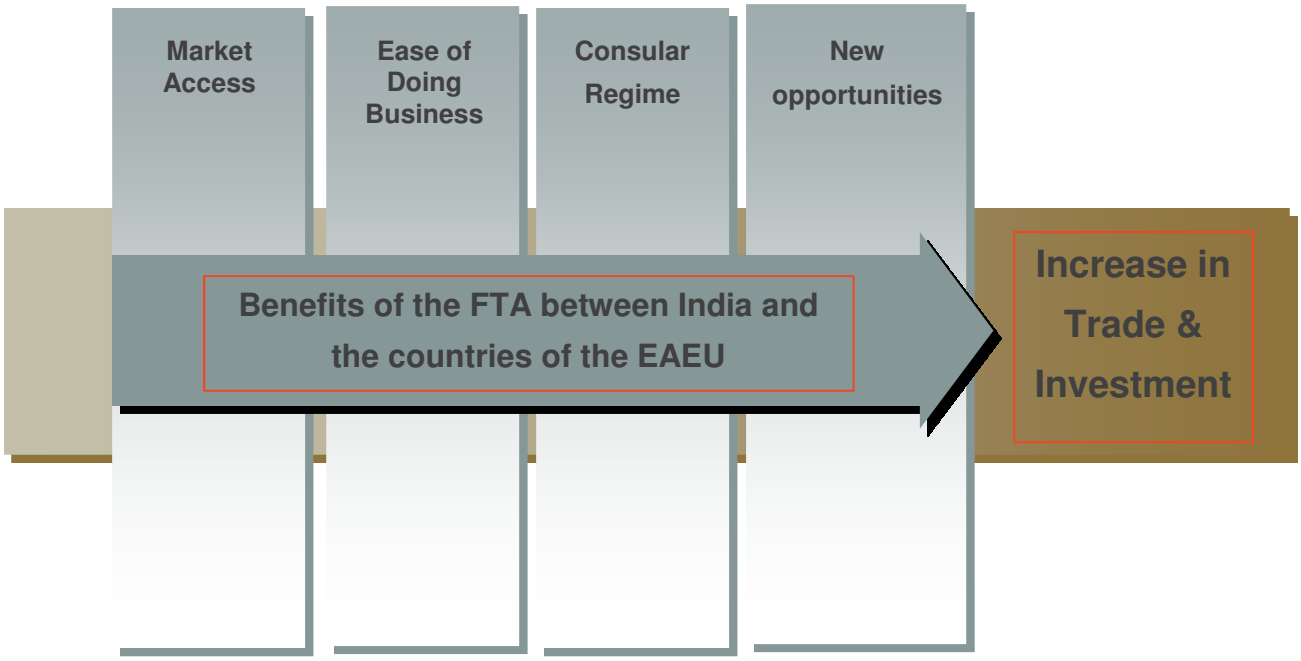
Note: Indian organizations that focus on services have not answered this section of the Survey as the INSTC would not impact their trade / investment.

INSTC: 80% of the respondents opined that the International North South Corridor will benefit and augment trade between India and the EAEU Region

Benefits from the FTA

The **potential benefits** of the FTA are summarized as per diagram below:

Exhibit 8: Benefits of the FTA



The potential key benefits of the FTA between India and the Eurasian Economic Union are manifold. These benefits for Indian organization are described in the Table below:

Exhibit 8: Benefits from FTA

Benefit	Description
Market Access	Facilitate Market Entry
Barriers to Trade	Promote JVs & Technical collaboration
	Reduce Import Duty / Import tax benefits
	Unified customs certification
	Access to Europe
	Mutual recognition of Quality Standards
Ease of doing business	Investment Security
Investment promotion	Joint R & D International Projects
	Diversify Trade
	Connectivity – Transportation & Logistics
Consular Issues	Visa on Arrival
	Better visa regime
New Opportunities for Indian Industry	Construction Sector
	Energy sector
	Indian legal services
	Export of Medical Devices
	Registration of Pharmaceuticals
	Export of Rubber (beltings & Sheets)
	MICE and promote India as tourist destination/FAM tours
	Capacity building – Technical, IT, Education

Key Benefits from FTA: The benefits of the FTA between India and the EAEU are manifold – the key benefits are easier market access and alleviate barriers to trade, promote ease of doing business and resolve consular issues that will facilitate business travel

Key Findings

Trade & Investment

- FTA will benefit both Trade & Investment between India and the member countries of the EAEU
- FTA will alleviate Trade and Investment Barriers that have hindered Trade
- FTA will provide greater market access for India Industry in the markets of the EAEU countries and beyond into Europe

Alleviate Barriers to Trade

- FTA will provide necessary framework to help alleviate the trade and non-trade barriers to trade
- FTA will help create a hub for knowledge transfer, investment promotion that can eventually change 'Brand India' image in the member countries of the Eurasian Economic Union

Diversify Basket of products / Services (As per Annexure 1.1)

The following products and services comprise the basket of commodities between Indian Industry and the member countries of the Eurasian Economic Union.

Define New Areas of Cooperation

- FTA will open doors for collaboration in new areas between India and the countries of the EAEU
- FTA will broaden collaboration in existing sectors of cooperation

Negative List of Products /Services:

Respondents have also specified goods that should not be part of the basket of goods between India and the Eurasian Economic Union. These are highlighted in Exhibit 8 below:

Exhibit 9: 'Negative List' of products between India and the EAEU

Sector //Organization	Description	Code
Consulting T & A Consulting	Bitumous Coal Wooden Furniture Others	27011200 94036000 87089900
Education Amity University	Technical items Skilled manpower Heavy Industry	84799090 95069990 84794000
Energy Welspun Energy	Steel Textiles Dairy products	73269099 37040010 98051000
Bluesource Energy	IT Pharma	854243111 38220019
AKIS tech Ltd	Food products Scrap Furniture	16010000 47079000 94031010
Manufacturing Enviro	Power plant Equipment Food items – Fruit Juice Bag Filter	98010013 20098990 84219900
Oil & Gas Gruppesilver / BulkMRO	Oil & Gas	
Packaging Aryans Pharma Packaging	Timber Machinery Fertilizers	82019000 84879000 31059090
SSP Packaging Pvt Ltd	Agricultural Products Food Products	1001 1006

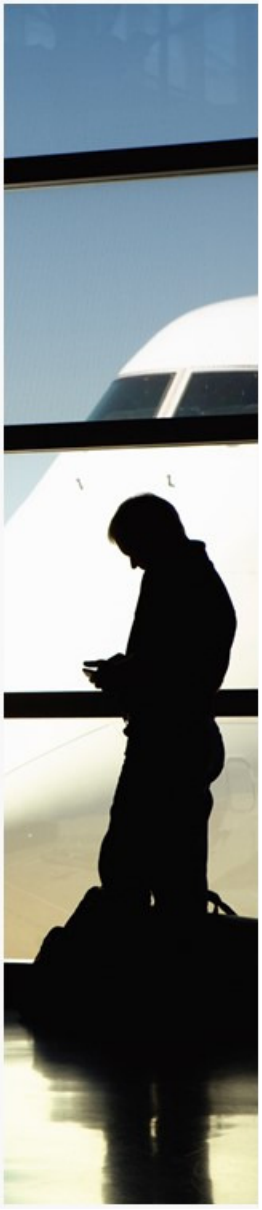
	Gemstone	1003
Steel Monnet Ispat & Energy Ltd	Any type of steel	73269099
Sundry Achievers Link 9	Sesame seeds Groundnut / peanuts (should not be exported)	12074090 15089091
Raas consultants	IT solutions & services Food products Leather products	85423900 20060000 42050090

The 'Negative list' has been made as per responses received from Indian Industry. Some of the codes specified are generic as the respondents have not specified the exact code for the goods listed under the 'negative list'.

Further Comments

Indian Industry has following general comments suggestions

1. Exporters should have a of Catalogue of Indian Products and prices in Russian
2. India Industry should explore Joint projects in the EAEU Region
3. India should promote Traditional Systems of Treatment - Ayurveda



India - Eurasian Economic Union FTA - 2017

Notes to the Report

Free Trade Agreement (FTA)

FTAs are designed to reduce the barriers to trade between two or more countries, which are in place to help protect local markets and industries. Trade barriers typically come in the form of tariffs and trade quotas.

Eurasian Economic Union (EAEU)

The Eurasian Economic Union is an international organization for regional economic integration. It has international legal personality and is established by the Treaty on the Eurasian Economic Union.

The EAEU provides for free movement of goods, services, capital and labor, pursues coordinated, harmonized and single policy in the sectors determined by the Treaty and international agreements within the Union.

The Member-States of the Eurasian Economic Union are the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation.

Basket of Goods and Services

The Basket of Goods and Services comprise the goods and services that constitute trade and investment between two countries and / or two regions.

‘Negative List’

This is the list Is the List of commodities that Industry / Government feels should not constitute the Trade basket between two countries / regions.

This list has been attached to this document.

Annexure

1.1 Organizations / Sectors that responded to the FICCI Survey on the FTA between India and the EAEU

Sector	Organization
Agri machinery	Escorts Limited
Agrobased products	Allanasons Pvt Ltd
Alcohol & Beverages	Radico Khaitan Ltd
Banking & Finance	Swiss Certification Pvt Ltd Amberbay Consulting State Bank of India Axis Bank
Chemicals	Adani Synergy Ltd Hindustan Insecticides Ltd Jubilant Life Sciences
Construction / Infrastructure	Jaiprakash Associates Ltd Madhucon Projects Ltd Institute of Urban Transport
Education	Amity University Haryana
Energy	Welspun Energy / Solar Power Developers Association Bluesource Energy AKIS Tech Ltd
Food products	Schreiber Dynamix Dairies Pvt Ltd Welco Distillery Pvt Ltd Parle Products Pvt Ltd
Healthcare / Medical Devices	Medwell India Incredible Group Hexagon Nutrition Pvt Ltd

Packaging Industry	SSP Packaging Aryans Pharma Packaging
Industrial Products	Bulk MRO Industrial Supply
IT	Finatech Polis
Legal	Pramod Gupta & Company LLP Ardent Legal
Machinery	Chetra SPC LLC
Manufacturing	Enviro International Corporation Moser Baer India Ltd M R Beltings
Mining	BelAz Enrika Mining Equipment Services Pvt Ltd
Pharmaceuticals	HNPL SRB International
Oil & Gas	BPRL Engineers India Ltd Gruppe Littlesilver /Bulk MRO Industrial Supply Sledgehammer Oil Tools Pvt Ltd SRB Group
Power	Avaada Integrator Services India Pvt Ltd BHEL
Steel	Monnet Ispat & Energy Ltd
Textiles	M/S Ganga International Lakshmi Crafts Exports
Tourism	Concord Travels & Tours
Trading	Home Furnishings Falcon Blooms

Sundry	**SRB Group, SSR Services, Vernnsage, Achievers Link9, Language Connect, Electrical & Automation, Fashion and Lifestyle**

Contact Information

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India EAEU FTA

SURVEY REPORT

India and the Eurasian Economic Union (EAEU) are exploring a Free Trade Agreement (FTA). Following an initial survey that was presented in July 2017, FICCI has conducted supplementary survey to obtain Indian industry insights especially on the negative list items, to understand the advantages that Indian Industry can reap from the FTA.

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1. Background

The Eurasian Economic Union (EAEU) is an international organization for regional economic integration. The EAEU provides for free movement of goods, services, capital and labor, pursues coordinated, harmonized and single policy in the sectors determined by the Treaty and international agreements within the Union. The Member-States of the EAEU are the Republic of **Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation.** At present, India's maximum trade is with Russia followed by Kazakhstan and then Belarus. From the Survey responses, we can infer that the country focus will continue to remain the same with renewed focus on Bilateral Trade with Russia and further interest in the other economies of the Eurasian Economic Union. Trade in goods and services is good but has the potential to reach new heights with the signing of an FTA between India and the member countries of the EAEU. The potential benefits of the FTA include Market Access, Ease of Doing Business, Consular Regime and New Opportunities that will boost the trade and investment between the two regions.

The main objective of the **initial survey** was to obtain Indian Industry perspective on:

- Current Sectors of economic cooperation between India and Eurasian Economic Union (EAEU)
- New Areas of cooperation between India and Eurasian Economic Union
- Challenges and issues related to trade & investment between India and EAEU countries and proposed resolutions
- Benefits of FTA between India and the EAEU
- 'Negative List' of products

Based on stakeholder's discussion that was held in July, 2017, it was decided to conduct a supplementary survey, to delve into earlier responses of Indian industry. Feedback has been obtained from 70 respondents on various aspects of trade relations between India and the EAEU countries, through this **supplementary survey**, to cover the following aspects: -

1. Cross verification of HS codes from Indian HS classification vis-à-vis their product description
2. Reasons for suggesting items in the negative list
3. Examination of their responses in the context of India's import basket and EAEU's export basket

2. Key Findings

The 70 respondents of the initial survey, were approached again for providing inputs related to negative list and other results of the initial survey. In this supplementary survey, the responses were validated and subsequently "**negative list"** of revised items evolved as in **Table 1.**

Table 1. Negative list of imported items from Eurasia as proposed by Indian industry

Companies	Product	HS Code
Enviro International Corporation	Power Plant Equipment	8406, 8402
Belaz Enrika Mining Equipment Services Pvt. Ltd	Heavy duty mining equipment and components	84
	Chemicals	29
	Raw Material	98010020
Welspun Energy	Steel	72
	Textiles	5911
	Dairy Products	04
SSP Packaging Pvt. Ltd.	Agricultural and food products	84193100
	Gemstone	71
Aryans Pharma	Timber and Wood	44
	Machinery	84
	Fertilizers	31
Akis Tech Ltd.	Food Products	21
	Scraps	7204
	Furniture	94
Raas Consultants	IT Software	85238020
	Food Products	21
	Leather Products	42
Parle Products Pvt. Ltd.	Sweet Biscuits	1905319900
	Biscuits with filling	1704907100
	Krekers	1905904500
Institute of Urban Transport	Metro Coach	85369090
	Diesel Vehicles	84099941
	2-wheeler	87
T & A Consulting	Coal	27011200
	Furniture and Parts	94036000
	Motor Vehicles	87089900

Total Imports of India from the world in 2016 amounted to **356 billion dollars**. The **negative list** products, which are listed above, account for 37.5% share in India's total imports i.e., about **133 billion dollars**. It may be noted that 20% of EAEU's exports to the world comprises these negative list items.

The share of **negative list** items in India's import commodity basket along with key source countries are shown in **Table 2**.

Table 2. Share of Negative List items in India's import basket

HS Code	Product	Share of Imports (%)	Share of Negative List (%)	Key Source Country
Top 80% Products in the Negative list category				
71	Gemstone	13.5	36.0	Switzerland, UAE, Belgium, Hong Kong, *Russia*, USA, South Africa
84	Machinery	9.1	24.2	China, USA, Germany, Japan, Italy, Korea, Thailand Singapore
29	Organic Chemicals	4.1	10.9	China, Saudi Arabia, Singapore, USA, Korea, Kuwait, Germany
2701	Coal	3.5	9.3	Australia, Indonesia, South Africa, USA, *Russia*
		30.2	**80.6**	
Other Products				
72	Steel	2.4	6.4	China, Korea, Japan, USA, UK, UAE, *Russia*
87	Vehicles	1.3	3.4	China, Germany, Korea, Japan, Thailand, USA, UK, Czech Republic
31	Fertilizers	1.3	3.4	China, Saudi Arabia, *Russia*, Oman, Iran, Canada, Israel, USA, Jordon
44	Timber and Wood	0.6	1.6	Malaysia, New Zealand, Myanmar, China, Indonesia, Ecuador, Germany, Brazil, Papua New Guinea
94	Furniture	0.4	1.0	China, Malaysia, Germany, Italy, Korea, USA, Thailand, UK, Sri Lanka
Other	Miscellaneous	1.3	3.4	
	Total	**37.5**	**100**	

Major items in the negative list category includes gemstone, machinery, organic chemicals and coal which constitute 30% share in India's total imports basket. Other items in the negative list includes iron and steel, vehicles, fertilizers, timber and wood, furniture and other miscellaneous goods.

3. Observations

Main observation from the findings listed above are as follows: -

- India's imports of the negative list items from Eurasia are negligible. These constitute less than 4 percent of total imports of negative list items, in 2016.
- Australia, China, USA, Korea, Japan, Singapore and EU countries have dominated the Indian imports of the negative list items. Among the Eurasian economies, only Russian Federation has small presence in the Indian imports of these items.
- 20% of EAEU's exports to the world comprise these negative list items. This shows the vast trade potential that already exists with EAEU for these items.
- In addition to the negative list products, other opportunities for India to import include mineral fuels, aluminum parts and articles, cereals and electrical machinery. These items constitute major exports of Eurasian countries to the world, and are also large part of India's imports.
- Negative list items are part of business portfolio of the respondent company in many cases. Hence, there could be an element of protectionist behavior in such responses.

4. Analysis

(a) Indian industry has suggested several products to be included in the negative list items from EAEU as mentioned in Table 1. These products constitute over one third share in India's total imports. **But India barely imports these products from Eurasia**. Since, India is already a large importer of the negative list items, considering Eurasia as a source country for these imports may not adversely affect us.

(b) Analysis of each commodity in the negative list (Table1) as proposed by the industry, suggests that alternative as well as cheaper sources of imports should be explored with Eurasia (assuming price and quality parameters are similar).

(c) There is a scope of *price advantage* if imports from Eurasia are cheaper and this will further help in negotiations with the existing sources of imports. This in turn will enhance the competitiveness of Indian economy in the global market.

(d) An FTA with EAEU will help to resolve many of the market access issues delineated in Head 5 below.

(e) There is an element of strategic importance in economic relations between India and EAEU countries especially Russia, Kazakhstan and Belarus. Enhancing trade with Eurasia, through this FTA, can be a good *economic diplomacy* tool.

In view of above, we may consider conceding some of the negative list items to reciprocate similar gesture from EAEU countries during the FTA negotiation process.

5. Key Market Access Issues and Suggested Measures

Issues	Suggested Measures
Procedural Issues • Fees levied (mainly include customs processing fees, road tax, environment tax, excise tax) increase cost of operations. • Certification/registration of products • Problems in Dispute Settlement and weak banking and financial system	• CECA with the Customs Union of Eurasia will offer lower compliance costs which are defined within the EAEU. • Quality control, certification of goods and standardization processes to be agreed on mutual recognition basis. • To offer Indian skills/ experience for improving judicial/arbitration and financial systems.
Trade Logistics • Low accessibility and poor shipping/connectivity	• Better trade facilitation process through speedy completion of International North South Transport Corridor (INSTC) proposed trade route via Iran
Other Issues • Visa Issues • Language Barrier	• EAEU countries should provide long term multiple entry visa • Russian multiple visit visa may be honored by other EAEU countries for Indian travelers. • Students exchange programs between the regions can be enhanced • Nurture exchange of art and culture initiatives between India and Eurasian countries.