ANNEX 14
to the Treaty on the
Eurasian Economic Union

P R O T O C O L
on Conducting of Coordinated Macroeconomic Policy

I. General Provisions

1. This Protocol is developed in accordance with Articles 62 and 63 of the Treaty on the Eurasian Economic Union (hereinafter - the Treaty), and defines the order of conducting by the member States of coordinated macroeconomic policy.

2. Definitions used in this Protocol are as follows:

"External parameters of forecasts" - indicators that characterize the external factors that have a significant impact on the economy of the member States, and are used in the development of the official forecasts of socio-economic development of the member States;

"Interval quantitative values of the external parameters of forecasts" - the upper and lower values of the interval of external parameters of forecasts;

"Macroeconomic indicators" - parameters characterizing the state of the economy of the member State, its development and resistance to adverse factors, as well as the degree of integration cooperation;

“Main directions of the economic development of the EAEU" - recommendatory document that identifies perspective areas of social and economic development that the member States seek to implement through the use of integration potential of the EAEU and competitive advantages of the member States in order to obtain additional economic benefits by each member State;

"Basic guidelines of macroeconomic policy of the member States"- a program document that determines the most important for the economy of the member States short term and medium term objectives directed at achieving the objectives established by the main directions of economic development of the EAEU, as well as include recommendations on solution of these problems.

II. Realization of Main Directions of Coordinated Macroeconomic Policy

3. In order to implement the basic directions of coordinated macroeconomic policy, the member States:

1) coordinate economic policy on the use of the integration potential of the EAEU and competitive advantages of the member States in those areas and sectors of the economy where it is necessary or expedient;

2) take into account in conducting a coordinated macroeconomic policy main directions of economic development of the EAEU, the basic guidelines of macroeconomic policy of the member States;

3) develop official forecasts of social and economic development of the member States, taking into account the established interval quantitative values of the external parameters of forecasts;

4) conduct coordinated macroeconomic policy in framework of thresholds specified in Article 63 of the Treaty quantitative parameters of macroeconomic indicators determining the sustainability of economic development;

5) develop and implement with the participation of the Commission measures, including joint measures, if macroeconomic indicators that determine the sustainability of economic development of the member State do not meet the quantitative parameters established by Article 63 of the Treaty , and, if necessary, take into account the recommendations of the Commission, directed at stabilizing the economic situation in accordance with the procedure approved by the Commission;

6) consult on issues related to the current economic situation in the member States for developing proposals directed at stabilizing the economy.

II. Competence of the Commission

4. The Commission coordinates conduction by the member States of coordinated macroeconomic policy through:

1) Monitoring of:

macroeconomic indicators determining the sustainability of economic development of the member States, calculated according to the methodology approved by the Commission, and their compliance with the quantitative parameters established by Article 63 of the Treaty;

indicators of the level and dynamics of economic development and integration indicators defined in Section IV of this Protocol;

2) development in coordination with the member States of the following documents approved by the Supreme Council:

main directions of economic development of the EAEU;

basic guidelines of macroeconomic policy of the member States;

joint measures directed at stabilizing the economic situation, in the case of exceeding by the member States of stated in Article 63 of the Treaty quantitative parameters of macroeconomic indicators determining the sustainability of economic development;

3) development of:

recommendations directed at stabilizing the economic situation in the case of exceeding by the member States of stated in Article 63 of the Treaty quantitative parameters of macroeconomic indicators determining the sustainability of economic development;

in analytical (reference) purposes of forecasts of socio-economic development of the EAEU on the basis of the established interval quantitative values of the external parameters of forecasts;

4) facilitation in conducting consultations on issues related to the current economic situation in the member States for developing proposals directed at stabilizing the economy;

5) coordination with member States of approved by the Commission interval quantitative values of the external parameters of the forecasts, for preparation of official forecasts of socio-economic development of the member States;

6) analysis:

of impact of the decisions taken on the conditions of economic activity and entrepreneurial activity of business subjects of the member States;

of measures of coordinated macroeconomic policy in terms of their compliance with the main guidelines of the macroeconomic policy of the member States;

7) of exchange of information between the authorized bodies of the member States and the Commission for purpose of conducting a coordinated macroeconomic policy. Order of such an exchange is approved by the Commission.

IV. Indicators of the Degree of Integration, the Level and Dynamics of Development of Economy, External Parameters of Forecasts

5. To determine the degree of integration there are used the following indicators:

1) volume of national investments directed into the economy of each member State, including direct investments (in U.S. dollars);

2) volume of investments that arrived into the national economy of each member State, including direct investments (in U.S. dollars);

3) the share of each member State in the total exports of the member State (in percentage);

4) the share of each member State in the total imports of the member State (in percentage);

5) the share of each member State in the total foreign trade turnover of the member State (in percentage).

6. To determine the level and dynamics of the economy there are used the following indicators:

1) growth in gross domestic product (in percentage);

2) gross domestic product per capita at purchasing power parity (in U.S. dollars);

3) current account balance of payments (in U.S. dollars and in percentage of GDP);

4) index of the real effective exchange rate of the national currency, calculated on the basis of the consumer price index (in percentage).

7. Commission in coordination with the member States may decide to conduct monitoring of other indicators of degree of integration and economic development of the member States other than those referred to in paragraphs 5 and 6 of this Protocol, respectively.

8. Member States agree on 3 year period the following interval quantitative values of the following external parameters of forecasts:

rate of growth of the global economy;

prices of Brent oil.

Executive state bodies are authorized to produce official forecasts of socio-economic development of the member States exchanging also estimated information on the current and projected state of foreign trade operations, including in mutual trade.

For the formation of official forecasts of socio-economic development of separate member States Russian Federation gives to the specified authorized bodies' information on the indicative range of variation of the projected price for natural gas supplied for domestic consumption in order approved by the Commission.

This information provided by the Russian Federation for purpose of macroeconomic forecasting is not an obligation of the Russian Federation at the price of natural gas supply in the member States in the forecast period.

National (central) banks of the member States shall inform each other on the ongoing exchange rate policy.

9. Information exchange for macroeconomic forecasting is carried out with taking into account the requirements of the member States to confidentiality of relevant information.

10. Supreme Council may decide to revise the external parameters of forecasts used in the development of official forecasts of social and economic development of the member States.