

## EEU ACTIVITY IN CONDITIONS OF CORONAVIRUS

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**Introduction.** The Eurasian Economic Union (EEU) 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 Member-States of the Union are Russian Federation (since January 1<sup>st</sup>, 2015), the Republic of Belarus (since January 1<sup>st</sup>, 2015), the Republic of Kazakhstan (since January 1<sup>st</sup>, 2015), the Republic of Armenia (since January 2<sup>nd</sup>, 2015) and the Kyrgyz Republic (since August 12<sup>th</sup>, 2015). The Union is being created to comprehensively upgrade, raise the competitiveness of and cooperation between the national economies, and to promote stable development in order to raise the living standards of nations in the member-states [EEU, 2015-2022].

The economic crisis caused by the Coronavirus pandemic (COVID-19) is the first serious challenge in the 6-year history of the EEU, as a result of which the Union will either collapse in the face of the crisis or withstand the negative effects of the crisis, overcome it and pass to a qualitatively new level of development with the more stable and secure elements.

**Scientific novelty.** the main issues and options are defined for correction of the plan of priority measures for the sustainable economic development and social stability of EEU and its member states in conditions of coronavirus. Conducted study has also practical significance: in our opinion the application of the proposed measures may improve anti-crisis management in the EEU macroeconomy.

**Research methodology.** The theoretical and methodological basis for the research has been the studies of domestic and foreign authors on different aspects of the impact of the coronavirus on the economy of the Eurasian Economic Union, as well as statistical and analytical materials published by various specialized international organizations (International Monetary Fund, The World Bank, etc.), research and analysis conducted by foreign research centers and experts. The analysis was carried out in several directions, revealing the development trends of the EEU economy before and during the epidemic. The methods of observation, comparison, statistical analysis, generalization and prediction were used during the research. The indicators were mainly used in the form of comparisons for individual EEU member states.

At the meantime, it should be noted that the conclusions made may not be entirely substantiated, as the epidemic continues to spread and various restrictions due to the epi-

demic still exist, which are the basis for the continuation of the crisis. In addition, the epidemic is characterized by a high level of uncertainty (for example, new variants of coronavirus appear). It should also be taken into account that many anti-crisis measures have not registered their final results yet, which is due to their timeliness.

**Literature review.** It is no coincidence that many researchers are wondering what will happen to the integration unions after the epidemic. Of course, it is impossible to give a clear answer. A study of publications on this topic shows that the opinions of experts are quite different. First group of experts believes that the epidemic will weaken some integration units (D. Istafyov) or even lead to the collapse (Soros, Pshinichnikov), the second group is sure that after the epidemic all ties will be fully restored (Pritchkin), and the third group believes that the integration units will be preserved, but they are expected to test the stability and security of the elements of that system (Rekeda) [Slutsky, Khudorenko, 2020, 123-124.]

The goal of this article is to analyze the impact of the epidemic on the economies of the EEU and its member states. The topic of the research is important to the extent that Armenia is an EEU member state and its economic policy, and especially its anti-crisis policy, is influenced by the policies implemented in the other member states.

**Analysis.** Prior to the epidemic, the economic indicators of the EEU member states showed mainly positive dynamics. Thus, in 2019, there was an increase in mutual and foreign trade volumes, the growth rates of production and agricultural products increased. GDP growth was observed in the EEU and individual member states (Armenia, Kazakhstan, Kyrgyzstan) (see Table 1). An attempt was made to ensure the free movement of goods, services, labor and capital in the union<sup>1</sup>.

**Table 1.** GDP growth rate of EEU member states in 2015-2019

Country	GDP growth rate, annual %				
	2015	2016	2017	2018	2019
<b>Russia</b>	-1.97	0.19	1.83	2.81	2.03
<b>Belarus</b>	-3.83	-2.53	2.53	3.15	1.4
<b>Kazakhstan</b>	1.2	1.1	4.1	4.1	4.5
<b>Armenia</b>	3.2	0.2	7.5	5.2	7.6
<b>Kyrgyzstan</b>	3.88	4.34	4.74	3.76	4.6

The EEU, however, is not developing without obstacles. It is influenced by factors such as international and regional shocks, various sanctions, crisis phenomena and the slowdown in global economic growth. The union is also not free from internal contradic-

<sup>1</sup> <http://special.kremlin.ru/events/president/news/60597>

tions, which are mainly manifested in the form of short-term economic imperatives that are higher than the common interest. For example, according to the Eurasian Economic Commission, as of the end of March 2019, 71 obstacles were calculated, which complicate the work of the EEU common market. However, these problems are natural phenomena for the integration unions that are still being formed and they are even some necessary elements for development.

As it is well known, since the beginning of 2020 the world contracted the coronavirus, which quickly spread to all countries, leading to an increase in mortality rates and a crisis in the health care system, which in turn led to an economic crisis. Areshkin distinguishes the following features of the epidemic [Oreshkin, 2020, 3]

1. Widespread impact - the virus affects all countries of the world.
2. High impact speed - The spread speed of Covid-19 is quite high. It has spread all over the world in almost a few months.
3. The decline of world GDP. Restrictions to prevent the spread of the virus reduce the GDP of almost all countries in the world by an average of 2% per month, and international trade is reduced by 15% -35% [Eurasian commission, 2020]. Slutsky and Khudorenko added the following to the above [Slutsky, Khudorenko, 2020, 125-126].
4. Systemic impact. The virus affects all aspects of human life.
5. Increasing the role of state regulation. It is possible to overcome the epidemic through joint efforts, coordinated activities and justified, comprehensive anti-crisis measures implemented by the state.
6. Strengthening the role and significance of science. This primarily applies to medicine, biology and the system of social relations.
7. Extremely high rates of digitalization of communications.
8. Effective management has become a factor of international competitiveness. The integrity of national, regional and international systems depends on the quality and results of governance.
9. The Internet is becoming a basic human need, which transforms the surrounding reality. It has already led to changes in the content of work and education (e.g. the transition to the remote version).

All these factors, of course, affect the activities of the EEU, but in order to assess the impact of the epidemic, it is also necessary to take into account the external and internal risks. External risks include

1. Weakening of EU economic activity. In this regard, it should be noted that on the one hand the EU is a unique model for the EEU and the EEU leadership is guided by its experience and mistakes, on the other hand it is the largest economic partner of the EEU and its problems also affect the EEU [Tass, 2020].
2. China's economic slowdown. For the first time since 1992, China's GDP in the first quarter of 2020 fell by 6.8% compared to the previous year [Reuters, 2020].

3. The decline in demand for goods on the commodity exchange due to falling oil prices. This is a very sensitive issue, especially for the two main oil giants of the EEU, Russia and Kazakhstan, whose economic development is directly linked to the effective operation of one of the main sources of rental capital, the hydrocarbon economy [Eurasian commission, 2020].

These are some important internal factors influencing the EEU:

1. The deepening economic crisis in the member states. The situation created by the epidemic disrupts various economic processes.

2. Migration issues, which are also quite important for the EEU member states. In parallel with the development of the EEU, labor relations between the countries are developing. As a result of the spread of the epidemic, the closure of borders and quarantine restrictions have led to a relatively poor state of migrant workers, which in turn has increased unemployment, required additional resources and may have led to increased social tensions.

3. During the epidemic, problems began to arise with the legal and legislative framework of the union. Weaknesses in the laws governing economic and production relations between the countries, weakness of the logistics nodes and shortcomings of the mechanisms of financial transactions were observed in the union.

As we can see, in the conditions of the epidemic, the EEU has some problems that it naturally has had before the epidemic. All the listed internal problems are solvable and are being solved at present, and their existence speaks of the "viability" of the union, and overcoming them is the basis for development and improvement. It is obvious that development is not possible without challenges. That is why the epidemic has such opportunities. Processes aimed at overcoming the above-mentioned internal risk factors are carried out both at the level of the EEU and at the level of individual member states. However, it should be taken into account that in the current situation the main problem for the EEU is the COVID-19 epidemic. Examining the history of the initial spread of the epidemic, we can note that in the early stages of the spread of the epidemic, almost all countries in the world were in some point isolated from each other to curb the spread of the disease, and of course, jointly coordinated processes to overcome the epidemic were practically absent. The EEU was no exception in this respect either. The next stage was the so-called exchange of experience, in which the integration unions try to implement joint arrangements in their member countries to minimize the impact of the epidemic and restore economic activity. The following can be distinguished from the main measures to overcome the consequences of the epidemic in the integration unions

- Information exchange
- Assistance to migrants in the process of repatriation
- Joint acquisition of drugs and medical equipment
- Ensuring continuity of reproduction

- Transition of non-paper documents-circulation in commercial processes
- Implementation of measures to promote the inflow of necessary goods (medicines, personal protective equipment, food supplies, etc.) during the epidemic, etc.

There are two main models of fighting the epidemic in the EEU countries. One is the “point” model in Belarus, and the other is the quarantine model in other countries. The Belarusian model is mainly aimed at maintaining and supporting the economy in times of crisis. The quarantine restrictions are of maximum humanitarian nature, although they are costly and cause great damage to the economy. They are primarily aimed at restoring the normal living conditions of the population, as well as maintaining the principle of life and health. However, it should be noted that quarantine restrictions, closure of borders, traffic restrictions can only combat the effects of the already widespread epidemic. As the virus has no borders, there is a need for member states to take joint action. That is why the EEU policy strategy is to move from the damage caused by the virus to EEU states to creativity, which can be achieved through a joint fight against the virus.

In 2020, in the context of the coronavirus epidemic, the use of tools to regulate the foreign trade of medical and food products in the EEU member states ensured their security. Some of the measures taken were restrictive in nature and aimed at restricting the export of those goods, while others were aimed at providing conditions that would encourage the import of necessary goods in the event of an epidemic. The EEU member states imposed various non-tariff restrictions on exports, in particular:

- Export barriers. Belarus temporarily bans exports, arrangements for exports of personal protective equipment, disinfectants and protective materials, medical supplies and equipment,
- Quantitative restrictions on export demand used by Russia and Kazakhstan, for example, Russia imposed temporary quantitative restrictions on grain exports;
- Export authorization procedure. This implies obtaining an export license or permission for goods subject to restrictions, for example, Armenia has applied this to medical products.

Measures to ban or restrict imports were also taken. It is important to note that during the first peak of the coronavirus epidemic, Member States took uncoordinated action in relation to trade in the Union, which created additional barriers. Thus, Armenia demanded that drivers entering the country isolate themselves, Belarus restricted the duration of transit (road transport in case of transit through Belarus had to leave its territory no later than the next day after entry). As part of the simplification of trade procedures, two groups of tariff incentives were introduced at the EEU level in the form of complete exemption from import duties (related to imported special (critical) goods and imported goods preventing the spread of coronavirus infection).

The EEU member states have taken measures to simplify trade procedures at the national level. The operation of "green corridors" has become a widespread practice, which allows national participants in foreign economic activity to avoid certain customs formalities and to immediately clear customs of imported goods. For example, in Kazakhstan, the "green corridor" exempted importers of socially important goods from inspection, expertise and customs control. A "green corridor" has been opened in Russia for basic necessities and food. The customs authorities should ensure the priority procedure for customs clearance of such goods, expediting their release for free circulation.

In some EEU member states, the tax burden on participants in foreign economic activity has been reduced. For example, in order to stabilize the food market and the agro-industrial complex in the face of the epidemic, the Republic of Kazakhstan introduced tax privileges, which reduced the rates of VAT on the import of socially significant food products and biological assets of the agro-industrial complex. In the framework of the fight against coronavirus, on March 19<sup>th</sup>, 2020 a "Coordinating Council" was set up to monitor the selection of measures to prevent the spread of coronavirus and measures of emergency response. The Council exchanges information between the member states of the Union. The session of the Supreme Eurasian Economic Council took place on April 14, 2020, as a result of which it was decided to implement the following measures:

- Strengthening the healthcare system, conducting joint scientific research on virus detection, prevention, diagnosis and treatment;
- Monitoring and prevention of the spread of COVID-19 in the context of the principle of free movement of socially important goods, foodstuffs, medical and personal protective equipment,
- Strengthening economic cooperation between member countries, including reducing the impact of negative factors, gaining the ability to operate in world markets in conditions of uncertainty;
- Ensuring the stability of domestic markets, including exemption from export restrictions and duties on certain goods from the EEU
- Providing support to citizens, businesses through tax deferrals, credit vacations and other measures.

The willingness of the member states to cooperate and provide mutual assistance to the process in the context of the coronavirus, testifies to the success of the EEU as an integration union and that it has great potential for development. Below is the estimated cost of anti-crisis measures implemented by the EEU member states at the national level in 2020 [GDP growth, 2020].

**Table 2.** Estimated cost of anti-crisis measures in the EEU countries in 2020

Country	Economic growth in 2020, %	Estimated cost of anti-crisis measures	% Of nominal GDP in 2020
<b>Armenia</b>	-7.4	\$ 300 million (150 bln AMD)	About 2.3
<b>Belarus</b>	-0.9	About \$ 1 billion	About 1.6
<b>Kazakhstan</b>	-2.5	\$ 10 billion	About 5.9
<b>Kyrgyzstan</b>	-8.62	\$ 627 million	About 8.1
<b>Russia</b>	-2.95	\$ 47 billion	About 3.2

*The Government of the Republic of Armenia* on March 16<sup>th</sup>, 2020 passed a resolution "on declaring a state of emergency in the Republic of Armenia." This resolution prohibited the implementation of certain types of economic activity, restricted the free movement of people and established a special procedure for the entry and exit of persons, vehicles, cargo, other property, animals and vehicles at all checkpoints of the RA state border. During the year the Government of the Republic of Armenia adopted and implemented 22 anti-crisis measures of economic and social nature.

*Belarus* initially refused to impose a quarantine regime, and limited resources did not allow for full anti-crisis measures. Therefore, the priority was given to supporting the public sector of the economy, which was also of a limited nature. However, there was no sharp decline in the economy. The President adopted a decree on economic support, which approved the anti-crisis program. It includes deferral of tax arrears, the right to reduce the property tax is given to local administrative and executive bodies, legal entities, sole proprietors, real estate owners, it is recommended to provide tenants with deferred rent. In order to simplify procurement procedures, buyers are given the right of public procurement from one source (to the extent necessary to meet demand within 2 months) if the contract with the former supplier is terminated, etc.

*The government of Kazakhstan* has developed a \$ 10 billion anti-crisis package to mitigate the negative economic impact of the epidemic. The measures include support for enterprises, primarily SMEs, and households. The state will finance the increase of social protection measures, including subsidizing the payment of salaries and unemployment benefits and providing socially vulnerable citizens with food baskets.

The economic assistance measures of *Kyrgyzstan* are described as follows: On April 30<sup>th</sup>, 2020 the government adopted a new Act on Economic Freedom and Development, which aims to restore Kyrgyzstan's economic activity by \$ 400 million, or 5.2% of GDP. The main goal of this event is to improve the business environment through further digitalization of the economy (non-cash payments), introduction of reasonable tariffs, launch of new infrastructure projects, new investment code, protection of private property rights, investor guarantees, privatization expansion and free movement of capi-

tal. On June 11, 2020, the "Financing of Entrepreneurs" program was approved. The implementation of this program is aimed at restoring and ensuring economic and social stability, supporting economic entities in the context of the spread of coronavirus infection. The priority business areas included in the Program are the areas within which the following factors are taken into account:

- Assistance in maintaining existing jobs and creating new jobs amid rising unemployment and the return of migrant workers.
- They are economically efficient business sectors to make the largest possible contribution to the country's GDP growth.
- They support business sectors, which have a multiplier effect on the development of other types of economic activity.
- They support export-oriented enterprises.
- They consider the need to improve the level of food security in the country.
- They provide the population and the healthcare system with home-made protective products and the most demanded medicines.

Under the program, soft loans will be provided for the following areas: tourism, light industry, pharmaceutical industry, cargo transportation, manufacturing and processing enterprises, including agro-industrial complex enterprises. The financial support of international institutions also has a great impact on the prevention and overcoming of the coronavirus.

In contrast to the lack of joint financial operations within the EEU and the CIS, international financial institutions were quick to respond to the threat of the COVID-19 epidemic to the world economy. The first loan to fight the effects of the epidemic was approved on February 20<sup>th</sup>, 2020. It was a 130 million yuan loan from the ADB to China [ADB projects, 2020]. To support the fight against the effects of the COVID-19 epidemic, the IMF, the ADB and the Asian Infrastructure Investment Bank (AIIB) became the largest lenders in the post-Soviet countries. The Ukraine (\$ 5.1 billion), Kazakhstan (\$ 1.8 billion), Uzbekistan (\$ 1.0 billion) and Georgia (\$ 0.9 billion) received the largest loans. In the case of Kyrgyzstan and Armenia, the amount of aid was the largest of the EEU countries, compared to the size of their economies - 4.1% and 2.6%, respectively. If we look at the ratio of loans received in 2019 to the country's GDP, Georgia (5.0%), Kyrgyzstan (3.9%), Ukraine (3.3%) and Tajikistan (3.2%) received the largest assistance. Russia, Turkmenistan and Azerbaijan (receiving only 3.5 million from the EBRD) did not receive financial assistance to combat the effects of COVID-19 [Posledstvia: Doklad IRIP VAVT, 25].

*The actions of international financial institutions raise the issue of creating EEU's own financial assistance mechanism to help member states in emergency situations. It can be an independent new financial institution or previously created special programs*

of the EEU institutes. Below information on the amount of financial support from the international financial organizations to the EEU member states on the impact of the COVID-19 epidemic is presented as of July 12, 2020.

**Table 3.** Financial assistance from international financial organizations to the EEU states to combat the consequences of the COVID-19 epidemic, million USD (12.07. 2020)

Country / International Finance Organization (IFO) <sup>1</sup>	AIB	ADB	IMF	IBRD	EBRD	IDA	IFC	IDB	General loans from IFOs	The share of aid in GDP in 2019, %
Armenia	0	20	175	3	50	0	0	0	248	1.81
Belarus	0	0	0	101.7	30.5	0	25	0	157.2	0.25
Kazakhstan	750	1000	0	0	93.1	0	0	0	1843.1	1.02
Kyrgyzstan	0	70	242	0	0	21.1	0	15	348.15	4.12
Russia	0	0	0	0	0	0	0	0	0	0

**Armenia:** On May 18<sup>th</sup>, 2020, Armenia received a \$ 175 million loan from the IMF at an annual interest rate of 1.3% to solve urgent economic and humanitarian problems in the country caused by COVID-19. The EBRD has signed a \$ 20 million loan agreement with ACBA-Credit Agricole Bank CJSC (now ACBA Bank OJSC), for the Bank to use to raise funds to finance micro, small and medium-sized enterprises affected by the COVID-19 epidemic. The EBRD and the ADB have provided \$ 25 million and \$ 20 million in loans to Electric Networks of Armenia CJSC, respectively. The loans were intended to maintain the quality of reliable and uninterrupted services in the face of the negative economic impact of the COVID-19 epidemic. The EU, in turn, in April 2020 confirmed the assistance to Armenia for urgent and short-term needs in the amount of 92 million euros for the fight against the outbreak of the coronavirus. Areas of assistance are health, educational and socio-economic. This opened up additional fiscal space for the Government's health and anti-crisis measures and will be used to provide medical equipment and supplies, train medical staff and laboratory staff, support SMEs and the business community, and provide social and humanitarian assistance in the event of a coronavirus outbreak. The assistance consists of the reconstruction of some ongoing projects jointly with the EU and new targeted assistance programs. It should be noted that most of the support will be provided as budget support and will be directed to the implementation of support programs approved by the Government [Posledstvia: Doklad IRIP VAVT, 2020, 27-28].

**Belarus:** In April-June 2020, the Government of the Republic of Belarus requested assistance from international financial institutions to finance measures to combat the

<sup>1</sup> Note: AIB - Asian Infrastructure Investment Bank; ADB - Asian Development Bank; IMF – international Monetary Fund; IBRD - International Bank for Reconstruction and Development; EBRD - European Bank for Reconstruction and Development; IDA - International Development Association; IFC - International Finance Corporation; IDB - Islamic Development Bank

spread of coronavirus. The republic can receive up to \$ 2.5 billion from international financial institutions in the fight against COVID-19. Thus, at the end of June, Belarus placed \$ 1.385 billion worth of government bonds in foreign financial markets. In addition, Belarus has received a \$ 90 million loan from the World Bank for 11 years to quickly respond to the spread of COVID-19. The program helps to meet the urgent needs of medical equipment in the healthcare system, including providing the healthcare system with modern oxygen equipment, analgesics and antibiotics, as well as personal protective equipment for physicians. Funds will also be directed to measures to raise citizens' awareness of social distance and hygiene measures [Posledstvia: Doklad IRIP VAVT, 2020, 28-30].

*Kazakhstan:* The ADB has approved a \$ 1 billion aid package to help the Kazakh government mitigate the social, economic and health effects of the COVID-19 epidemic. ADB's financial assistance supports a comprehensive health, social protection and employment, as well as economic recovery program developed by the government to mitigate the impact of the epidemic. The Asian Infrastructure Investment Bank, in turn, has provided a \$ 750 million loan to Kazakhstan to combat the effects of the epidemic. The United States has provided \$ 3.11 million in assistance to Kazakhstan, of which \$ 1.5 million has been provided to strengthen the capacity of laboratories and medical staff to combat the spread and containment of COVID-19 [Posledstvia: Doklad IRIP VAVT, 2020, 31-32].

*Kyrgyzstan:* In total, the Kyrgyz Republic has received \$ 627 million in grants and loans from international financial institutions. These funds will be mainly used to support the state budget (financing of protected expenditures, financing of healthcare expenditures), financing the purchase of medical supplies and medicines to fight COVID-19, implementing an epidemiological education program, as well as digitalization processes in the economy [Posledstvia: Doklad IRIP VAVT, 2020, 32-38].

*Russia:* The assistance was mainly provided as follows: The United States has provided oxygen apparatus to Russia for the Central Clinical Hospital, China has provided protective clothing, masks and other equipment, and a number of EEU and CIS countries have offered Russia to purchase protective kits and medical masks. Below is the change in GDP of the EEU member states (quarterly data of Kyrgyzstan are missing) during the epidemic (% , on a quarterly basis).

**Table 4.** The change of EEU member countries GDP during epidemic (% , quarterly, in terms of 2020 January - 2021 September)

Country	Month							
	2021-4	2021-5	2021-6	2021-7	2021-8	2021-9	2021-10	2021-11
Kyrgyzstan	-3.8	-1.6	-1.7	-1.6	-0.7	0.1	1.6	2.4

**Table 5.** Kyrgyzstan's GDP during COVID 19 (% , monthly, 2021 April - November)<sup>1</sup>

Country	Quarters						
	2020-I	2020-II	2020-III	2020-IV	2021-I	2021-II	2021-III
Armenia	4.2	-13.5	-8.7	-3.3	-3.3	13.3	2.7
Belarus	-0.2	-3.3	-0.2	-0.2	1.1	5.8	-
Kazakhstan	2.7	-1.8	-2.8	-2.6	-1.5	2.3	3.5
Russia	1.4	-7.8	-3.5	-1.8	-0.7	10.5	4

As can be seen from the data in the tables, the EEU member states have been recording positive dynamics of economic recovery since the second half of 2020. Starting from the second quarter of 2021, there are generally positive indicators of economic growth compared to the previous period, which is due to the easing of restrictions and the implementation of anti-crisis measures. However, in the third quarter, the economic activity of the Republic of Armenia weakened, which in turn was due to the high prevalence of coronavirus disease.

**Conclusions.** Thus, we can conclude that if before the epidemic integration processes were actively and purposefully carried out within the EEU, not only the quality of the integration processes, but also the security of the countries and the whole Union began to depend on the development of those processes. The way out of the ever-deepening crisis caused by COVID-19 requires serious efforts to overcome external and internal challenges and contradictions, which is extremely difficult, if not impossible, to do alone. The severity of the common problem pushes the states to get as close as possible. As the events have shown, the danger of the epidemic leads not to the secession of the EEU member states, but to the increase of their interconnectedness and, consequently, to cooperation in much larger volumes and spheres under the influence of constantly changing external and internal challenges and threats. Following the logic of the research, we can assume that after the epidemic there can be more favorable opportunities to further strengthen the ties between the EEU member states, and there will be opportunities to increase the integration within the union. Based on the above, we offer to implement

- measures aimed at coordinating the actions of the healthcare systems of the EEU member states and actively exchanging information;
- measures to regulate the labor market, we mean the protection of the rights of migrant workers, i.e. to ensure the return of migrants to their donor countries, regardless of restrictions on movement outside the country, and to ensure the normal living conditions of migrants in host countries, taking into account social and medical assistance;
- measures aimed at creating EEU's own financial assistance mechanism to help member states in emergency situations or in the process of economic development;

<sup>1</sup> <https://www.theglobaleconomy.com/economies/>

• measures to accelerate and simplify decision-making on administrative regulations at Union level (non-paper (electronic) paperwork, minimum level of face-to-face inspection and control procedures). It is important to simplify trade and customs regulation procedures (especially medicines, disease protection products, medical equipment) by moving them to a digital platform (e.g, customs clearance processes without paper media and personal contacts).

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In the current conditions, the coronavirus-caused epidemic has challenged the world economy and national economies, facing the fact of economic crisis. Creating a deep crisis, it carries risks of disrupting global and regional economies. According to the IMF, world GDP shrank by 3.1% in 2020, including by 4.5% in developed countries and 2.1% in developing countries. World trade in goods and services decreased by 8.2%. Although the global economy is already recovering in 2021, the coronavirus is still considered a serious threat. It is characterized by high rates of spread, which leads to the unpredictability of any impact. That's why scientists at Singapore University of Technology and Design recommend not making predictions about the epidemic, as traditional forecasting models designed to make accurate predictions now and in the future can lead to misunderstandings in extreme uncertainty. The Corona Crisis or the “Great Quarantine” can serve as a historical test of the “strength” of the economic space of the EEU states.