

MINUTES OF UNDERSTANDING

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Discussion after Methodological Seminar “Effects of the WTO Agreements in the EU and in Eurasian Economic Union”

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Agenda:

1. First estimations of the Methodological Seminar “Effects of the WTO Agreements in the EU and in Eurasian Economic Union”.
2. Presentation of the results of the realization of JMN Project in 2016.
3. Discussion of future events within the JMN Project.
4. Discussion of legal, financial and administrative issues concerning the cooperation among the partners to JMN Project.

Summary:

1. The participants of the seminar positively estimated the discussions, paid attention to the importance of its topic and decided that the research in the sphere of inconsistencies between the law of regional organizations and WTO law is very prospective.

2. The administration of the European Studies Institute informed the partners to the JMN Project about the activities done in 2016:

- **Organization of a summer school at the Diplomatic Academy of Vienna.** Summer School at Vienna Diplomatic Academy took place in July 2016. It was a full-day programme which lasted 7 days. 17 ESI students have successfully graduated from the School and have been awarded with certificates.

- **Creation of a web-site** (www.jmn.mgimo.ru) where all the information concerning JMN Project is to be published. The site is two-languages (English-Russian) multifunctional platform which will include besides the consortium information the following :

- page for research publication
- a database of relevant collected information (including materials of our Seminar, for example). We will load EU-Russian legal act, WTO panel reports, dispute resolution developments etc.

• In this connection I would like to ask our partners to take part in filling up this platform (in the project it is called Observatory) by relevant information. This Observatory will provide opportunities for both experienced and young researches to do research and monitoring.

- **Organization of an Open call for research papers** -“The WTO Free Trade Concept and its Impact for the EU-Russian Relationship in Selected Fields”. The participants agreed that the best option in the research sphere of the grant would be a scientific evaluation and supervision by the representatives of the universities-partners to JMN Project (in case of an application in English) under research activities of the winners of the future open calls.

3. The participants proposed their view on future events within the JMN Project:

The list of future events within the whole period of Project implementation is as follow:

- WTO dispute-settlement: cases of EU vs Russia (conference)
- Complementarity of the EU and its Member States in External Action, Common Commercial Policy and its Effects on EU-Russia Relations (round table)
- The FDI impact on the development and modernization of the target country (round table/debate).

As for the first consideration events time-schedule looked as follow:

- Universität Hamburg. Organization of a seminar (mid-October 2017).
- Erasmus University of Rotterdam. Organization of a workshop in cooperation with The Hague University (March-April 2018)
- Universitatea din Craiova. Organization of a workshop to be considered.
- Vienna University. Organization of a summer school and a one-day seminar following after the summer school.

The partners agreed to choose the dates and the format of the above-mentioned events as soon as possible to prepare the full version of the plan of the activities within JMN Project in 2017-2018.

4. The participants discussed the difficulties which could be faced during the money transfers from MGIMO MFA Russia as the beneficiary of the grant to the partners.

The ESI administration proposed you a model which has been successfully used for financing the organization of a summer school at the Diplomatic Academy of Vienna. In those case the transfer of money was done through concluding an Agreement between MGIMO-University as a grant beneficiary organization and the Diplomatic Academy of Vienna, meaning between two legal entities. In the ESI administration opinion this approach is the best one to administrate the financial issues of the JMN Project, first of all, because it helps to minimize the amount of taxes which shall be paid in accordance with the current Russian legislation.

Because if the agreement is concluded between legal entity and individual (physical) person the tax value of interest deduction could top up to 50 percents. The ESI administration considers much more painless for each partner if MGIMO transfers not to personal account, but to legal entity account.

Another thing that should not be neglected is where an event is hosted (Russia or abroad) If a conference\seminar or any event is organized abroad, at one of the Universities – partners to JMN Project (as it was the case, for example, of the summer school in Vienna), taxes are not imposed at all on the amount of money transferred to that University-legal entity. If activities are in Russia - all services provided by EU professor (lecturing, tutoring etc) are subject to tax deduction – much less then in first case, but anyway 18 percent.

The ESI introduced to partners a Draft Agreement between MGIMO and Hamburg University concerning the organization of professor M. Paschke participation in conducting lectures in the ESI as a possible admissible model for future distribution of money among partners.

It was agreed that partners will consider this draft Agreement in their Universities and after the plan of the activities would be prepared Agreements would be signed to administrate financial issues within the JNM Project.