

**Russia joined the WTO knowing in advance that it may well go beyond the WTO limits, as China does
– suggests research by Grayling**

Today the communications agency Grayling has published the results of its perception research called, "Accession to the WTO in 2013 and beyond: What consequences business and selected expert communities perceive ahead?" The research is based on more than 20 in-depth interviews with heads of Russian and foreign companies, industry experts, representatives of Russian ministries, representatives of the Eurasian Economic Commission, and representatives of the US Government. The project is implemented in partnership with the Russian law firm "Muranov, Chernyakov and Partners".

The primary question, according to the experts, is how the accession to the WTO will be implemented in legislative and law-enforcement practices. They also confirmed the hypothesis that Russia joined the WTO knowing in advance that it may well go beyond the WTO limits, in the same way that China does.

Respondents believe that the role of the Eurasian Economic space (Customs Union) will slowly decline and finally will be dissolved within the WTO, it being the more powerful organization. Further, that Kazakhstan will need another six months or a year to join the WTO, while Belarus is barely half way there.

At the same time, some experts predict multilevel conflicts developing to protect Russian interests both within the Eurasian Economic space and the WTO level. This could evolve as production protection by tariff remains a priority for the Russian government which aims to protect Russian business interests and jobs. Research participants also think that these conflicts will highlight how states behave towards each other.

Some experts argue that the first consequences may become apparent within the first year after the accession. Other experts expect the first consequences in 2 to 10 years.

The report finds that few enterprises are actually preparing strategies to adapt their businesses to the WTO requirements. The reason for this is a short term view on business when Russian politics and economy seem unstable or when people rely on help from the state. Another reason, according to respondents, is the fact that business has received ambiguous signals about Russia's intentions in joining the WTO.

It is expected that Russia will be a defendant in cases connected to anti-dumping, sanitary and phytosanitary measures, and on intellectual property rights.

This research is the second part of the joint project of the law firm "Muranov, Chernyakov and Partners" and Grayling that is designed to analyze the consequences of Russia's accession to the WTO for business. Research, its English summary and the first part of the project analyzing the legal side of Russia's commitments to the WTO in 14 service sectors are presented at www.russia-wto.ru. English version of research is available upon request.

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About Grayling:

Grayling is a global communications firm (www.grayling.com). We are a leading communications services firm, practicing Public Relations, Social Media, Government Relations, Investor Relations, Events Management and Marketing, Grayling has a network of offices in 40 countries across Europe, the US, Middle East, Asia and Asia-Pacific and is the world's second largest independent communications agency by capitalization with more than \$148 million in revenues. Grayling has been working in Russia since 1999, and it provides International and Russian companies with the strategic communications consultancy in a number of industries, including consumer brands, healthcare and pharmaceuticals, financial and professional services, technologies, energy, mass media and telecommunications.

Over the past years Grayling has been named the best agency in GR in Europe, Middle East and Africa by the top International PR-magazine The Holmes Report and has been awarded the Stevie Award for "Europe's best communications campaign of the year".

About Muranov, Chernyakov and Partners:

Founded in 2003, Muranov, Chernyakov and Partners (www.rospravo.ru) is currently one of Russia's TOP 10 national law firms. It is recommended by leading international legal directories including Chambers Global, Chambers Europe, The Legal 500, PLC Which Lawyer?, Who's Who Legal, Best Lawyers.

The firm gives legal advice in the sphere of litigation and arbitration disputes resolution, provides a wide range of legal services on corporate, tax, competition, intellectual property, private international and the WTO law issues, specializing in such sectors as power and natural resources; technologies, media and telecommunications; real estate and construction.

With the expertise and experience of over 30 attorneys and lawyers, the firm offers a whole spectrum of legal services to a wide range of clients, including Russian and international companies, financial institutions and public authorities. The firm's geography covers Russia and the CIS countries, Western Europe and the USA.

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