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REPORT

on EU-Russia relations
(2004/2170(INI))

Committee on Foreign Affairs

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on EU-Russia relations (2004/2170(INI))

The European Parliament,

- having regard to the Partnership and Co-operation Agreement between the EC and Russia, which entered into force on 1 December 1997¹,
 - having regard to the objective of the EU and Russia, set out in the joint statement issued after the St Petersburg Summit on 31 May 2003, to set up a common economic space, a common space of freedom, security and justice, a space of co-operation in the field of external security and a space of research and education, including cultural aspects,
 - having regard to the many credible reports by Russian and international NGOs on the continuing grave violations of human rights in Chechnya, the judgments of 24 February 2005 of the European Court of Human Rights in six cases relating to Chechnya and the many such cases pending before that court,
 - having regard to its recommendation of 26 February 2004 to the Council on EU-Russia relations², and its resolution of 15 December 2004 on the EU-Russia Summit held in The Hague on 25 November 2004³,
 - having regard to its resolution of 10 March 2005 on Belarus⁴,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on International Trade (A6-0135/2005),
- A. whereas good-neighbourly relations and cooperation between the EU and Russia are crucial for stability, security and prosperity across the whole of the European continent; whereas these relations must be based on common values, thus embracing human rights, the market economy, the rule of law and democracy,
- B. whereas the EU and Russia have high ambitions for their partnership; whereas further efforts are needed to enhance relations with Russia at EU level, welcoming the progress made relating to issues such as the Russian ratification of the Kyoto Protocol and the extension of the Partnership and Cooperation Agreement, and the Kaliningrad transit for persons and progress in negotiating the terms of Russian accession to the WTO,
- C. whereas Russia emphasises the importance of multilateralism, and sees its full participation in the UN, OSCE, G-8 and the Council of Europe as a cornerstone of its

¹ OJ L 327, 28.11.1997, p. 1.

² OJ C 98E, 23.4.2004, p. 182.

³ P6_TA-PROV(2004)0099.

⁴ P6_TA-PROV(2005)0080.

foreign policy,

- D. whereas democracy has been weakened in Russia, in particular by the bringing of all major TV stations and most radio stations under government control, the spread of self-censorship among the print media, new restrictions on the right to organise public demonstrations, a worsening climate for NGOs, increased political control of the judiciary and changes to the way Members of the State Duma are elected, all of which are intended to strengthen the power of the Kremlin,
- E. whereas the policy towards Chechnya is manifestly failing to bring the situation there under control and has also failed to prevent new and ever more extreme terrorist attacks in the North Caucasus and in Moscow; whereas these extremely costly policy failures clearly demonstrate the need for a new approach,
- F. whereas the EU wishes to make sure that its enlargement does not create any new dividing lines in Europe, but, instead, helps to further spread prosperity and development; whereas the EU wishes to conduct a dialogue with Russia on issues relating to their common neighbourhood,
- G. fully recognising the enormous efforts and sacrifices of the peoples of the Soviet Union in fighting and liberating many countries and their peoples in Europe from the Nazi tyranny, but also deploring the enormous hardship and sacrifices the occupation and subsequent annexation and tyranny of the Soviet Union very often inflicted on several countries and peoples, including the Baltic States; hoping for full recognition of these facts by Russia as a basis for comprehensive reconciliation between Russia and all member countries of the EU,
- H. whereas a coherent approach by the EU and its Member States is a necessary precondition for a sound and effective policy towards Russia; whereas major flaws in the EU's policy-making procedure as regards its policy on Russia were acknowledged by the Commission and the Council at the beginning of 2004 and a new method for ensuring coherence was introduced, based on a document on key issues, each with a 'line to take'; whereas this has not resulted in sufficient improvement and some measure of public and parliamentary control must be introduced,

Policy of the EU and Member States

- 1. Acknowledges the importance of Russia as a partner for pragmatic cooperation with whom the Union shares not only economic and trade interests but also an objective to act in the international arena, as well as in the common neighbourhood, as strategic partners;
- 2. Acknowledges Russia's potential as a special strategic partner for providing peace, stability and security, and fighting international terrorism and violent extremism, as well as addressing 'soft security' issues such as environmental and nuclear hazards, drugs, arms and human trafficking and cross-border organised crime in the European neighbourhood in cooperation with the OSCE and other international fora;
- 3. Emphasises the need to further develop and implement a common energy strategy for Europe, incorporating producers, distributors and consumers, aimed at creating a

transparent and sustainable energy system, and to enhance the regional diversity of energy supplies; notes that the development of such a strategy is of common interest to the EU and Russia;

4. Calls on the Council to agree on reporting requirements and other arrangements for ensuring that agreed positions are always fully respected both by the EU and individual Member States in their contacts with Russia, as shall also be the case with their contacts with other third countries; urges Member States in their bilateral contacts with Russia to support the common positions taken by the EU, ensuring transparency and appropriate consultation;
5. Stresses that, in the enlarged Union, and particularly in the context of the new financial frameworks and external relations instruments, the significance of regional cooperation should be stressed more and, in the EU's northern regions and Russia's north-western regions, the Northern Dimension should provide the framework for this regional cooperation;

Four common spaces

6. Supports the objective of setting up the four common policy spaces and the preparation of a road map for each of them; insists that the four spaces have to be seen as a package, and that higher priority must be given to quality than to speed; draws attention to the need not only for agreed wordings, but also for real convergence on sensitive issues of a principal nature;
7. Welcomes the progress made since the last EU-Russia summit in the setting up of the four common spaces in the framework of the PCA with Russia, particularly in the common economic space and the common space on research, education and culture; expresses its hope that similar success can be achieved in the common space of freedom, security and justice and the common space on external security, so that the package of four road maps for the creation of the common spaces can be adopted at the EU-Russia Summit on 10 May 2005 in Moscow;
8. Stresses that conclusion of a readmission agreement is a prerequisite for the signing of the EU-Russia visa facilitation agreement; believes that the EU should welcome the Russian objective of an eased visa regime with the Schengen area, with visa-free travel as a long-term goal, and set out all necessary conditions in a clear action plan listing concrete measures;
9. Supports Russia's ambition to accede to the WTO and sees a common interest in supporting Russia to become a partner with an open, dynamic and diversified economy; stresses the need to strengthen the independence and transparency of the judiciary in order to improve the investment climate;
10. Notes that WTO membership will send an important signal to foreign investors, thereby helping to strengthen and diversify trade links;
11. Calls on the Commission to continue and strengthen dialogue with the Russian authorities and with economic partners on issues of trade and economic co-operation, covering in

particular technical regulations and the standardisation of customs procedures, the liberalisation of services, the abolition of monopolies and the opening-up of the banking system, and to ensure that Russia puts in place intellectual property enforcement measures resulting in a substantial reduction in IPR piracy prior to Russia's accession to the WTO;

12. Calls on the EU and Russia to develop deeper integration by preparing and starting negotiations on a Free Trade Area immediately after Russia's accession to the WTO; considers that the EU-Russia Free Trade Area agreement will be an ambitious stage in the formation of the Common Economic Space, covering trade in goods, services, establishment, rules on government procurement, regulatory compatibility and other trade aspects;
13. Welcomes the current negotiations to extend cooperation between the European Galileo Programme and the Russian satellite navigation system Glonass, and encourages both sides to conclude an agreement on compatibility and complementary use of the two navigation systems;

Democracy, human rights and the rule of law in Russia

14. Expresses its concern about the apparent weakening of Russia's commitment to democracy, market economy and protection of human rights; regrets restrictions on the operation of free and independent media; reiterates its criticism of the use of the judicial system in the apparent pursuit of political goals; notes that these developments affect both the situation of the Russian people and Russia's foreign relations, and that as long as they are not reversed, development of the EU-Russia partnership will be more difficult;
15. Takes note of the regular consultations on human rights and fundamental freedoms, including the rights of persons belonging to minorities, recently launched by the EU and Russia; stresses, in this regard, that such consultation must comply with the EU guidelines on human rights dialogues and should therefore include in its process the involvement of the EP and non-governmental organisations so as to identify the major concerns to be raised;
16. Stresses that all states should fully respect its national and international commitments in the field of minority rights; is concerned about reports about discrimination of certain ethnic groups, for example the Mari people;
17. Notes with concern manifestations of antisemitism in Russia;

Neighbourhood and foreign policy

18. Rejects foreign policies aimed at creating spheres of influence; stresses the need to fully respect the sovereignty and territorial integrity of all states, including the right of every state to seek to develop its relations with other states and organisations based on its own definition of its interests and in accordance with principles laid down in the UN, OSCE and Council of Europe frameworks;
19. Asks Russia to see the spread of democracy in its neighbourhood and in the development of stronger ties with the EU, including membership, not as a danger to Russia's position,

but as a chance to renew political and economic cooperation with those countries on a basis of equality and mutual respect;

20. Calls on Russia and all EU Member States to fully open all their World War II secret files and make them available to historians for mutual study and confidence-building;
21. Calls on Russia to resolve the stalemate in relations with the OSCE by fulfilling its obligations regarding contributions to the OSCE budget; notes that the absence of a budget hinders OSCE operations, resulting in a deadlock in democratisation and security enhancement in Central and Eastern Europe; supports further development of OSCE activities in the field of security and regrets that the absence of Russian support made it impossible to continue the border monitoring mission in Georgia; also supports further exploration of possibilities to strengthen OSCE promotion of cooperation on economic and environmental matters, as called for by Russia; is, however, firmly opposed to any weakening of OSCE election monitoring and other 'human dimension' activities which constitute concrete expressions of the common values upon which the EU-Russia partnership is based;
22. Stresses the importance of setting up the common space of external security, which in time could lead to the creation of a specific high-level forum for EU-Russia dialogue on security, conflict prevention and conflict resolution, non-proliferation and disarmament; supports Russian participation in EU-led crisis management on the conditions defined by the European Council in Seville in June 2002¹, provided that Russian forces demonstrate their capacity to adapt to EU standards and operational procedures and more generally to the developing European security and defence culture;
23. Stresses the importance of pursuing a peaceful and political resolution of any territorial and political conflicts concerning a part of the Russian Federation or a neighbouring state, including the conflicts in the Caucasus region and the Transdnistria conflict in Moldova; calls on Russia to respect all peaceful reform movements in CIS states and to encourage democratic reforms in the Central Asian states;
24. Asks Russia to reaffirm its commitment to the territorial integrity of Georgia and Moldova and to withdraw its military forces from Georgia and Moldova in accordance with its OSCE commitments, as well as with the request of these sovereign states;
25. Is convinced that successful reforms in Ukraine, in conjunction with the newly won democracy, improve the prospects of economic, social and moral benefits both for Russia and the EU; calls on the Council and the Commission to make every effort to facilitate the reaping of such benefits;
26. Urges the Council to raise with Russia the question of Belarus, pointing out that the democratisation of that country is in the interests of both the EU and the Russian Federation and that joint action should be taken to that end;

¹ 'Arrangement on consultation and cooperation between the EU and Russia on crisis management' - Annex IV to Presidency Report on European Security and Defence Policy (10160/2/02 REV2), mentioned in Annex VIII to the Presidency Conclusions of the Seville European Council 21-22 June 2002

27. Underlines the importance of the innovative cross-border component of the proposed European Neighbourhood and Partnership Instrument, which is intended to replace the TACIS programme in Russia and other countries; stresses the importance of promoting cross-border economic and social links and the need to considerably strengthen EU action to this effect;
28. Underlines the importance of multilateralism, and cooperation between the EU and Russia in support of the authority of the UN and to co-ordinate positions on UN reform, in particular as regards the Security Council; underlines the importance of Russia's support for the ICC and the Kyoto Protocol;
29. Notes that the fight against terrorism has brought the issue of weapons of mass destruction (WMD) proliferation and the safety of nuclear arsenal to the top of the list of global security concerns; calls on Russia to work on non-proliferation and disarmament globally, including Iran, and act especially through disavowing the development of new types of nuclear weapons, safe disposal of the nuclear waste and the steady and verified dismantling of its nuclear arsenal; calls on the Commission and the Council to offer Russia substantial technical and material assistance to help it with this dismantling;
30. Acknowledges the critical importance of Russia in establishing potentially extremely important transport corridors linking Europe with Asia, and encourages the Russian Federation towards close cooperation in transport infrastructure development;

Specific issues in relation to the Baltic States

31. Reiterates its call for Russia to resolve the border issue with Estonia and Latvia fairly and equitably, and to sign and ratify the border agreements with these countries without any further delay; considers the final demarcation of all the borders Russia shares with new EU Member States and conclusion of a readmission agreement to be prerequisites for the signing of the EU-Russia visa facilitation agreement, and believes that, once all necessary conditions set by the EU in a clear action plan listing concrete measures are met by Russia, the EU should welcome the Russian objective of an eased visa-regime with the Schengen area, with visa-free travel as a long-term goal;

Kaliningrad

32. Welcomes the progress made in solving the problems of transit and the movement of persons between the constituent parts of Russia; notes the need for increased Russian efforts and EU support to stimulate social and economic development in the Kaliningrad region as a model for the further relationship, and paying special attention to health issues (including the spread of HIV/AIDS), fight against corruption and criminality;

Chechnya

33. Condemns the killing of Mr Maskhadov, the last president of the Republic of Chechnya with a real popular mandate; calls on all sides to end violence;
34. Considers that it is imperative to arrive at a political solution which involves all the democratic components of Chechen society and guarantees to all people residing in or

returning to Chechnya inter alia a real right to life, freedom and security and to the Chechen people respect for its cultural and national identity and dignity; at the same time, this solution should respect the territorial integrity of the Russian Federation and be fully compatible with the pursuit, by legitimate and effective means, of stability and security throughout the North Caucasus and the entire Russian Federation;

35. Is deeply concerned about the continuing failure to end lawlessness in Chechnya, including within the ranks of federal and local government forces; calls for an immediate end to impunity and violence on both sides and for a political solution and respect of the territorial integrity of Russia; is worried about the lack of will to seek a negotiated solution as exemplified by the rejection of the ceasefire proposed by the late President Maskhadov and of his subsequent brutal killing; calls on Russia to strive for a credible peace and reconciliation process, and reiterates that there can only be an inclusive, negotiated and political solution rather than a military one;
36. Recalls its recommendations to the Council regarding Chechnya in paragraph 14 of its resolution of 26 February 2004, including on the need to more actively pursue a political solution and on EU readiness to give assistance to a peaceful and constructive dialogue; deplores that the Council has not acted on these recommendations, believes that they remain valid and calls on the Council to take action;
37. Is deeply concerned by the fact that human rights defenders investigating and speaking out about human rights violations are increasingly facing attacks on their freedom and security in the context of the armed conflict in Chechnya; urges the Russian authorities to put an end to this harassment; calls, in this regard, on the Council to pay particular attention to the protection of these people in compliance with the EU Guidelines on Human Rights Defenders adopted in June 2004 and to put the matter at the top of the agenda of the EU-Russia Consultation on Human Rights;
38. Calls on Russia to protect human rights defenders, who are increasingly coming under attack, and to grant access to Chechnya to UN special rapporteurs and other international human rights monitors, independent media and international humanitarian organisations, providing where possible all the necessary security conditions for carrying out their work;
39. Reiterates its condemnation of all terrorist acts; expresses its belief that terrorism has deep roots in the socio-economic situation in the North Caucasus, as recognised by President Putin after the Beslan tragedy; declares itself willing, as one of the two arms of the budgetary authority, to consider proposals for EU involvement in reconstruction and peace-building efforts, if in the future such efforts can be launched as part of a package of measures for peace in Chechnya, with reasonable guarantees that the assistance will reach its intended beneficiaries;

Fight against terrorism

40. Stresses that international co-operation to combat terrorism must become more effective and that diverging views on the root causes of terrorism and on who should be regarded as a terrorist are impediments to that co-operation;

Environment and nuclear safety

41. Calls for further cooperation in the field of maritime safety, notably concerning a ban for all single-hull tankers entering Russian waters in the Baltic and Black Seas;
42. Calls on Russia to phase out its first generation nuclear reactors and intensify efforts to ensure the safe disposal of nuclear waste; underlines the importance of Russia's willingness to cooperate within the Northern Dimension Environmental Partnership Support Fund;
43. Reiterates its support for the opening of the EU market to Russian electricity exports, on condition that relevant Russian safety standards, in particular in relation to nuclear power plants and the safe processing and disposal of nuclear waste, are brought up to EU level, so that the risk of environmental dumping is avoided;
44. Welcomes the ratification of the Kyoto Protocol by the Russian Duma in October 2004 and hopes that the remaining large emitters of CO² follow its example; calls for joint EU-Russia explorations of future strategies to achieve further greenhouse gas emission reductions for the period after the expiry of the Protocol in 2012, in the spirit of the conclusions of the EU Spring European Council 2005;
45. Calls on the Commission and the Council to renew their efforts to draft a truly Common Strategy in their relations towards Russia, which takes account of the EU's enlargement in 2004, includes the four spheres of common interest and addresses concerns over developments in Russia regarding democracy and the protection of human rights; calls on the Council to do so in the spirit of the previous Common Strategy of the European Union on Russia;
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46. Instructs its President to transmit this resolution to the Council, the Commission and the Governments and Parliaments of the Member States and of Russia.

EXPLANATORY STATEMENT

The relationship between EU and Russia in an important but critical stage

Russia's importance as a neighbour of the European Union has grown even more after the enlargement. Russia has potential to play a crucial role for security, stability and development in Europe and its neighbourhood. We have a common interest in developing closer co-operation in areas such as trade, economy, security, energy and nuclear safety.

Javier Solana, the EU High Representative has said that the development of the partnership with Russia is the most important, the most urgent and the most challenging task that the EU faces in the 21st century. The same applies to Russia. For Russia, the EU is the biggest trading partner and an important potential source of investment needed for the country's economic modernisation.

While partnership with Russia is clearly important, it must be admitted that there is a growing disappointment and frustration in Europe over the reversal of the democratic development in Russia. This results partly from Russia turning away from values and principles to which both the EU and Russia are committed as the signatories of the key OSCE and Council of Europe documents. Progress regarding the setting up of the common four spaces has been slow and significant problems still exist in key areas. At the same time, the socio-economic model that the EU represents, and Russia is clearly slowly turning away from, is attracting the neighbouring Eastern European countries.

In fairness, it also has to be admitted that some EU Member States have been ambiguous in their signals to Russia and pursued other objectives than those agreed upon in the EU Council. This is very unfortunate. The fact that some Member States rely heavily on energy imports from Russia should not prevent us from promoting human rights and democracy. Despite the adoption last spring of a new model of policy-making, which is based on a list of key outstanding issues, each with a 'line to take', more coherence is urgently needed, if a consistent partnership with Russia is to be achieved. Respect for democracy, the rule of law and human rights are the core values of the European Union and should always guide our foreign policy. Also, there is a need to arrive at a common understanding regarding the painful history of some Member States and embark on the road of conciliation.

Russia lags behind its Central and Eastern European neighbours in terms of democratisation and economic liberalisation. It is in everybody's interest that it develops into a more democratic, market economy based nation. We must try to integrate Russia better in the European structures and seek a more common approach to the countries covered by our neighbourhood strategy.

Neighbourhood and foreign policy

The EU and Russia have many common challenges in their joint neighbourhood. A first step to further co-operation is to agree on the name, action cannot be blocked by a disagreement on how to label our neighbouring territory. We cannot allow "a buffer zone" with Ukraine, Belarus and Moldova emerging between Russia and the EU.

Russia could be an important and constructive actor when it comes to dealing with issues of peace, democracy, security, trafficking, organised crime etc. The recent elections in Belarus and Ukraine have however caused serious concerns regarding Russia's intention towards these countries. The Orange Revolution in Ukraine was an extremely important event also in the history of the EU-Russia relations, as successful reforms in Ukraine could in many ways yield benefits for both Russia and the EU, if the historic opportunity is grasped.

The EU and Russia need to establish close co-operation concerning crisis management to achieve stability on Russian Southern borders (Abkhazia and South Ossetia) and find a solution to the conflicts in Transnistria and southern Caucasus. Should Russia become a democratic and co-operative partner, it can contribute substantially to building stability and prosperity in the region.

Without Russia, who has a permanent seat at the UN Security Council, it will not be possible to solve upcoming potential conflicts in the wider Europe. Russia and the European Union could co-operate further in order to strengthen and reform multinational organisations such as the UN and the WTO. A further involvement in ESDP would be complementary to Russia's co-operation with the US and within the Partnership for Peace.

The so called Seville conditions for Russian participation in EU-led crisis management, according to which Russia may be invited to participate in operations and in the Committee of Contributors, which plays a key role in the day-to-day management of them, provide an appropriate framework.

Terrorism and the failed Chechnya policy

The atrocities committed against children and civilians in Beslan show how important international co-operation is in order to prevent and fight terrorism. This was the worst terror attack in the modern history of Russia. An effective partnership in combating terrorism however presupposes a reasonable degree of common understanding of the definition and causes of terrorism. The key to fight terrorism in Russia is to resolve the conflict in Chechnya. Unquestionably, Chechnian armed groups commit atrocities in Chechnya, but also in other parts of Russia. Through bombings and suicide attacks many civilians are killed or hurt. But federal and local government armed forces continue to commit grave breaches of human rights and international humanitarian laws.

Russia must seek a political solution by involving moderate groups who are willing to negotiate and work with forces interested in achieving a peaceful solution, while isolating the terrorists. The EU should intensify its efforts to support Russia in achieving such a solution. The socio-economic situation in the region should be considered as an important factor to stability and improved security and the EU should, therefore offer to support the reconstruction process, when the right conditions make it possible. Sending of a special envoy to Chechnya and an offer to act as a mediator in the conflict could also be considered.

Political development

Although Russian sociological studies have shown a strong support and approval rate for

president Putin and his politics, there are increasing signs of discontent. Lately hundreds of thousands have demonstrated against the social benefit reforms introduced by the Russian government. Although Russia is constitutionally an electoral multiparty democracy, with open and regular elections, far too much power is centralised around the President. The nomination of the formerly directly elected governors by the President, new legislation hampering the creation of new political parties, and the right for Kremlin to appoint and hold to account judges, have raised concerns within Russia and also in the European Union, as well as across the Atlantic.

It is with great concern that we observe the ever-increasing lack of media freedom and media pluralism in the Russian Federation. Most independent printed media and nearly all independent TV channels have been wiped out. Lack of free press does not only damage pluralism and independent debate, but also erodes the checks and balances on corruption and bribery. Life for non-governmental organisations has become more difficult. In the aftermath of the terrible terror attacks in Beslan, president Putin has proposed reforms that will concentrate power even more to the Kremlin and diminish political pluralism. It is unclear how these measures will help combating terrorism.

Economy

Trade and economic co-operation are of common interest to the EU and Russia, leading to more growth, jobs and investments. Russia is no longer dependent on foreign loans. The Russian economy grows steadily at a predicted level of 5 % in 2005, helped by high oil prices. Despite impressive growth rates, the welfare in Russia is very unevenly distributed.

More than half of Russia's export goes to the Union and 60 % of the foreign investment stems from there. Also for the EU, Russia is an important trading partner. The EU has an interest to increase its energy imports, more specifically oil and gas from Russia, and help Russia to become a partner with an open, dynamic and diversified economy. Transparent and non-discriminatory implementation of rules is crucial in the context of WTO accession. The EU should continue to support Russian WTO accession and further trade liberalisation should be pursued.

The dramatic economic reforms and experiments that Russia underwent during the first years of transition from plan economy to market economy (under foreign involvement and pressure) were painful for ordinary Russians and took place in a period of legal uncertainty, widespread corruption and misuse of public and private assets. High level of corruption in the Russian society is a severe problem and affects foreign investment. A great amount of uncertainty remains concerning the development of economic regime in Russia. The Yukos affair has shown that the independence and transparency of the judicial and legal institutions needs to be strengthened. The laws must be applied in conformity with the European Convention of Human Rights.

The Russian ratification of the Kyoto Protocol is extremely important and welcome. Intensified cooperation in the field of environment, in particular in relation to the safe handling of nuclear materials and maritime safety, must now be pursued.

Conclusions

Russia is a big neighbour with whom the EU has every interest to maintain and further develop good relations. However, the EU strategy cannot be seen as a success. There is still a great lack of trust between the two partners, a situation which has become more pronounced after the enlargement. Confidence-building measures from both sides are therefore of crucial importance for the future.

The ambiguity in the role of democracy and human rights in the development of Russia complicates the partnership with Europe. While president Putin presents himself as a person committed to democracy and the rule of law, recent political developments are less positive.

The vision of a comprehensive EU-Russia relationship is far away from being accomplished today. Yet Russia, by its size, geographical proximity and its role as a regional player, is an important neighbour of the EU and the high level of interdependence means that disengaging will never be an option. Progress in the Four Common Spaces is important, but we should concentrate on achieving qualitative progress instead of setting deadlines. The EU must create a clear priority list among the co-operation areas.

We must find ways of convincing Russia of the usefulness of a close and confident partnership, consistent with our common values. Russia's priorities in the partnership are mainly focused on economic development. The Council must convince Russia that economic modernisation and trade are linked to co-operation in the other areas. It is in Russia's interest to analyse jointly with the EU relevant problems and find common solutions, where Kaliningrad can serve as a possible example. Political dialogue, trade, and people-to-people contacts will eventually narrow the gap between different perceptions of values and democratic principles.

The EU should welcome the Russian objective of an eased visa-regime with the Schengen area, with visa free travel as a long-term goal. However, in order to make progress towards this goal, the EU should present a clear action plan to Russia for concrete measures that Russia must implement as part of a step-by-step approach towards ultimately having freer travel schemes. This long-term project would serve as a model for EU-Russia co-operation in other areas, if successful.

The ability of the EU to send a clear and unambiguous message to Russia and to form a consistent and long lasting strategy is dependent on the ability of the European institutions and Member States to speak with one voice. The lack of a consistent approach and rhetoric by Member States has been very damaging. The EU Member States must cease acting on a bilateral basis towards Russia and agree on a common comprehensive approach in order to be credible.

16.3.2005

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Foreign Affairs

on EU-Russia relations
(2004/2170(INI))

Draftsman: Jas Gawronski

SUGGESTIONS

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Emphasises the importance of Russia as an EU trading partner, which has increased with the recent EU enlargement, and the necessity to intensify the EU-Russia trading relationship further in the future;
2. Notes that the Partnership and Co-operation Agreement (PCA) establishes the basis for the development of economic relations between Russia and the EU; supports the on-going work on the "Common Economic Space", based on free market laws, with a view to creating an open and integrated market between the EU and its largest neighbour, Russia, thereby promoting trade and investment and enhancing the competitiveness of the EU and Russian economies;
3. Welcomes the conclusion of the EU's bilateral negotiations with Russia concerning its WTO accession and calls on the Commission to help facilitate the remaining stages of the accession process, whilst ensuring that the terms are fully compliant with WTO rules;
4. Notes that WTO membership will send an important signal to foreign investors, thereby helping to strengthen and diversify trade links;
5. Expresses concern that, nevertheless, recent developments in the Russian judicial system may have a negative impact on potential EU and other investors, and therefore invites the Commission to give priority to judicial capacity building when allocating TACIS funding;

6. Stresses the need to speed up the work involved in adopting an action plan for Russia, in particular, with a view to replacing, within two years, the present TACIS funding by the European Neighbourhood and Partnership Instrument;
7. Welcomes the agreement on the trade-related questions of energy and fuel, particularly with regard to the supply of oil and gas, and stresses the importance of ensuring that the commitments made during the WTO accession process will be fulfilled;
8. Calls on the Commission to continue and strengthen dialogue with the Russian authorities and with economic partners on issues of trade and economic co-operation, covering in particular technical regulations and the standardisation of customs procedures, the liberalisation of services, the abolition of monopolies and the opening-up of the banking system, and to ensure that Russia puts in place intellectual property enforcement measures resulting in a substantial reduction in IPR piracy prior to Russia's accession to the WTO;
9. Expresses the hope that - without prejudice to mutual security - there will be a progressive reduction in the obstacles to the movement of persons, which make the development of economic and commercial relations between the EU and Russia more difficult;
10. Calls on the Commission to step up cooperation with Russia in coordination with projects under the Northern Dimension;
11. Calls on the Commission, in agreement with the European Parliament, in the case of breaches of human rights or of the rights of national and other minorities in Russia, to apply the same trade restrictions to Russia as to other countries and to avoid the application of double standards;
12. Calls on the Commission, in dialogue with the Russian Government, to ensure that the human rights situation in Chechnya improves;
13. Calls on the Commission, in providing assistance for Russia through the TACIS programme, to allocate funding for the implementation of the objectives of the Interreg III programme in the EU's neighbouring countries and regions - Belarus, Ukraine, Kaliningrad, Moldova and the St. Petersburg region;
14. Calls on the EU and Russia to develop deeper integration by preparing and starting negotiations on the Free Trade Area immediately after Russia's accession to the WTO, since the EU-Russia Free Trade Area agreement will be an ambitious stage in the formation of the Common Economic Space, covering trade in goods, services, establishment, rules on government procurement, regulatory compatibility and other trade aspects;
15. Calls on the EU and Russia to devote special attention to the social and economic development of the Kaliningrad region, including the effective utilisation of the benefits of the Kaliningrad Special Economic Zone, thereby contributing to the formation of the Common Economic Space.

PROCEDURE

Title	EU-Russia relations
Procedure number	2004/2170(INI)
Committee responsible	AFET
Committee asked for its opinion Date announced in plenary	INTA 28.10.2004
Enhanced cooperation	
Drafts(wo)man Date appointed	Jas Gawronski 30.9.2004
Discussed in committee	15.1.2005
Date suggestions adopted	15.3.2005
Result of final vote	for: 23 against: 0 abstentions: 0
Members present for the final vote	Enrique Barón Crespo, Giulietto Chiesa, Francisco Assis, Daniel Caspary, Jan Christian Ehler, Glyn Ford, Béla Glattfelder, Jacky Henin, Sajjad Karim, Caroline Lucas, Erika Mann, Helmuth Markov, Javier Moreno Sánchez, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Peter Šťastný, Robert Sturdy, Johan Van Hecke, Daniel Varela Suanzes-Carpegna, Zbigniew Zaleski
Substitutes present for the final vote	Danutė Budreikaitė, Anna Elzbieta Fotyga, Antolín Sánchez Presedo.
Substitutes under Rule 178(2) present for the final vote	

PROCEDURE

Title	EU-Russia relations
Procedure number	2004/2170(INI)
Basis in Rules of Procedure	Rule 45
Committee responsible Date authorisation announced in plenary	AFET 28.10.2004
Committee(s) asked for opinion(s) Date announced in plenary	INTA 28.10.2004
Not delivering opinion(s) Date of decision	
Enhanced cooperation Date announced in plenary	
Motion(s) for resolution(s) included in report	
Rapporteur(s) Date appointed	Cecilia Malmström 13.9.2004
Previous rapporteur(s)	
Discussed in committee	30.3.2005 19.4.2005
Date adopted	26.4.2005
Result of final vote	for: 60 against: 0 abstentions: 4
Members present for the final vote	Vittorio Emanuele Agnoletto, Angelika Beer, Bastiaan Belder, Monika Beňová, André Brie, Elmar Brok, Simon Coveney, Véronique De Keyser, Camiel Eurlings, Anna Elzbieta Fotyga, Maciej Marian Giertych, Alfred Gomolka, Klaus Hänsch, Anna Ibrisagic, Toomas Hendrik Ilves, Jelko Kacin, Georgios Karatzaferis, Ioannis Kasoulides, Bogdan Klich, Helmut Kuhne, Vytautas Landsbergis, Armin Laschet, Cecilia Malmström, Emilio Menéndez del Valle, Francisco José Millán Mon, Philippe Morillon, Annemie Neyts-Uyttebroeck, James Nicholson, Raimon Obiols i Germà, Vural Öger, Cem Özdemir, Justas Vincas Paleckis, Tobias Pflüger, Mirosław Mariusz Piotrowski, Paweł Bartłomiej Piskorski, Poul Nyrup Rasmussen, Raül Romeva i Rueda, Libor Rouček, José Ignacio Salafranca Sánchez-Neyra, Jacek Emil Saryusz-Wolski, György Schöpflin, Gitte Seeberg, Marek Maciej Siwiec, Hannes Swoboda, István Szent-Iványi, Konrad Szymański, Charles Tannock, Paavo Väyrynen, Inese Vaidere, Ari Vatanen, Karl von Wogau, Josef Zieleniec
Substitutes present for the final vote	Laima Liucija Andrikienė, Alexandra Dobolyi, Árpád Duka-Zólyomi, Michael Gahler, Gerardo Galeote Quecedo, Milan Horáček, Jaromír Kohlíček, Miguel Angel Martínez Martínez, Janusz Onyszkiewicz, Doris Pack, Aloyzas Sakalas, Anders Samuelsen, Csaba Sándor Tabajdi
Substitutes under Rule 178(2) present for the final vote	
Date tabled – A6	4.5.2005 A6-0135/2005