RUSSIA

EU-Russia relations have been strained since 2014 because of Russia’s illegal annexation of Crimea, support for rebel groups in eastern Ukraine, policies in the neighbourhood, disinformation campaigns and negative internal developments. Tensions have also grown over Russian intervention in Syria, Libya and sub-Saharan Africa. The EU has regularly renewed sanctions against Russia since 2014. The EU and Russia remain closely interdependent and the EU applies a ‘selective engagement’ approach.

LEGAL BASIS

— Title V of the Treaty on European Union (TEU): ‘external action’;
— Articles 206-207 (trade) and Articles 216-219 (international agreements) of the Treaty on the Functioning of the European Union (TFEU);
— Partnership and Cooperation Agreement (PCA) (bilateral relations).

EU-RUSSIA RELATIONS

Until the outbreak of the crisis in Ukraine, the EU and Russia had been building a strategic partnership, covering, among other issues, trade, economy, energy, climate change, research, education, culture, and security, including counter-terrorism, nuclear non-proliferation and conflict resolution in the Middle East. The EU was a staunch supporter of Russia’s WTO accession (completed in 2012). However, in recent years, the issue of the shared neighbourhood has become a major point of friction. The illegal annexation of Crimea by Russia in March 2014 and the evidence that Russia supports rebel fighters in the east of Ukraine triggered an international crisis. The EU reviewed its bilateral relationship with Russia, discontinuing regular summits, and suspended the dialogue on visa issues and talks on a new bilateral agreement to replace the PCA. The EU now follows a twin-track approach, combining gradual sanctions with attempts to find diplomatic solutions to the conflict in eastern Ukraine. Russia’s participation in the efforts of the E3+3 group of countries that concluded the 2015 nuclear agreement with Iran raised hopes for greater cooperation on the global stage. However, Russia’s intervention in the Syrian War since 2015 and, later on, in Libya and in several sub-Saharan conflicts, as well as its disinformation campaigns and efforts to influence election campaigns, have caused additional tensions.

The 2018 election gave Vladimir Putin his fourth term as president. Putin-led constitutional amendments adopted in 2020 allow him to stay in power beyond the
end of his current mandate in 2024. Other worrying constitutional changes include the supremacy of Russian law over international agreements ratified by Russia and over the rulings of international courts.

Russian legislation passed from 2012 on targets the opposition and civil society. Hundreds of NGOs have been labelled as ‘foreign agents’ and/or ‘undesirable organisations’, and the authorities have tightened control over media and internet use. The EU is concerned about the rule of law — including corruption. The Supreme Court banned the opposition activist Alexei Navalny as a candidate because of a contested past conviction. The 2016 (and most recent) parliamentary elections were held in a restrictive political and media environment, resulting in a big victory for Putin’s United Russia party. The next parliamentary elections are scheduled for September 2021.

Although Russia’s economy recovered from the 2008 international recession and 2014 turbulence in the banking sector, benefiting from increasing revenues from oil and commodities exports, the country’s investment climate remained uncertain and its economic performance dependent on oil and gas prices. The economic system is concentrated in a few sectors; it lacks transformative investments, while large firms close to the state dominate the market. The significant health and economic crisis which Russia is experiencing as a result of the COVID-19 pandemic may have long-lasting consequences and the Kremlin is very concerned about the social and political impacts.

Since March 2014 the EU, like the US, Canada, Australia and other Western countries, has progressively imposed restrictive measures against Russia in response to the illegal annexation of Crimea and the destabilisation of Ukraine. The EU significantly expanded its own sanctions after the shooting down of flight MH17 in June 2015 over territory controlled by Russian-supported rebels in eastern Ukraine. The sanctions are regularly updated and prolonged. Despite the sanctions, the EU remains Russia’s biggest trading partner and Russia is the EU’s fourth biggest. However, trade and economic relations are marred by numerous factors, such as Russia’s embargo on several EU agri-food products, WTO disputes and serious limitations on opportunities for EU companies to participate in Russian public procurement.

The EU’s restrictive measures take different forms. Diplomatic measures consist of Russia’s exclusion from the G8, stopping the process of Russia’s accession to the OECD and the International Energy Agency, and the suspension of the regular EU-Russia bilateral summits.

Economic sanctions target exchanges in specific sectors. They limit access to the EU’s primary and secondary capital markets for certain Russian banks and companies. They impose export and import bans on the trade in arms and an export ban on dual-use goods for military use. They also curtail Russian access to certain sensitive technologies that can be used for oil production and exploration. Specific restrictions on economic relations with Crimea and Sevastopol apply, including an import ban on goods from the peninsula, an export ban on certain goods and technologies, restrictions on investment, and a prohibition on the supply of tourism services. Measures concerning economic cooperation suspend any new financing operations in Russia by the European Investment Bank and the European Bank for Reconstruction and Development.
As of December 2020, EU individual restrictive measures apply to 177 individuals and 48 entities, which are subject to an asset freeze and a travel ban because their actions undermined Ukraine’s territorial integrity, sovereignty and independence. In October 2020 two persons and four entities involved in the construction of the Kerch Bridge, linking Crimea to Russia, were added to the list.

Also in October 2020, but based on a different EU legal basis — the chemical weapons sanctions regime — six Russian individuals and one entity were added to the relevant travel ban and asset freeze list as a result of the August 2020 assassination attempt on Alexei Navalny using a military-grade toxic nerve agent. This is the same legal instrument as was used to sanction those responsible for the Skripal case in Salisbury (UK) in March 2018.

The 2016 EU Global Security Strategy defines relations with Russia as ‘a key strategic challenge’. In March 2016, the EU Council established five guiding principles to be applied to the EU’s relations with Russia: (1) implementation of the Minsk agreements on the Eastern Ukraine conflict as the key condition for any substantial change in the EU’s stance towards Russia; (2) strengthened relations with the EU’s Eastern Partners and other neighbours, including Central Asia; (3) strengthening the resilience of the EU (e.g. energy security, hybrid threats or strategic communication); (4) selective engagement with Russia on issues of interest to the EU; (5) need to engage in people-to-people contacts and support Russian civil society.

Russia has been retaliating since August 2014 against the EU sanctions by imposing counter-sanctions on agricultural goods, raw materials and food, alleging violations of food security standards. This has reinforced Russia’s import substitution policy in the agricultural sector. Russia also applies a ‘stop-list’ to EU and US nationals who have criticised its actions, denying them the right to enter Russian territory. This list is not officially published, which rules out any possible avenue for a legal appeal, as opposed to the EU’s travel ban. Several MEPs have not been able to enter Russia because of this.

**AGREEMENTS IN FORCE**

The legal basis for EU-Russia relations is the June 1994 PCA. Initially valid for 10 years, it has been renewed automatically every year. It sets the principal common objectives and establishes the institutional framework for bilateral contacts — including regular consultations on human rights and biannual presidential summits — which are currently frozen.

At the 2003 St Petersburg summit, the EU and Russia reinforced their cooperation by creating four ‘Common Spaces’: an economic space; a freedom, security and justice space; an external security space; and a research, education and culture space. At regional level, the EU and Russia, along with Norway and Iceland, set up the new Northern Dimension policy in 2007, focusing on cross-border cooperation in the Baltic and Barents regions. In July 2008, negotiations were initiated for a new EU-Russia agreement to include ‘legally binding commitments’ in areas such as political dialogue, justice, liberty, security, economic cooperation, research, education, culture, trade, investment and energy. A ‘Partnership for Modernisation’ was launched in 2010.
Negotiations on a visa facilitation agreement were concluded in 2011. However, Russia’s intervention in Crimea led to the suspension of all these talks and processes. In 2014, the European Council froze cooperation with Russia (except on cross-border cooperation and people-to-people contacts), as well as new EU financing for the benefit of the country through international financing institutions.

**ROLE OF THE EUROPEAN PARLIAMENT**

The European Parliament endorsed the PCA in 1997 under the ‘assent procedure’. Parliament has adopted a series of resolutions on Ukraine, which condemn Russia’s illegal annexation of Crimea and its role in destabilising eastern Ukraine. Parliament adopted resolutions on the state of EU-Russia relations in June 2015 and March 2019, backing the EU sanctions and emphasising the need to provide more ambitious EU financial assistance to Russian civil society and to promote people-to-people contacts despite difficult relations. The 2019 resolution expresses great concern over Russia’s international behaviour, particularly in the Eastern Partnership countries. The resolution also criticises the deterioration of human rights and fundamental freedoms in Russia and proposes that Russia no longer be considered a ‘strategic partner’ of the EU. The AFET Committee will prepare a new report in 2021 on EU-Russia relations.

Before 2014, Parliament had favoured a new comprehensive agreement with Russia, based on common values and interests. However, Parliament has repeatedly expressed strong concerns about respect for human rights, the rule of law and the state of democracy in Russia, for example concerning the laws against LGTBQ ‘propaganda’, decriminalising non-aggravated domestic violence, the crackdown on independent NGOs or those receiving funding from outside Russia, etc. Parliament has particularly condemned the unprecedented levels of human rights abuses perpetrated against residents of Crimea, most notably Tatars. In 2018, it demanded the release of Ukrainian film director Oleg Sentsov, who opposed the illegal annexation of Crimea, and awarded him the Sakharov Prize. Sentsov was released in 2019 as part of an exchange of prisoners between Russia and Ukraine. Parliament strongly condemned the attempted assassination of Alexei Navalny in 2020.

Relations with Russian legislators were mostly developed in the Parliamentary Cooperation Committee (PCC), an inter-parliamentary forum established by the EU-Russia PCA. Between 1997 and 2014, the PCC served as a stable platform for developing cooperation and dialogue between delegations from Parliament and the Russian Federal Assembly. Since March 2014, however, Parliament has discontinued these inter-parliamentary meetings, in accordance with the EU restrictive measures taken in response to the Ukrainian crisis. Nevertheless, Parliament’s Delegation to the EU-Russia PCC continues to meet and discuss issues related to EU-Russia relations on its own. It also holds exchanges of views with academics, representatives of Russian civil society, NGOs and the media.

Parliament has not been invited by Russia to observe elections since 1999.

Fernando Garcés de los Fayos
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