



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 and interference campaigns and internal human rights violations. 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: 'external action';
- Articles 206-207 (trade) and Articles 216-219 (international agreements) of the Treaty on the Functioning of the European Union;
- 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, the economy, energy, climate change, research, education, culture, security, including counter-terrorism, nuclear non-proliferation and conflict resolution in the Middle East. The EU was a staunch supporter of Russia's World Trade Organization (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, the evidence that Russia supports rebel fighters in Eastern Ukraine and its attempts to disrupt access to the Sea of Azov triggered international crises. 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 civil war, and later on in Libya and in several sub-Saharan conflicts, as well as its disinformation campaigns and its efforts to influence elections in the EU and other Western countries, are causing serious tensions as well.



The 2018 election gave Vladimir Putin his fourth term as president. Putin-led constitutional amendments adopted in 2020 will 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 onwards targets the opposition and civil society. Hundreds of non-governmental organisations (NGOs) have been labelled as ‘foreign agents’ and ‘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 hydrocarbon exports, the 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 that 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 July 2014 over territory controlled by Russian-supported rebels in eastern Ukraine. The sanctions are regularly prolonged and updated.

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 Organisation for Economic Co-operation and Development 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 on economic cooperation suspend any new financing operations in Russia by the European Investment Bank and the European Bank for Reconstruction and Development. 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.

As of May 2021, EU individual restrictive measures introduced in response to the crisis in Ukraine 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 individuals 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 Navalny using a military-grade toxic nerve agent. This is the same legal instrument that was used to sanction those responsible for the Skripal case in Salisbury (UK) in March 2018.

In March 2021, the Council made use of the newly adopted EU global human rights sanctions regime to sanction four Russian nationals over their roles in the arbitrary arrest, prosecution and sentencing of Navalny, as well as the repression of peaceful protests in connection with his unlawful treatment. Later in the month, two Chechen high officials were also added to the list for torture and repression of LGBTI persons and political opponents.

The 2016 EU global security strategy defines relations with Russia as 'a key strategic challenge'. In March 2016, the 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 against the EU sanctions since August 2014 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. The list includes several MEPs and, as of 30 April 2021, European Parliament President David Sassoli, European Commission Vice-President for Values and Transparency Věra Jourová, and six EU Member State officials.

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 twice-yearly 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 Committee on Foreign Affairs 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 LGBTI ‘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.

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