

EU-Russia foreign and defense ministers summit: The Partnership and Cooperation Agreement (PCA) talks with Russia

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The European Union has decided to end the diplomatic pause in relations with Russia, which began after the Georgian-Ossetian conflict last August.

The EU General Affairs and External Relations Council (GAERC) met in Brussels on November 10-11. The joint session of defense and foreign ministers has decided to hold the EU-Russia summit in Nice, France, on November 14, and to resume talks on a new partnership and cooperation agreement (PCA) with Russia.

The PCA talks, which began July 4, were suspended on September 1 after the Caucasus war.

Benita Ferrero-Waldner, the EU Commissioner for External Relations and European Neighborhood Policy, said the talks would resume not after the summit in Nice, but after the next meeting on the settlement in the Caucasus scheduled for November 18 in Geneva.

The date is not important in contrast to a decision of principle to resume the talks. What happened at the meeting in Brussels is even more important.

The GAERC meeting was mostly devoted to Russia. Lithuania pushed itself into isolation by insisting that nobody shake hands with Moscow. As a result, that Baltic country was the only one of the 27 EU members to protest resuming dialogue with Russia.

Even such Russo-skeptics as the Scandinavian countries, Britain, Estonia, Latvia and Poland supported ending the pause in negotiations. Poland has decided to swim with the tide, as Polish Foreign Minister Radoslaw Sikorski put it.

But Lithuania keeps swimming against the tide, even though the European Commission sent its instructions regarding Russia to all EU member countries before the meeting.

The document, signed by Javier Solana, the EU High Representative for the Common Foreign and Security Policy, said the resumption of the talks with Russia was vital for settling the Middle Eastern conflict, the Iranian and North Korean nuclear problems, and frozen European conflicts, and for tackling terrorism, nuclear security, stability and the financial crisis.

In addition, Russia is ensuring Europe's energy stability.

Until last summer, Poland and Lithuania blocked the beginning of talks on a new PCA, which

should provide the foundation for Russia's relations with Brussels in all spheres, from trade to culture and sports. The previous PCA expired in December 2007, but can be extended.

Warsaw, infuriated by Russia's decision to ban the import of suspect pork and vegetables from Poland, eventually withdrew its ban on the PCA talks.

But Lithuania demanded compensation for the alleged Soviet occupation and said that Russia cut or suspended oil deliveries to it, none of which has any connection to the EU.

It was eventually convinced to withdraw its complaints in early summer, after the European Commission had given the green light to PCA talks. But in early August it used the pretext of the Georgian-Ossetian conflict to make its point again.

This shows that Lithuania's opposition is rooted in something other than oil, compensations and occupation. It is simply against developing relations with Russia, period.

The evolution of Estonia's views on the Caucasus conflict makes an interesting study. Jaak Aaviksoo, the defense minister of Estonia, which had previously blamed the war on Russia, told journalists after the Brussels meeting that trust in Tbilisi had been seriously undermined, and that some countries believed Georgia was acting unpredictably.

In short, the meeting turned out to be unpleasant for Lithuania, which failed to get the support of Poland, Britain and the Scandinavian countries. Lithuania was reminded that it could have dissenting opinions on anything it likes, because decisions at such meetings are made by a simple majority.

Ferrero-Waldner recalled that the mandate of the talks, approved unanimously, had not been cancelled and so the EU was ready to move on.

The EU must stop obstructing the resumption of the talks, because some of its member countries, she said referring to Italy, Germany and France, are ready to sign bilateral deals with Russia. They have had enough of the Baltic governments' rudimentary hatred of Russia, which is hindering the talks and the development of trade and financial relations with Russia.

The EU views Russia not simply as a natural gas supplier, but also as a huge market for European goods.

Russia-EU trade as of late October grew by 37 billion euros year-on-year, to 170 billion euros.

The document signed by Solana also says the EU must remember that an increasing share of Russia's foreign currency reserves is being converted into euros, which makes Russia one of the largest euro holders.

In other words, the EU-Russia summit in Nice is very likely to officially endorse the resumption of dialogue and the PCA talks. But the direction of the movement is unclear.

Vladimir Chizhov, Russia's envoy at the EU, said relations between them were not limited to talks on a new PCA. "We need a new basic treaty only as much as the EU does," he said.

Europe would like to change Russia's trade policy without changing its own. It mentions "Russian obstruction in trade matters," which is, in effect, a result of procrastination in admitting Russia to the World Trade Organization. Since Russia's compliance with such rules has not helped it join the WTO, it has decided to stop abiding by them – for now.

Europe is unhappy about many things, including export tariffs on timber that are allegedly hurting EU forestry companies.

It also attacks tough limits on pesticide residues in EU meat exports as "disguised trade restrictions aimed at protecting Russian domestic production" and warns that new laws "could effectively ban imports of frozen meat and poultry into Russia."

It says the practice of forcing fishermen to unload catches in Russian ports is a form of "export restriction."

The EU is angry over Russia's reluctance to sign an agreement ending Siberia overflight fees for EU airlines. The status quo costs European carriers 350 million euros a year.

It would be nice if the EU decided to resume the PCA talks, but this will be only the beginning. And as Chizhov put it, it is not the beginning but the conclusion of the talks that will be a breakthrough. Well said.

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