

Russia-EU summit: a nice get-together without practical results

By Global Research

Global Research, November 25, 2007

RIA Novosti 25 November 2007

Region: <u>Europe</u>, <u>Russia and FSU</u>

Theme: Global Economy

29/10/2007 16:22 MOSCOW. (Sergei Sokolov for RIA Novosti) – The Russian media pinned great hopes on the 20th Russia-EU summit, held in Mafra, Portugal, on October 26, during the 10th anniversary of the Partnership and Cooperation Agreement (PCA).

It was reported that bilateral trade almost doubled in the past four years, reaching \$230 billion. Thanks to the rapid growth of global commodities prices and a dramatic fall of the US dollar, Russia has become the European Union's third largest trade partner. The share of the EU in foreign direct investment in the Russian economy reached 75%.

The inputs could have been twice as large, had the Russian mining sector been more open and the EU's attitude to Russian investment more favorable.

The summit in Portugal followed an established procedure, with a photo shoot, two and a half hours of talks, a 90-minute working breakfast, and the final news conference.

The summit agenda consisted of issues mainly initiated by the EU, such as democracy in Russia (the shrinking freedom of the media, concerns over the fairness of the forthcoming parliamentary and presidential elections, and the murder of investigative journalist Anna Politkovskaya a year ago), and reliable energy supplies to Europe.

In view of Russia's planned accession to the World Trade Organization, the summit spotlighted the demands to open up the Russian airspace, remove veterinary and phytosanitary barriers, and lift control from timber exports.

Europe informed Russia about the coordination of the landmark Reform Agreement, expected to end Europe's institutional crisis.

Russia was a leader in the debates on international issues, which makes sense because the EU does not have a common foreign policy. As a result, the sides failed to harmonize their stances, although Russia has fewer differences with the EU on foreign policy issues, than with the United States.

The leaders of Russia, the EU and the UN Economic Commission for Europe spoke at the final news conference about the progress in bilateral relations. However, their answers to questions showed that problems are more numerous than achievements and that the sides hold different views on bilateral relations and global policy issues.

The practical results of the summit include a decision to increase the European quotas for the Russian steel exports stipulated in an agreement signed several years ago. It is a positive sign that Russia and the EU agreed to increase the quotas at a time when bilateral trade and economic relations have worsened.

They also agreed to establish a mechanism of early warning about possible energy supply problems. The EU leaders pointed to the importance of that agreement for enhancing the reliability and predictability of the Russian partners.

Russia, which held the aces and honestly reported all developments, lost the PR campaign, though this has not led to any financial losses.

Another result of the summit was the decision to shift border trade from the donor-recipient model to a scheme of equitable relations. This means that Russia will invest in projects on the border with Finland, the Baltic countries and Poland at least as much as the EU states, thus getting the right to vote when choosing the projects.

The sides also discussed the visa process. A visa facilitation agreement was enforced nearly five months ago, but the majority of Russians have not seen any improvements.

On the contrary, the visa situation has deteriorated in the most popular tourist destinations, such as France, Germany, Spain, the Netherlands and Belgium. Their consulates turned over the documents registration process to so-called visa centers, i.e., for-profit intermediaries allowed to provide visa services. As a result, the number of documents required for an EU visa and visa costs have actually increased.

Russia and the EU also agreed to prolong the Partnership and Cooperation Agreement for a year, even though its text stipulates an automatic extension unless one of the sides notifies the other of its withdrawal from the agreement six months before its expiration. The partners already passed the "point of no return" on June 1.

Work on a new PCA has not made progress since the previous Russia-EU summit in Samara, a city on the Volga, last May. It has been prevented by Poland's veto imposed because of Moscow's refusal to import Polish meat. Poland's stance was supported by Lithuania (irked by the reduction of the oil transit across its territory), Sweden and Finland (because of a ban on the "gray" export of timber from Russia).

Until recently, Russia had said it would wait until the EU settles its internal problems that hinder the PCA talks. Unfortunately, some Russian officials said shortly before the summit that the country was "worried by the lack of progress at the talks on the new basic agreement."

In fact, it is the EU that needs the new PCA more; Russia is not ready for the talks and so should not be displeased with their postponement.

The general impression of the Portuguese summit is that it was boring and useless. The apparent explanation is that the EU is busy trying to find a solution to the problem that developed when French and Dutch voters rejected the European Constitution Treaty in 2005. The integration of new members admitted over the past three years is not yet over and Europe is also considering large-scale initiatives on the liberalization of the internal energy market and immigration problems.

In the past few months, Russia's preparations for the upcoming parliamentary and

presidential elections overshadowed problems in its relations with the EU, Georgia and Ukraine, and even the issue of the U.S. ballistic missile shield for Europe.

On the other hand, failure to adopt major documents at the Mafra summit can also be explained by the sides' inability to formulate the ultimate goal of their relations.

The "common spaces" and "road maps" are nothing more than a chaotic package of declarations of intent and tasks designed mostly for Russia. These ideas filled the gap and created the illusion of progress, but cannot be used as a substantive base for future relations between the partners.

Russia and the EU, which claim to be preparing for talks on the foundation and principles of their future relations, have no clear notion of each other's place in their own frames of reference and the Portuguese summit has not clarified the picture.

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