

Baltic Forum Conference, Jurmala
The EU and Russia in 2008: In Search of New Approaches
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Michael WEBB, Deputy DG External Relations, The European Commission

Thank you very much for the invitation to come to this beautiful place and to discuss very interesting subjects. Relations between the EU and Russia are certainly in very complex phase at the moment and there certainly is a gap between us and the gap between different aspects of the relations. While trade and investment is booming and there are great gains to be made by signs through that. But there are also strong differences of view as regards democracy, human rights and political situation. While the EU welcomes Russia as the important actor to solve international and global problems, we are concerned about direction and aspects of Russia's foreign policy, particularly in the common neighborhood. Development of relations followed by the enlargement is now in the phase, where it seems that Russia has more negative than positive view of the last enlargement. And there are a lot of bilateral problems. I could give you a list – Polish meat, difficulties with the British Council, Estonian bronze statue, Druzba pipeline, missile defense and so on. All these things have been conflictual in our relationships. Some of the most effective instruments in our policy is that enlargement of the EU is not relevant for Russia. Russia is not interested in joining the EU, nor had Russia decided to take a part in the neighborhood policy, which used to bring many our neighbors closer in all aspects of our relations. These problems are very clearly seen when we address its to the human rights and democracy. Recently Russia had elections and, as everybody knows, they weren't observed. Regular human rights consultations in Russia every six months, where we express our concerns about government organization of society, is not really a constructive dialogue, but more a game of ping-pong. This is a difficult background I tried to sketch out.

I do think, nevertheless, that we have chance to move to a new phase and this is an opportunity we should take an advantage of. We have a new administration in Russia, a new president and a new government. We have listen to statements of the President Medvedev and we welcome many things he has said. We are moving now to the side of negotiation agreement with Russia. This new agreement should provide a legally binding framework leading to a greater predictability, to avoidance of problems and to the solving problems when they do accure. We should base ourselves on four common spaces and we need to engage constructively to provide basis for moving relationship into strategic phase. Russia and we should bear into mind that result of these negations must be acceptable to the EU as the power and also to the individual member states and as well acceptable to Russia. This is what we should take into account during negotiations. All concerns of the all EU member states as well as concerns of Russia will have to be taken into account in the final outcome. The more EU member states speak in one voice, the stronger that will be and the more valuable will be the agreement for Russia. It is aspect, which should be underlined and was already mentioned by Mr. Ekeus.

What we are going to do in the new agreement? Energy is main topic in many people agenda. Two thirds of our imports consist of energy and interdependence between Russia and EU in the energy field is going to continue in seeable future. We will continue our efforts to diversify our supply, but there is no doubt that interdependence will continue. Therefore we want to build energy dialogue, put in place a new energy warning mechanism, which will stop problems accure before. We want to build on the proposal's sector, which will be primary designed to use internal market, but it will also be like an invitation for third countries to create an agreements with the EU, which will cover mutual investments. And a new agreement between Russia and the EU would be opportunity to do that.

Much has been said on importance of the economical relations in general and of course I share this. More than 70% of Russia's foreign direct investment comes from the EU and yet there is great potential to increase it. We are concerned about the new strategic sectors and law in Russia, which could be used to introduce new barriers to trade and to invest. We should be very careful how that is applied. We want to see Russia going to WTO very soon; this will improve predictability and will be advantage to both sides. The EU is also Russia's partner of choice for modernization of its economy. We would like to move towards integration agreement when Russia will join the WTO.

I share many more arguments Mr. Ekeus expressed, but I just wanted to stress that we have waited so long for a new agreement and we do engage with Russia in a new way of managing relations.

Thank you!