

Russia

Overall grade

C+



|  |           |
|--|-----------|
| <b>TRADE LIBERALISATION AND OVERALL RELATIONSHIP</b>     | <b>B-</b> |
| 14 Trade liberalisation with Russia                      | B-        |
| 15 Visa liberalisation with Russia                       | C+        |
| <b>HUMAN RIGHTS AND GOVERNANCE</b>                       | <b>C-</b> |
| 16 Rule of law and human rights in Russia                | C         |
| 17 Media freedom in Russia                               | C-        |
| 18 Stability and human rights in the North Caucasus      | C-        |
| <b>EUROPEAN SECURITY ISSUES</b>                          | <b>C+</b> |
| 19 Relations with Russia on the Eastern Partnership      | C         |
| 20 Relations with Russia on protracted conflicts         | C+        |
| 21 Relations with Russia on energy issues                | C+        |
| 22 Diversification of gas supply routes to Europe        | B-        |
| <b>COOPERATION ON REGIONAL AND GLOBAL ISSUES</b>         | <b>B-</b> |
| 23 Relations with Russia on Iran and proliferation       | A-        |
| 24 Relations with Russia on Afghanistan and Central Asia | B         |
| 25 Relations with Russia on climate change               | C+        |
| 26 Relations with Russia at the G20                      | C-        |

The relationship between the EU and Russia, like that between the EU and other great powers, is characterised by a mixture of competition and cooperation. For example, the EU and Russia compete with each other for influence in the eastern neighbourhood but also co-operate on issues such as Iran and proliferation. What makes the relationship distinctive, however, is the massive and mutual – but asymmetric – dependence between the EU and Russia. Although some member states depend on Russia for energy, Russia depends on the EU for a wide range of things including investment and technology. In the last few years, relative power in the relationship has shifted towards the EU. A few years ago, Russia was boosted by oil and gas money, which led investment bankers to include it in the BRIC group of large emerging economies. However, the economic crisis – which hurt Russia more than any other member of the G20 – put an end to this illusion.

In the past, the EU has also tended to be deeply divided about Russia. In fact, Russia was one of the most neuralgic issues in European foreign policy. In particular, the EU was split between those member states such as Germany and Italy that wanted to engage with Russia and those such as Lithuania and Poland that wanted to

contain it. But in 2010 the EU moved towards greater internal unity, largely as a result of the re-invigoration of cooperation between Germany and Poland. This in turn enabled a less conflictual relationship between the EU and Russia. A key factor at the political level was the rapprochement between Poland and Russia that began in 2009 but was given a new impetus by the Smolensk tragedy in April. A new consensus on the need to engage with Moscow helped produce a positive result in the EU-Russia “Partnership for Modernisation”, which was agreed at the summit in Rostov-on-Don in southern Russia in May/June.

This new relationship between the EU and Russia also took place against the background of the Obama administration’s “reset policy”, which aimed to enlist Russian cooperation on globally important issues. In several areas, this shift in US policy towards Russia also had results that were beneficial for the EU, which often shares US objectives. For example, it was largely as a result of US rather than EU diplomacy that Russia agreed to support new sanctions against Iran – a key European objective (see component 23). The “reset” was a key factor in greater Russian cooperation in Afghanistan and in Kyrgyzstan (see component 24). Thus, while the EU cannot take credit for these positive developments in Russian foreign policy, they nevertheless suggest that Russia is in some ways moving closer to EU objectives on a number of important issues.

However, despite this more favourable environment and greater EU unity than a few years ago, Russia has moved little in policy areas that are important for the EU’s own interests closer to home such as the common neighbourhood and energy security. For example, Moscow continues to view the EU’s Eastern Partnership (EaP) as an infringement on its sphere of privileged interests (see component 19). In the sphere of trade relations, negotiations between Brussels and Moscow over the new Partnership and Cooperation Agreement (PCA) have produced some results, but no real strategic breakthrough on important dossiers such as trade and energy (see components 14 and 21). The custom duties that Russia introduced as an anti-crisis measure have thus far cost EU member states €600 million, although there were some reductions in November. Russia continues to resist ratification of the Energy Charter Treaty, which hampers EU-Russia energy trade. The establishment of the Russia-Belarus-Kazakhstan Customs Union in June 2010 further complicates EU-Russia trade negotiations. Cooperation on the so-called “four spaces” agenda, which was supposed to form the basis of EU-Russia relations in the spheres of economy, energy, justice and home affairs, and research and education, has not progressed either. There was also little progress on issues of human rights (see component 16) and media freedom (see component 17). In fact, the high-profile cases such as the savage

beating of *Kommersant* journalist Oleg Kashin in November and the resentencing of Mikhail Khodorkovsky in December suggest that Russia is actually moving in the wrong direction.

A key reason for this lack of impact is that, while the EU is more united in principle than it was a few years ago, it remains divided in practice in many areas. For example, while member states agreed on the need for a common position in relation to Russia on energy policy, some failed to take necessary steps such as unbundling their national energy champions (see component 21). Similarly, while there was a soft consensus on the perspective of visa-free travel for Russia, there were continuing disagreements between member states: while some such as Spain were happy to proceed with a visa liberalisation agreement with Russia, others such as Germany and Poland insisted that the EU should treat Russia's application for a visa-free regime in the same way as those of the EaP states. Similarly, the EU agreed about the deteriorating situation in the North Caucasus but devoted few resources to it and had almost no impact (see component 18).

In short, while Russia has been more cooperative on a number of globally important issues such as Afghanistan and proliferation, the EU had few results to show closer to home. Nevertheless, even where there was no concrete progress in 2010, the new momentum at the political level was promising. Perhaps the best example is the German initiative in June to establish an EU-Russia security dialogue and push Moscow for more cooperation on the protracted conflict in Transnistria (see component 20). While the initiative did not produce concrete results in protracted conflicts – in fact, Russia extended its military presence in the Crimea and expanded it in Abkhazia and South Ossetia – it established a feasible way forward that could produce results in the future.

## 14 TRADE LIBERALISATION WITH RUSSIA

The EU is more united than in the past though there remains a disagreement over Siberian flyover fees. Russia took some steps towards liberalisation but also imposed new tariffs.

|              |              |
|--------------|--------------|
| Unity        | 4/5          |
| Resources    | 3/5          |
| Outcome      | 5/10         |
| <b>Total</b> | <b>12/20</b> |

**B-**

The EU still does not have a free-trade agreement with Russia. The EU wants liberalisation to promote regulatory convergence and to expand opportunities for European business (an estimated three-quarters of FDI is already from the EU). However, Russia has strong protectionist lobbies and few exports that would benefit from the removal of tariffs, and therefore imposes technical barriers on imports. Russia's World Trade Organization (WTO) prospects have been delayed by Prime Minister Vladimir Putin's decision in June 2009 to apply alongside Belarus and Kazakhstan as a customs union.

Member states are now generally united about the need to conclude a new Partnership and Cooperation Agreement (PCA) – the legal basis for the EU's bilateral trade and investment relations with Russia. In fact, Poland, which was once an opponent is now one of the main advocates. However, they devote few resources to achieving it. On the EU side, there is also still disagreement over Siberian flyover fees: in October, the European Commission wrote to France, Austria, Germany and Finland,

questioning bilateral flight agreements that are not applied to all EU carriers equally.

The EU did have some impact in 2010. An EU-Russia Partnership for Modernisation was announced at the Rostov-on-Don summit in May/June, but it has yet to produce practical results. By the end of the year, 12 full negotiating rounds on a successor to the PCA had been held. An apparent breakthrough in Russian accession to the WTO was reached in November, when Russia agreed to phase out tariffs on raw materials such as timber and to changes to export duties and railway fees. At the EU-Russia summit in December, the EU threw its weight behind WTO membership for Russia and declared that it hoped to see Russia join in 2011. However, Russia also imposed several new tariffs on new cars and meat imports, leading the European Commission to complain in October that Russia was "clearly engaged in an import substitution policy".

## 15 VISA LIBERALISATION WITH RUSSIA

Although Europeans lacked a strategic vision, some progress on visa liberalisation was finally made at a summit in December.

|              |              |
|--------------|--------------|
| Unity        | 4/5          |
| Resources    | 3/5          |
| Outcome      | 3/10         |
| <b>Total</b> | <b>10/20</b> |

C+

Visa liberalisation is the mirror image of trade liberalisation: it is an important issue for Russia, but the EU is generally reluctant to move forward. While foreign ministries tend to be more in favour of liberalisation for political reasons, interior ministries worry about illegal immigration and Russian organised crime. But even those member states that are willing in principle to grant a perspective of a visa-free regime to Russia – such as France and Spain – see it as a distant prospect. They are united but lack a strategic vision.

However, despite this, the EU did finally make some progress in 2010. In the first half of the year, the Spanish Presidency proposed launching talks with Russia on visa liberalisation, but came up against resistance from several members, including Denmark, Poland and Slovakia. Russia subsequently submitted a draft agreement on visa liberalisation, but this was also rejected by several member states, including Germany, Poland and Denmark, which either insisted on providing the same visa-free perspectives for Eastern Partnership (EaP) countries or generally

opposed loosening the EU's visa regime. In the run-up to the Deauville summit in October, France and Germany hinted that visa liberalisation for Russia could be considered under a sui generis process in exchange for Russian ratification of the Energy Charter Treaty (see component 21), but most member states rejected the idea that visa liberalisation should be traded this way. However, at the EU-Russia summit in December, member states finally agreed with Russia on a series of future joint steps, which, if implemented, would open the way for talks on an EU-Russia visa-waiver agreement.

Some progress was also made in talks between Russia and the EU about an extension to the local border-traffic regime that would make it easier for residents of Kaliningrad to travel to Poland and Lithuania without a visa, but other member states remained sceptical about the precedent this would set.

## 16 RULE OF LAW AND HUMAN RIGHTS IN RUSSIA

Member states are relatively united but vary in terms of commitment. They had little impact beyond human rights that Russia perceives as non-political.

|              |             |
|--------------|-------------|
| Unity        | 4/5         |
| Resources    | 2/5         |
| Outcome      | 2/10        |
| <b>Total</b> | <b>8/20</b> |

C

Europeans want Russia to observe the rule of law and respect human rights. In 2010, there were several high-profile human rights abuses in Russia, including the death in prison of lawyer Sergei Magnitsky, the murder of the human rights activist Natalya Estemirova and the judicial harassment of Oleg Orlov of human rights organisation Memorial. In July, President Dmitry Medvedev signed a new law that gives the security services “preventative powers” against citizens who are “creating the conditions” for crime. In December, former Deputy Prime Minister Boris Nemtsov was arrested at a peaceful and officially-sanctioned rally. In December, former Yukos boss Mikhail Khodorkovsky was sentenced to an additional eight years in prison after a 22-month trial.

The main channel for communication between the EU and Russia is the Human Rights Dialogue, which was created in 2004. Member states are relatively united but vary in terms of commitment: Denmark, Germany, the Netherlands, Sweden and the UK collect information on human rights abuses in Russia, yet Greece,

Italy, Spain and Portugal show little interest. Along with member states such as Germany and the UK, High Representative Catherine Ashton issued a strong statement of protest about the Khodorkovsky verdict. The European Parliament was also particularly vocal in criticizing Russia for human rights abuses.

However, the EU had minimal impact on the most pressing human rights issues. For example, although the issue was discussed at the summit in Rostov-on-Don in May/June, no Russian response was expected or given. However, Russia did sign up to the amendment of the statute of the European Court of Human Rights known as Protocol 14, which speeds up the court’s process (Russia was the final signatory to the statute that had not ratified the amendment). Russia also agreed to set up a joint project with the EU to facilitate the application of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption.

## 17 MEDIA FREEDOM IN RUSSIA

Only some member states raised the issue of media freedom in bilateral talks with Russia and the EU had little impact.

|              |             |
|--------------|-------------|
| Unity        | 3/5         |
| Resources    | 2/5         |
| Outcome      | 1/10        |
| <b>Total</b> | <b>6/20</b> |

C-

The EU wants to see greater media freedom in Russia. However, the Russian mass media has increasingly come under state control since Putin's first term. Although the internet remains free, the Kremlin has devoted considerable resources in recent years to sponsoring news portals, friendly bloggers and even so-called web brigades for organised web postings and attacks on opponents. Rolling back state control of the media may be unrealistic, but Europeans have regularly protested in recent years against new restrictions on media freedom and against increasingly frequent attacks on journalists.

In 2010, there were numerous cases of journalists who were harassed or prevented from travelling to the North Caucasus. In November, the independent newspaper *New Times* was found to have defamed the Moscow riot police and fined for a story about corruption. In the same month, *Kommersant* reporter Oleg Kashin had to be placed in an artificial coma following a particularly savage beating after he reported on the destruction of the Khimki forest in order to build a road from

Moscow to St. Petersburg. There were also other cases in which journalists covering the issue were harassed.

The EU said little and did even less. High Representative Catherine Ashton "deplored" the attack on Kashin. Some member states such as Germany, France, Denmark, the Netherlands, Slovakia, Sweden and the UK also raised the issue of media freedom in bilateral talks. However, others such as Bulgaria, Cyprus, Estonia, Greece and Latvia avoided raising the issue in a bilateral context.



## 18 STABILITY AND HUMAN RIGHTS IN THE NORTH CAUCASUS

The situation in the North Caucasus has deteriorated, but the EU has devoted few resources to it and has had almost no impact.

|              |             |
|--------------|-------------|
| Unity        | 4/5         |
| Resources    | 1/5         |
| Outcome      | 1/10        |
| <b>Total</b> | <b>6/20</b> |

C-

Under President Ramzan Kadyrov, Chechnya has become brutally repressive and even begun targeted killings of opponents abroad. The region has not even become more stable: lawlessness is spreading throughout the North Caucasus. In 2010, violence spread from Chechnya and Ingushetia to Kabardino-Balkaria (which saw more acts of violence last summer than Chechnya), engulfed more regions of Dagestan, and hit Moscow in major terror attacks on the metro in March. A suicide bomber also attacked the Chechen parliament in October. Women came under increasing pressure to wear headscarves and Kadyrov continued to clamp down on freedom of expression. President Dmitry Medvedev raised the deteriorating situation in the region through the Presidential Council for Civil Society Institutions and Human Rights, which includes leading Russian civil society advocates.

In July, High Representative Catherine Ashton expressed concern about the situation in the North Caucasus and called on Russia “to work towards putting an end

to the climate of impunity and fear in the North Caucasus in general and Chechnya in particular”. The issue was also raised during the Human Rights Dialogue (see component 16). In December, the European Commission – which is already the largest foreign donor of humanitarian aid in Chechnya – approved a further €2 million in assistance for internally displaced persons. The European Parliament also passed a critical resolution in October, protesting in particular against the mistreatment of Oleg Orlov, one of the winners of the 2009 Sakharov Prize, for supposedly “defaming” Kadyrov. But although some member states such as the Czech Republic want to press the issue with Russia, most show little interest. As a result, the EU has had almost no impact. While Brussels sees the North Caucasus as a human rights issue, Russia maintains that it is an internal law-and-order issue.

## 19 RELATIONS WITH RUSSIA ON THE EASTERN PARTNERSHIP

The EU is more united than in recent years, but different priorities meant it had only limited resources and impact in getting Russian cooperation or neutrality on the EaP.

|              |             |
|--------------|-------------|
| Unity        | 3/5         |
| Resources    | 2/5         |
| Outcome      | 3/10        |
| <b>Total</b> | <b>8/20</b> |

C

The EU's main objective is to constructively engage with Russia so that it does not interfere with or undermine the Eastern Partnership (EaP) but rather co-operates in it. The EU is now more united in its Russia policy than in recent years – in particular, Poland's "reset" of its relations with Moscow has helped reduce divisions – but member states still set different priorities on issues such as whether to include Russia's state authorities in the EaP projects and whether to take into account Russia's interests in the region. While some such as Poland push for an "EaP first" approach, others such as France, Germany and the Benelux countries want what they see as a more balanced approach. Georgia continued to argue that the sale of Mistral ships by France to Russia would increase Russia's offensive capacity.

In 2010, competition between the EU and Russia in their shared neighbourhood continued, although it did not lead to the same political tensions between Moscow and Brussels as in previous years. For example, when the European Commission started negotiations on Deep and

Comprehensive Free Trade Agreements (DCFTA) with Ukraine and announced plans to initiate talks with Moldova in 2011, Moscow urged both states to join its own integration project, the Customs Union (CU), which is incompatible with DCFTA. Belarus and Kazakhstan joined the CU in July and Armenia may also join.

However, despite the EU's failure to secure greater Russian cooperation, the EU was able to counter Russian influence in the eastern neighbourhood to some extent. For example, Swedish and Polish foreign ministers visited Moldova following the election in November in order to support a pro-EU coalition that later formed the government. This overcame efforts by the Russian presidential administration to broker a centre-left coalition, which would have had less positive attitudes towards the EaP.

Components 48, 49 and 50 also discuss the EaP.

## 20 RELATIONS WITH RUSSIA ON PROTRACTED CONFLICTS

Although the EU has put some effort into resolving the conflict in Transnistria, the situation in Georgia hasn't improved and the EU remains invisible in Nagorno-Karabakh.

|              |              |
|--------------|--------------|
| Unity        | 3/5          |
| Resources    | 3/5          |
| Outcome      | 4/10         |
| <b>Total</b> | <b>10/20</b> |

C+

The EU's main objective is to secure Russian cooperation in peacefully resolving the protracted conflicts in Transnistria, Nagorno-Karabakh, Abkhazia and South Ossetia. Russia has "peacekeepers" in Transnistria and in Abkhazia and South Ossetia, and military bases in Armenia, which has territorial claims on Nagorno-Karabakh. But while Europeans are united on the issue and some countries such as the Czech Republic, Romania and Poland want the EU to push Moscow to follow through on its previous commitments, few others see it as a priority. The EU as such is not present in Nagorno-Karabakh: France is one of the co-chairs of the OSCE Minsk Group, while Germany, Finland, Sweden and Italy are members.

In 2010, Moscow extended the presence of the Black Sea Fleet in Sevastopol until 2042 and its military presence in Armenia until 2044. The EU offered no official response to Russia's sale of its S-300 anti-missile system to Azerbaijan or the development of permanent military bases in Abkhazia and South Ossetia. While Russian forces withdrew from the village of Perevi in

Georgia in October, as requested by the EU-brokered ceasefire agreement after the war, EU observers continue to be denied access to both breakaway provinces.

There was some progress on cooperation on security issues. In Meseberg in June, Germany called for the establishment of an EU-Russia Political and Security Committee that could help resolve the conflict in Transnistria, but the UK, the Baltic states, Sweden, Poland and Slovakia were sceptical about the value of such a new structure. EU resolve collapsed at the Organization for Security and Cooperation in Europe (OSCE) summit in Astana in December. Member states had previously agreed to refuse to sign the final declaration unless it included an action plan on protracted conflicts – which Russia opposed. In the event, they failed to follow the Czech Republic's lead and all of them ended up signing the declaration.

Protracted conflicts are also discussed in components 51, 52, 53 and 60.

## 21 RELATIONS WITH RUSSIA ON ENERGY ISSUES

Despite the EU's unity, it failed to persuade Russia to ratify the ECT and member states' reluctance to "unbundle" remains a problem.

|              |             |
|--------------|-------------|
| Unity        | 4/5         |
| Resources    | 2/5         |
| Outcome      | 3/10        |
| <b>Total</b> | <b>9/20</b> |

C+

The EU's main objective is to strengthen its energy security. Vis-à-vis Russia, this means ensuring reliable cross-border energy transit, energy efficiency, agreed procedures for dispute resolution, protection for foreign investors in Russia, and non-discriminatory conditions for trade in energy materials and products. Most of these objectives are part of the Energy Charter Treaty (ECT), which the EU wants Russia to ratify.

Apart from the suggestion by France and Germany to link progress on visa-free travel to Russia's ratification of the ECT (see component 15), which was later rejected by other member states, the EU remained united on this issue in 2010. However, the EU did not succeed in persuading Russia to ratify the ECT. Moreover, it made little progress in creating a single energy market. This is particularly because of the reluctance of many member states, including Germany and France, to "unbundle" their national energy champions, which would make it harder for Russia to set artificially high prices. The Polish-Russian deal on gas deliveries

has also been criticised, as Poland did not unbundle its own national gas company. Russia announced a 15 percent cut in gas prices to Estonia and Latvia, which have dragged their feet on gas liberalisation, but not to Lithuania, which announced plans to liberalise its gas market quickly.

Progress on another element of EU energy security – the modernisation of Ukraine's gas transit system (GTS) – also stalled after the change of government in Kyiv led to the re-opening of negotiations about a merger of Russia's Gazprom and Ukraine's Naftogaz, which would exclude the EU from participation in the modernisation. This led to renewed concerns that the modernisation of the GTS is unlikely to succeed. Despite the potential risks linked to the Gazprom-Naftogaz merger, the EU shied away from officially commenting on its likely exclusion from Ukraine's GTS modernisation.

Energy issues are also discussed in component 49.

## 22 DIVERSIFICATION OF GAS SUPPLY ROUTES TO EUROPE

Member states continued to be divided over rival pipeline projects but also built or reinforced interconnectors to diversify supply.

|              |              |
|--------------|--------------|
| Unity        | 2/5          |
| Resources    | 4/5          |
| Outcome      | 5/10         |
| <b>Total</b> | <b>11/20</b> |

**B-**

The EU aspires to help decrease the dependence of several member states on deliveries of Russian gas and oil, mainly through interconnections between member states and support of new transit projects such as Nabucco and South Stream and the construction of new terminals for liquefied natural gas. The EU also wants to prevent cuts in gas supplies from Russia.

Nabucco was given a new lease of life in 2010 after Bulgaria and Romania ratified the intergovernmental agreement in February, followed by Turkey in March. The French company GDF Suez applied to join the consortium in February 2010 – a signal that the project is an attractive investment opportunity. In September, the European Investment Bank, the European Bank for Reconstruction and Development (EBRD) and the International Finance Consortium signed an agreement with the Nabucco consortium to explore possibilities for a financial package of €4 billion. Bulgaria also joined the South Stream pipeline, which links Bulgaria, Serbia, Hungary, Slovenia, Austria and Italy. In September, Hungary also joined the Azerbaijan-

Georgia-Romania Interconnector (AGRI) project, which would also help decrease dependence on Russian gas. At the same time, however, construction of the Nord Stream pipeline – which links Russia with Germany and will increase the role of Russia in gas deliveries to Europe – began in April 2010 despite objections from Poland and the Baltic countries.

Despite these ongoing divisions over pipelines, however, member states including Bulgaria, Estonia, Finland, Greece, Hungary, Lithuania, Romania, Slovakia and Sweden also continued to work with the European Commission under the European Energy Programme for Recovery to build or reinforce interconnectors to diversify gas transit routes. The EU strategy for the Baltic Sea Region – which could significantly decrease the Baltic states' energy dependence on Russia through investment in energy efficiency and connecting grids and gas pipelines – also entered the implementation phase.

## 23 RELATIONS WITH RUSSIA ON IRAN AND PROLIFERATION

The EU was impressively united, with member states backing the EU3. Russia backed new UN sanctions against Iran and made concessions on arms deliveries.

|              |              |
|--------------|--------------|
| Unity        | 4/5          |
| Resources    | 4/5          |
| Outcome      | 8/10         |
| <b>Total</b> | <b>16/20</b> |

A-

The EU has long sought Russian cooperation in negotiating with Iran over its nuclear programme as part of the E3+3 process. In particular, the EU has wanted Russia to support the imposition of sanctions on Iran and hoped it could play a bridging role by bringing the US and Russia closer together on the issue. Russia, which helped build the Bushehr nuclear power plant in southern Iran, has significant leverage, and is therefore an important partner for the EU.

2010 was a relatively successful year in this respect. Most importantly, Russia voted in favour of UN Security Council Resolution 1929 in June, backing a new round of sanctions against Iran. In September, Russia also announced it would cancel the delivery of S-300 missiles to Iran. Finally, Russia helped persuade Iran to accept the offer of talks in Vienna with the E3+3 in November.

The EU was impressively united, with all member states backing the EU3 of France, Germany and the UK in their diplomacy with Russia. In particular,

High Representative Catherine Ashton played a key role in creating a consensus that included member states that had previously been outliers for commercial or political reasons, such as Austria or Sweden. However, despite this impressive coherence, the EU's capacity to trump Russian commercial interests in Iran is limited. Nor has it really attempted to horse-trade with Russia on other issues. In the end, therefore, greater Russian cooperation on Iran in 2010 was probably due more to the US "reset policy" than to EU influence.

Iran is also discussed in components 9, 37 and 76.

## 24 RELATIONS WITH RUSSIA ON AFGHANISTAN AND CENTRAL ASIA

There was a big improvement in cooperation with Russia in Afghanistan and during the crisis in Kyrgyzstan, though there was little progress elsewhere in Central Asia.

|              |              |
|--------------|--------------|
| Unity        | 4/5          |
| Resources    | 3/5          |
| Outcome      | 6/10         |
| <b>Total</b> | <b>13/20</b> |

B

The EU wants Russia to provide logistical support to the NATO operation and the EUPOL mission in Afghanistan and to co-operate on soft security issues such as border control, drug trafficking, the environment, and infrastructure in Central Asia. In 2010, the EU also wanted Russia to help contain the crisis in Kyrgyzstan, where EU diplomats play an important role on the ground through the OSCE.

In 2010, there was a big improvement in Russia-NATO cooperation on the ground in Afghanistan, although it was the US rather than the EU that played the crucial role in this. The Northern Distribution Network through Russia and Central Asia now provides 49 percent of supplies. There has also been cooperation on joint drugs raids and supplying helicopters to the Afghan government. However, the EU devoted far fewer resources to securing Russian cooperation elsewhere in Central Asia. Apart from France and Germany, which have strong bilateral ties with Tajikistan and Uzbekistan, member states had little interest in the region. As

a result, there was little progress on soft security cooperation.

After the outbreak of violence in Kyrgyzstan in June, the EU played a marginal role in crisis management. However, in sharp contrast to previous confrontations in other parts of its “near abroad”, Russia cooperated with the US, which shared the EU’s objectives. For example, Russia and Kazakhstan made sure President Kurmanbek Bakiyev left Kyrgyzstan in April in order to avoid civil war, and Russia also refused Kyrgyzstan’s request for a military intervention. Both the EU and Russia supported an OSCE police mission to south Kyrgyzstan after the crisis was over, but the interim Kyrgyz government opposed it (see also component 61).

## 25 RELATIONS WITH RUSSIA ON CLIMATE CHANGE

The EU was united in principle but divided in practice. Only some member states prioritised the issue and results were limited.

|              |             |
|--------------|-------------|
| Unity        | 3/5         |
| Resources    | 3/5         |
| Outcome      | 3/10        |
| <b>Total</b> | <b>9/20</b> |

C+

Russia emits some seven percent of global greenhouse gases, making it the world's third-largest emitter country, after China and the US. Russia has finally shifted from its traditional scepticism about climate change, and at the end of 2009 President Medvedev signed a new law on energy saving and energy efficiency, but it has not yet committed to a new global agreement on climate change to succeed the Kyoto Protocol. The EU discusses this issue – which it sees as easier than tariff removal or hard security issues – in the EU-Russia working group on climate change. Like Austria, Finland and Sweden, Russia wants its commitments on CO<sub>2</sub> emissions to take into account its large forests.

In 2010, EU institutions and member states were united in international negotiations with Russia on climate change. The issue was high on the agenda of the EU-Russia summit in Rostov-on-Don in May/June and European Parliament President Jerzy Buzek highlighted climate change during negotiations on the Partnership for Modernisation. Some progress was made on pilot projects in the Climate Change

Subgroup, which is part of the EU-Russia Environment Dialogue. However, member states were less united about the role of cooperation on climate change in their bilateral relationships with Russia. For example, only a few member states, such as Belgium, identified climate change as a priority in their Partnership for Modernisation.

Even such limited progress was less the result of EU influence than the global economic crisis, which has renewed Russian interest in energy conservation. As a result of the forest fires in the summer of 2010 and the Moscow smog, Russian attitudes towards global warming may be moving towards the EU position. Environmental groups and local lobbies within Russia itself are a growing factor, exemplified by the protests over the destruction of parts of the Khimki forest to make way for a new Moscow-St Petersburg highway.



## 26 RELATIONS WITH RUSSIA AT THE G20

The crisis has made Russia cooperative on global economic governance than in the past. France and Germany took the lead in negotiating with Russia but this approach produced few results.

|              |             |
|--------------|-------------|
| Unity        | 2/5         |
| Resources    | 2/5         |
| Outcome      | 2/10        |
| <b>Total</b> | <b>6/20</b> |

C-

The EU hopes that Russia will co-operate in helping to develop the G20's new role in a range of issues from currency reform to IMF reform and a new global financial architecture. Russia values its status as a member of the G8, but generally prefers to work through the UN, where it has a permanent seat on the Security Council. However, since the beginning of the economic crisis, Russia has gradually become less resistant to the idea of global economic governance and thus more cooperative.

In 2010, however, the EU was increasingly divided at the G20 (see component 68). France and Germany took the lead in negotiating with Russia, but sometimes set their own priorities. Chancellor Angela Merkel and President Nicolas Sarkozy worked hard to woo President Medvedev, but this produced few concrete results. At the Toronto summit in June, France, Germany and Russia held a trilateral meeting to discuss macroeconomic issues, but Russia did not support the key EU proposal of a bank levy at the G8/G20 summit in Toronto. At the Deauville

summit in October, Medvedev supported Sarkozy's calls for the G20 to take the lead in revamping the world's currency structure during the French Presidency in 2011. However, at the Seoul summit in November, Russia played a marginal role. It did co-operate with reform to the voting rules at the IMF and also lobbied to host the G20 summit in 2013 – a sign, perhaps, of its increased commitment to the forum. However, even if a more united EU were more successful in securing active Russian support for its positions in the future, both the EU and Russia will struggle for influence in a forum dominated increasingly by the other BRICs and the US.