
Press statements following the Russia-EU summit

4 June 2013, Yekaterinburg

PRESIDENT OF RUSSIA VLADIMIR PUTIN:

Good afternoon, ladies and gentlemen,

The talks held at the 31st EU-Russia Summit were constructive and meaningful. We examined in detail the current issues of cooperation in trade, the economy and humanitarian sphere, as well as the improvement of the legal framework for our relations.

Russia and the European Union are close partners. Europe is the largest investor in the Russian economy: accumulated investments amount to \$277 billion, of which over \$105 billion are direct investments.

In turn, Russian companies have invested \$77.5 billion in the economies of EU countries, including \$52 billion in direct investments. That is 60% of our current foreign investments.

The EU accounts for nearly 50% of Russia's foreign trade – 49%, to be precise. Last year, despite the challenges in the global and European economy, trade continued to grow: it rose by 4.1% and exceeded \$410 billion. I am confident that we will reach the milestone of \$500 billion in the foreseeable future.

We discussed the additional reserves that could be used to increase the flow of goods, services and capital. We should continue our active efforts to abolish the remaining administrative and technical customs barriers, implement joint projects in industry, agriculture and the financial sphere.

Naturally, we reviewed the preparation of the new EU-Russia agreement. This document must reflect the changing international situation and the Eurasian integration processes. We believe that it would be useful for the European Commission's leadership to establish direct contacts with the inter-state structure of the Customs Union, Common Economic Space and the Eurasian Economic Commission. Close cooperation between the two commissions would be particularly relevant with regard to the decisions on further integration adopted recently at a meeting of the Supreme Eurasian Economic Council in Astana, Kazakhstan.

We also went over the mutual grievances in trade – we couldn't get around that. Such a huge volume of trade means that there are always some reciprocal problems; that is only natural. The nature of these grievances is well known: disposal fees, anti-dumping measures, sanitary and phytosanitary standards, and so

on. We have agreed to work constructively together to reach compromise solutions. I am sure that this is possible.

Traditionally, energy has had an important place in our negotiations. In March, we signed the Roadmap for Russia-EU Energy Cooperation until 2050. This document states a strategic goal: to create a single European energy sector. Naturally, there are some outstanding issues here. I will not go into detail about them now since they are also widely known, but we are in contact and will continue to seek acceptable solutions.

We also discussed security and countering new challenges. One important outcome is that we have signed an Agreement on Drug Precursors. It will undoubtedly strengthen cooperation between anti-drug agencies of the Russian Federation and the European Union.

During the exchange of views on topical international issues, we paid close attention to Syria. We reiterated Russia's position that any attempt to influence the situation by force, through direct military intervention, is doomed to failure and will inevitably lead to severe humanitarian consequences.

We have also stated our view on the decision to lift the arms embargo on the Syrian opposition, which was adopted last week by the EU Foreign Ministers. I will not deny that we were disappointed by it. We have agreed to coordinate more closely our efforts to promote Geneva 2 as part of our work on other acute international problems.

In conclusion, I want to thank our European friends for a very useful, open and constructive exchange of views, and for their cooperation today. Thank you very much.

PRESIDENT OF THE EUROPEAN COUNCIL HERMAN VAN ROMPUY:

Dear Mr President (*in Russian*),

Let me first of all thank you for your hospitality. I would also like to thank the President for having chosen this remarkable venue for our summit, which symbolises Russia's Eurasian dimension. It could also be a splendid location for major exhibitions in the future.

We have had good and useful discussions today and yesterday evening, reviewing the wide range of EU-Russia relations. The EU and Russia are strategic partners. We share a common continent and history. We gain a lot from working together, to contribute to security and stability, to promote prosperity, jobs and growth. Our common aim is to reap the full potential of our strategic partnership.

We are also global partners. And together we have to find solutions to global economic challenges, issues of global governance, and security challenges in many parts of the world.

The European Union is pleased to give its full support to Russia's G20 chairmanship. We share the goals of reforming financial institutions, fighting against tax fraud and tax evasion, and setting the global economy back on track for growth and jobs. We have discussed the steps to take in the run-up to the G20 Summit in St Petersburg next September. And we are confident that the G20 summit will be crowned by success.

We have had an exchange on the economic situation in Russia and the European Union. I emphasise the restored financial stability in the Eurozone. The Euro is no longer under existential threat. I explained the ongoing efforts within the European Union to stimulate growth and fight against youth unemployment. These issues will feature prominently on the agenda of the upcoming European Council at the end of June.

We have discussed our common global security interests and our concerns about the situation in Syria, the Iranian nuclear programme, Afghanistan and North Korea. On all these challenges the EU and Russia work closely together.

On Syria, the European Union welcomes the joint Russian-US initiative for a Geneva 2 conference. We are giving our full support to this very important political peace process. The international community must address its responsibilities in the face of this humanitarian tragedy, which has very serious spillover effects on security, stability, and economic development in the region and beyond. The Union will continue to work for the establishment of a democratic and united Syria, respectful of human rights, fundamental freedoms and rights of minorities.

I welcome the fact that we have recently re-launched our cooperation on counter-terrorism, and we are now working together to deepen and broaden its scope. I also raise the need to strengthen cooperation on security in Europe, starting with the protracted conflicts in our common neighbourhoods. I recall that we need a comprehensive settlement on the Transnistria conflict, and basic principles for a future settlement should be agreed now. This is a conflict which can be solved.

We call for continued engagement and cooperation on Nagorno-Karabakh and support for the existing negotiating processes. We welcome positive developments in Russian-Georgian relations; it is important to strengthen stability in the Caucasus based on respect for the principles of sovereignty and territorial integrity.

We also have discussed the importance of civil society, and NGOs, and their contribution to the strengthening of democracy, in particular freedom of expression and other fundamental freedoms. Legislative frameworks should recognise this and protect the space for action of civil society. We referred to the important dialogue we already have, even if our views do not always coincide.

To conclude, Mr President, we thank you for your hospitality and the fruitful and open exchange we have had when discussing all these issues.

Thank you for your attention. Thank you very much (*in Russian*).

PRESIDENT OF THE EUROPEAN COMMISSION JOSE MANUEL BARROSO:

Thank you, Mr President, and good afternoon ladies and gentlemen.

I'm very pleased to be here with you today at the heart of the Urals. In the past Urals were considered to be the natural frontier of Europe. And Yekaterinburg was precisely at the frontier between Europe and Asia. Some called this city a window to Asia.

However, in the 21st century the notion of frontiers, administrative or physical, has not exactly the same significance. And the Urals should be seen more as a bridge than as a barrier. That is why even if the European Commission, as you know, does not vote regarding the exhibition, the World Exhibition in 2020, I am really impressed by the candidature of Yekaterinburg and I wish you all the best for that candidature.

It was in this spirit of "bridging" that we had the summit today and our open exchanges during yesterday's informal dinner. These discussions followed very useful exchanges that we have held in Moscow last March, on the occasion of our executive-to-executive consultations: the meeting between the Government of the Russian Federation and the European Commission.

Our cooperation spans a wide range of areas and today we signed an agreement on cooperation on drug precursors. This is important for the fight against drugs, both on the supply and demand side. More generally, I am glad that we do have an ambitious common vision for the future of our relations. We have discussed today concretely how to move forward to an ambitious and comprehensive new European Union-Russia agreement.

One of the pillars of our relations is, of course, strong trade flows. Last year we have reached a record level of EUR 336 billion of exchanges. But there is potential for more, and I think we should create the right conditions to expand these flows. Russia's accession to the WTO was a major step forward in this regard.

We also discussed today the effective implementation of WTO commitments. President Putin mentioned some issues already; we have raised our concerns about the cars recycling fee, which we hope can be lifted by July. We received good news on this matter and also other matters in the very extensive trade relationship between Russia and the European Union.

We are also making good work in our Partnership for Modernisation which is under full implementation, with new projects being prepared, and considerable loan funding available, including now EUR 800 million in loans for small- and medium-sized enterprises. As you know, the EIB, European Investment Bank, apart from the European Bank for Reconstruction and Development, is also present in this cooperation.

Our energy cooperation is also mutually beneficial but we should deepen it further. Last March the European Commission and the Government of the Russian

Federation agreed on a joint Energy Roadmap 2050. This is a significant achievement.

The European Union energy market is the world's largest, and offers important business opportunities to Russian companies. And Russia will of course remain a very important energy supplier to Europe.

Visa-free travel remains an important common goal. To achieve it, it is important now to fully implement the agreed common steps. The European Union is also ready to conclude negotiations on an upgraded visa facilitation agreement, provided technical details are clarified, and that future regulations in the area transport and mobility do not negatively affect our citizens and transport operators.

We are committed to working together with Russia to make the G20 Summit in St Petersburg a success. A success for Russia, but also a success for Europe and for the wider world. In line with our internal work in the European Union, we hope that growth can be prioritised, and that the G20 can also address other important issues like the fight against tax fraud and tax evasion.

I have said in the past that a strategic partnership like ours needs to be based on strategic trust. These summits serve precisely to build that trust. That's why I want to conclude by once again thanking President Putin for having brought us to this great city. Yekaterinburg is not just a frontier anymore. Today it is a place where we stretch to hold hands and join efforts for the sake of a better future for our citizens.

I thank you for your attention.