Partnership and cooperation agreement EC /Russia

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Adopting the report by Mr Peter KITTELMANN (PPE, D), the European Parliament found that negotiations on the partnership agreement with Russia had resulted in more derogations than was the case with similar agreements and that this risked hampering mutual cooperation between the states in the CIS. It highlighted the seriousness of macro-economic imbalances in Russia, which mainly took the form of extremely high inflation, high unemployment, an excessive borrowing requirement and a sharp downturn in industrial and agricultural production. However, despite current difficulties, it considered that Russia could prove to be an important economic and commercial partner in the long term, with rich potential in raw materials and important outlets for European Union producers. Parliament therefore approved the idea of an agreement which made provision to study, over a period of four years, the possibilities of creating a free trade zone between the European Union and Russia. It hoped that the possibility of concluding bilateral agreements would be studied, taking account of the specific nature of the market and employment in the two partner countries as regards the provision of cross-border services and conditions of establishment in the European Union, and hoped that Russia would improve access to its market in this sector. It considered an AIDS screening test for foreigners entering Russian territory to be a serious attack on the activity of European Union businessmen and reiterated that Russia would need to take account of these requirements when it joined the World Trade Organization. As far as the steel industry was concerned, Parliament welcomed the new steel agreement concluded between the European Union and Russia. This agreement, which would expire in 1996, made provision for imports of Russian steel products to be limited, thereby helping to stabilize the European market while allowing Russia plenty of scope to export. It also hoped that the partnership agreement and additional agreements on the trade in nuclear materials would stamp out the illegal trade in fissile materials and improve the safety level of nuclear plants in Russia.