Basic information

2011/0328(NLE) NLE - Non-legislative enactments Decision	Procedure completed
EU/Russia Agreement: preservation of commitments on trade in services contained in the EU/Russia Partnership and Cooperation Agreement See also 1994/0151(AVC) **Subject** 3.40.18 Services sector 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO) 6.20.03 Bilateral economic and trade agreements and relations 6.40.04.02 Relations with Russian Federation **Geographical area** Russian Federation	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	SUSTA Gianluca (S&D)	25/01/2012
	Shadow rapporteur VAIDERE Inese (PPE)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3184	2012-07-24

European Commission

Commission DG	Commissioner
Trade and Economic Security	DE GUCHT Karel

Key events

Date	Event	Reference	Summary

10/11/2011	Preparatory document	COM(2011)0724	
09/12/2011	Legislative proposal published	16815/2011	Summary
17/01/2012	Committee referral announced in Parliament		
30/05/2012	Vote in committee		
01/06/2012	Committee report tabled for plenary, 1st reading/single reading	A7-0176/2012	Summary
04/07/2012	Decision by Parliament	T7-0284/2012	Summary
04/07/2012	Results of vote in Parliament		
24/07/2012	Act adopted by Council after consultation of Parliament		
24/07/2012	End of procedure in Parliament		
27/07/2012	Final act published in Official Journal		

Technical information

Procedure reference	2011/0328(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Amendments and repeals	See also 1994/0151(AVC)
Legal basis	Treaty on the Functioning of the European Union TFEU 100-p2 Treaty on the Functioning of the European Union TFEU 218-p6a Treaty on the Functioning of the European Union TFEU 091 Treaty on the Functioning of the European Union TFEU 207-p4
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/7/08000

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE485.846	02/04/2012	
Committee report tabled for plenary, 1st reading/single reading		A7-0176/2012	01/06/2012	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0284/2012	04/07/2012	Summary

Council of the EU

Document type	Reference	Date	Summary
Legislative proposal	16815/2011	09/12/2011	Summary
Document attached to the procedure	16816/2011	09/12/2011	

European Commission

Document type	Reference	Date	Summary
Preparatory document	COM(2011)0724	10/11/2011	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0724	08/03/2012	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Decision 2012/0434
OJ L 200 27.07.2012, p. 0001 Summary

EU/Russia Agreement: preservation of commitments on trade in services contained in the EU/Russia Partnership and Cooperation Agreement

2011/0328(NLE) - 09/12/2011 - Legislative proposal

PURPOSE: to conclude an Agreement in the form of an Exchange of Letters between the European Union and Russia relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement.

PROPOSED ACT: Council Decision.

BACKGROUND: upon accession to the WTO, Russia will accede to the General Agreement on Trade in Services (GATS), thus undertaking comprehensive multilateral commitments relating to trade in services with all WTO Members. These commitments largely replicate or exceed their existing commitments regarding trade in services with the EU, which are defined in the current Partnership and Co-operation Agreement between the European Communities, and their Member States, of the one part, and Russia, of the other part, of 24 July 1994 (PCA). Nonetheless, there remain certain commitments, notably with regard to international maritime transport services and the temporary movement of natural persons for business purposes, where Russia has undertaken more substantial commitments through the existing PCA as compared to multilateral commitments upon WTO accession.

In order to ensure that the existing market access commitments of the Russian Federation will not be made more restrictive for EU service suppliers than those currently in force, it has been agreed between the Parties that Russia would take an appropriate **Most Favoured Nation (MFN) exemption from its GATS schedule** and preserve these commitments exclusively with the EU.

The preservation of these commitments would take the form of a bilateral agreement, negotiated between the EU and Russia through an exchange of letters with Russia. The Agreement does not require the EU to undertake any commitments. In order to ensure these commitments will continue to apply from the time that the Russian Federation accedes to the WTO, the Agreement should be applied provisionally from the date of such accession.

It is now appropriate to approve this Agreement on behalf of the EU.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASE: Articles 91 and 100(2) and the first subparagraph of Article 207(4), in conjunction with Article 218(6)(a) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: with this Decision, the Agreement in the form of an Exchange of Letters between the European Union and Russia relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement is hereby approved on behalf of the Union.

It should be noted that the agreement does not require the EU to undertake any commitments.

Basic principle: this Agreement provides that treatment accorded by the European Union to contractual service suppliers of the Russian Federation shall be no less favorable than that accorded to contractual service suppliers of any third country.

Main provisions: Russia shall allow the supply of services into its territory by contractual service suppliers of the European Union through presence of natural persons subject to the following conditions:

- The temporary entry and stay of natural persons within Russia pursuant to the fulfilment of this contract shall be for a period of not more than six successive months in any twelve month period or for the duration of the contract, whichever is less.
- The natural persons entering Russia must possess (i) a university degree or a technical qualification demonstrating knowledge of an equivalent level and (ii) professional qualifications where this is required to exercise an activity in the sector concerned pursuant to the law, regulations or requirements of the Russian Federation.
- The natural person shall not receive remuneration for the provision of services other than the remuneration paid by the contractual service supplier during its stay in Russia.
- The natural persons entering Russia must have been employed by the contractual service supplier for at least the year preceding the date of submission of an application for entry into the Russian Federation. In addition, the natural person must possess, at the date of submission of an application for entry into the Russian Federation, at least three years professional experience in the sector of activity which is the subject of the contract.

The contract to provide services has to be obtained in one of the **following sectors of activity** which are included and defined in Russia's GATS schedule of commitments:

- Legal services
- Accounting and bookkeeping services
- Taxation services
- Architectural services
- Engineering services
- Integrated Engineering services
- Urban planning and landscape architecture services
- Computer and related services
- Advertising services
- Market research services
- Management consulting services
- Services related to management consulting
- Technical testing and analysis services
- Advisory and consulting services incidental to mining
- Related scientific and technical consulting services
- Translation and Interpretation services
- Maintenance and repair of equipment, including transportation equipment
- Environmental services

Quotas: Russia might establish an **annual quota of work permits reserved to European Union natural persons gaining access to the Russian services market under the provisions of this Decision**. In the first year in which the provisions enter into force, this annual quota shall be no lower than 16000. In the following years, the annual quota shall be no lower than the quota of the preceding year.

It should be noted that this understanding shall not apply to measures affecting natural persons seeking access to the employment market of a Party, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

Provisional application and implementation: in order to ensure these commitments will continue to apply from the time that the Russian Federation accedes to the WTO, the Agreement should be applied provisionally from the date of such accession.

BUDGETARY IMPLICATION: the proposal has no implication for the EU budget.

EU/Russia Agreement: preservation of commitments on trade in services contained in the EU/Russia Partnership and Cooperation Agreement

2011/0328(NLE) - 01/06/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade unanimously adopted the report drafted by Gianluca SUSTA (S&D, IT) in which it recommends the European Parliament to give its consent to the conclusion of the Agreement in the form of an Exchange of Letters between the European Union and the Government of the Russian Federation relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement.

Members accept the need for the EU to conclude a bilateral agreement with Russia in order to secure additional bilateral trade concessions over and above those available under the multilateral regime, thus preserving the current commitments on access to the Russian market for EU providers in two service sectors, namely maritime trade and the temporary movement of natural persons for business purposes).

EU/Russia Agreement: preservation of commitments on trade in services contained in the EU/Russia Partnership and Cooperation Agreement

2011/0328(NLE) - 04/07/2012 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution on the draft Council decision on the conclusion of the Agreement Russia relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement.

Parliament gave its consent to the conclusion of the Agreement on trade in services which will grant new opportunities to EU maritime transport agencies seeking to set up in Russia. It also gives preferential access for people working for European service companies who need to work in Russia in order to start a business there. It foresees a minimum quota of 16 000 work permits per year for this.

EU/Russia Agreement: preservation of commitments on trade in services contained in the EU/Russia Partnership and Cooperation Agreement

2011/0328(NLE) - 24/07/2012 - Final act

PURPOSE: to conclude an Agreement in the form of an Exchange of Letters between the European Union and Russia relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement.

NON-LEGISLATIVE ACT: Council Decision 2012/434/EU on the conclusion of the Agreement in the form of an Exchange of Letters between the European Union and the Government of the Russian Federation relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement.

BACKGROUND: upon accession to the WTO, Russia will accede to the General Agreement on Trade in Services (GATS), thus undertaking comprehensive multilateral commitments relating to trade in services with all WTO Members. These commitments largely replicate or exceed their existing commitments regarding trade in services with the EU, which are defined in the current Partnership and Co-operation Agreement between the European Communities, and their Member States, of the one part, and Russia, of the other part, of 24 July 1994 (PCA).

Nonetheless, there remain certain commitments, notably with regard to international maritime transport services and the temporary movement of natural persons for business purposes, where Russia has undertaken more substantial commitments through the existing PCA as compared to multilateral commitments upon WTO accession.

In order to ensure that the existing market access commitments of the Russian Federation will not be made more restrictive for EU service suppliers than those currently in force, it has been agreed between the Parties that Russia would take an appropriate **Most Favoured Nation (MFN) exemption from its GATS schedule** and preserve these commitments exclusively with the EU.

In accordance with Council Decision 2012/107/EU, the Agreement in the form of an Exchange of Letters between the European Union and the Government of the Russian Federation relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement, was signed on 16 December 2011, subject to its conclusion.

It is now appropriate to approve this Agreement on behalf of the EU.

CONTENT:under this Decision, the Agreement in the form of an Exchange of Letters between the European Union and the Government of the Russian Federation relating to the preservation of commitments on trade in services contained in the current EU-Russia Partnership and Cooperation Agreement is approved on behalf of the Union.

It should be noted that the agreement does not require the EU to undertake any commitments.

Basic principle: this Agreement provides that treatment accorded by the European Union to contractual service suppliers of the Russian Federation shall be no less favorable than that accorded to contractual service suppliers of any third country.

Other provisions:

- The temporary entry and stay of natural persons within the Russian Federation pursuant to the fulfillment of this contract shall be for a period of not more than six successive months in any twelve-month period or for the duration of the contract, whichever period is shorter.

- The natural persons entering Russia must possess: (i) a university degree or a technical qualification demonstrating knowledge of an equivalent level; and (ii) professional qualifications where this is required to exercise an activity in the sector concerned pursuant to the laws, regulations or requirements of Russia.

- The natural person shall not receive remuneration for the provision of services other than the remuneration paid by the contractual service supplier during its stay in Russia.

- The natural persons entering Russia must have been employed by the contractual service supplier for at least the year preceding the date of submission of an application for entry into Russia. In addition, the natural person must possess, at the date of submission of an application for entry into Russia, at least three years professional experience in the sector of activity which is the subject of the contract.

Services concerned: the contract to provide services has to be obtained in one of the following sectors of activity which are included and defined in Russian Federation's GATS schedule of commitments:

- Legal services;
- Accounting and bookkeeping services;
- Taxation services;
- Architectural services;
- Engineering services;
- Integrated Engineering services;
- Urban planning and landscape architecture services;
- Computer and related services;
- Advertising services;
- Market research services;
- Management consulting services;
- Services related to management consulting;
- Technical testing and analysis services;
- Advisory and consulting services incidental to mining;
- Related scientific and technical consulting services;
- Translation and Interpretation services;
- Maintenance and repair of equipment, including transportation equipment;
- Environmental services.

Quotas: Russia might establish an **annual quota of work permits reserved to European Union natural persons gaining access to the Russian services market under the provisions of this Decision**. In the first year in which the provisions enter into force, this annual quota shall be no lower than 16000. In the following years, the annual quota shall be no lower than the quota of the preceding year.

It should be noted that this understanding shall not apply to measures affecting natural persons seeking access to the employment market of a Party, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

Provisional application and implementation: in order to ensure these commitments will continue to apply from the time that the Russian Federation accedes to the WTO, the Agreement should be applied provisionally from the date of such accession.

ENTRY INTO FORCE: the Decision shall enter into force on 24.07.2012.