



HOUSE OF LORDS

European Union Committee

3rd Report of Session 2008–09

After Georgia The EU and Russia: Follow-Up Report

Report with Evidence

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The Government are required to deposit EU documents in Parliament, and to produce within two weeks an Explanatory Memorandum setting out the implications for the UK. The Committee examines these documents, and 'holds under scrutiny' any about which it has concerns, entering into correspondence with the relevant Minister until satisfied. Letters must be answered within two weeks. Under the 'scrutiny reserve resolution', the Government may not agree in the EU Council of Ministers to any proposal still held under scrutiny; reasons must be given for any breach.

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CONTENTS

	<i>Paragraph</i>	<i>Page</i>
Summary		4
Chapter 1: The EU and Russia after Georgia	1	5
The war in Georgia and its effect on EU-Russia relations	5	5
The August 2008 conflict and its complex causes	6	6
The European response to the conflict	14	7
The status of South Ossetia and Abkhazia	24	9
Box 1: Russian Foreign Policy Commitments		10
Box 2: Russian Foreign Policy Principles		11
Economic crisis and tensions over energy supplies	31	12
Current developments in Russia—financial crisis and economic slowdown	31	12
Box 3: The Russian Economy in January 2009		13
The EU-Russia energy relationship	36	14
The effect of US and NATO policy on EU-Russia relations	46	17
The way ahead	60	20
Engagement or isolation?	60	20
Negotiating a new Partnership and Cooperation Agreement	63	20
The Common Neighbourhood: the EU's policy towards its eastern neighbours, especially Ukraine	68	22
Overall conclusion	80	24
Chapter 2: Conclusions and Recommendations	81	25
Appendix 1: Sub-Committee C (Foreign Affairs, Defence and Development Policy)		28
Appendix 2: List of Witnesses		29
Appendix 3: Glossary of Terms and Abbreviations		30
Appendix 4: Recent Reports		31
Oral Evidence		
<i>Sir Roderic Lyne, Former British Ambassador to Moscow, Professor Robert Service, St Antony's College Oxford</i>		
Oral Evidence, 13 November 2008		1
<i>Sir Mark Lyall-Grant KCMG, Director-General Political, Michael Davenport, Director of Russia, South Caucasus and Central Asia Directorate (RuSCCAD), Ms Katherine Fox, Deputy Team Leader, Russia Section (RuSSCAD), FCO</i>		
Oral Evidence, 20 November 2008		15
Written Evidence		
Rt Hon Caroline Flint MP, Minister for Europe, FCO		25

NOTE: References in the text of the report are as follows:
(Q) refers to a question in oral evidence
(p) refers to a page of written evidence

SUMMARY

Following the August 2008 conflict in Georgia, we decided to conduct a short inquiry into EU-Russia relations to follow up our report of May 2008¹. This new report considers the implications of the Georgia conflict for EU-Russia relations. We also look at other recent developments, such as the Russia-Ukraine gas dispute, the downturn in the Russian economy and wider questions of European security. We consider that the conclusions reached and recommendations made in our original report remain valid.

On the war in Georgia, we conclude that Russia's use of force was disproportionate in response to provocative statements and military action by President Saakashvili. The EU's response to the conflict was rapid and reasonably successful, and owed much to the effectiveness of a strong EU Presidency with whom the Russians were prepared to negotiate. However, we express serious concern that Russia has not complied fully with the ceasefire agreement reached between President Sarkozy and President Medvedev. We endorse the Government's approach that the pace and tone of the EU's negotiations with Russia on a new Partnership and Cooperation Agreement should be informed by Russia's fulfilment of its obligations under the ceasefire agreement. We are also critical of Russia for breaching the principles of sovereignty and territorial integrity through its recognition of South Ossetia and Abkhazia.

We note the severe downturn in the Russian economy, which has weakened Russia's position since our first report was published. On energy, the conclusions in our initial report have assumed an even greater sense of urgency in the wake of the gas dispute between Russia and Ukraine of January this year. We urge the EU to push forward in its efforts to establish a unified energy strategy, including an interconnected and liberalised internal market in energy, especially gas.

On European security, we say that the ongoing issues between Russia and the West over missile defence and NATO enlargement still risk further complicating EU-Russia relations. The EU should consult closely and at an early stage with the new American administration about engaging with Russia in a firm but constructive, fair and balanced way. We reaffirm our conclusion that the common neighbourhood is a particularly sensitive area for both Russia and the EU, and welcome the EU's new commitment to strengthening its relationship with Ukraine, Georgia and its other eastern partners in the Eastern Partnership. The prospect of EU membership should be given greater encouragement and substance.

Our overall conclusion is that, despite recent setbacks, hard-headed, pragmatic and unsentimental engagement remains the way forward in the EU's relations with Russia.

¹ European Union Committee, 14th Report (2007–08): *The European Union and Russia* (HL 98).

