

5.8. The realisation of the Commission initiative on State compensation for crime victims will form a crucial step in meeting the needs of citizens, and a visible and exemplary step by the Member States in the construction of a true European

justice area, based on a culture of solidarity — in the sense of real sharing of responsibility — and on the universal basic right of all human beings not to be left alone in the face of aggression, danger or crime.

Brussels, 20 March 2002.

*The President
of the Economic and Social Committee*

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Opinion of the Economic and Social Committee on ‘EU/Russia strategic partnership: What are the next steps?’

(2002/C 125/10)

On 28 February and 1 March 2001 the Economic and Social Committee, acting under the third paragraph of Rule 23 of its Rules of Procedure, decided to draw up an opinion on ‘EU/Russia strategic partnership: What are the next steps?’

The Section for External Relations, which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 28 February 2002. The rapporteur was Mr Filip Hamro-Drotz.

At its 389th Plenary Session of 20 and 21 March 2002 (meeting of 20 March), the Economic and Social Committee adopted the following opinion by 86 votes with two abstentions.

1. Introduction

1.1. The EU-Russia relations have advanced substantially in recent years. The cooperation covers widely all important policy fields of mutual interest. A good relationship between the EU and Russia is a core element for a prosperous future of Europe.

1.2. The EU should promote transparent and open neighbourly relations with Russia both at the bilateral and multilateral level. The forthcoming enlargement of the European Union stresses even more the need for good relations and public understanding of a solid partnership between the EU and Russia. This concerns the EU, its Member States and Russia but also the candidate countries, the EEA countries and other European countries.

1.3. The intention of this opinion is to table conclusions and recommendations, which indicate above all that an engagement of organised economic and social actors in the EU-Russia cooperation, as well as raising public awareness of this cooperation, would facilitate a successful outcome of the efforts to improve the EU-Russia partnership.

2. Important elements in the institutional framework

2.1. The Partnership and Cooperation Agreement (PCA) was signed in 1994 and entered into force in 1997. It covers political, economic and social cooperation at a broad range, i.a. trade, education and training, environment and energy, the transition to market economy. The cooperation mechanism is described in the PCA: the partners meet twice a year at Summits; the Cooperation Council, which meets once a year, is the main forum, the Cooperation Committee is responsible at the operative level and many sub-committees (dialogues)

have been established. An EU-Russia Parliamentary Cooperation Committee has also been established. Article 93 states that 'the Cooperation Council may decide to set up any other special committee or body that can assist it in carrying out its duties (...)'. The initial duration of the PCA is ten years, renewable by tacit agreement.

2.2. The Common Strategy of the European Union on Russia was agreed by the Member States in 1999⁽¹⁾. The strategy outlines the principles and means of the EU and the Member States to take actions based on the PCA. Strengthening the rule of law and public institutions, consolidating economic reforms in Russia, strengthening civil society, as well as security and stability are main fields for action. The Common Strategy is in force until June 2003.

2.3. The establishment of a 'Common European Economic Space' is indicated both in the PCA and in the Common Strategy.

2.4. Article 1 of the PCA states: '(The objectives of this partnership are) ... to provide an appropriate framework for the gradual integration between Russia and a wider area of cooperation in Europe'.

2.5. The chapter on 'Principal Objectives' of the EU's Common Strategy states in para. 2 the outlines for the 'integration of Russia into a common European economic and social area'. Preparation of a Russian WTO-membership, institutional building and meeting the social aspects of the transition to a market economy are important subjects in this context.

2.6. The EU-Russia Summit in Moscow in May 2001 decided that the parties would jointly study the possibility of establishing a Common European Economic Space. The Summit in October 2001 in Brussels agreed on the terms of reference of a High-Level Working Group, which was entrusted with the task of drawing up the concept of a Common European Economic Space and the measures needed to realise it. The High Level Group, which began its work in December 2001, should report to the EU-Russia Summit no later than 2003. The parties will, as a first step, consider the structure and substance of the Common European Economic Space, which would partially be based on enhancing compatibility between Russian and EU legislation with the view to their alignment.

2.7. The EU has, together with the partner countries concerned, developed in recent years the Northern Dimension of the EU. The cooperation between the EU and Russia is a core element in the action plan for multilateral cooperation in the region for 2000-2003. The Northern Dimension Ministerial Meeting in Helsinki in November 1999 laid down the basis of the Northern Dimension. The Ministerial Meeting in Luxembourg in April 2001, as well as the European Council Summit in Gothenburg in June 2001 launched the action plan. The ESC influenced the conclusions of the Ministerial meeting in Luxembourg and of the EU Summit in Gothenburg as regards the action plan for the EU's Northern dimension. The Northern dimension will be dealt with at Ministerial level during the Danish EU-Presidency in the second half of 2002.

2.8. Since 1999, Tacis has been the leading technical assistance programme supporting the transition process in Russia. Key EU and Russian institutions are jointly working in the framework of the programme. To date, more than 2,4 billion EUR has been earmarked to over 1 500 projects directed to a broad range of policy fields.

3. Links to be strengthened

3.1. The EU recognises generally the necessity of the participation of economic and social actors in its efforts to achieve overall goals in the establishment and the improvement of its third country relations. This is the case in all relevant dimensions of external relations: the Euro-Mediterranean Summits of Economic and social councils and similar institutions; the meetings of civil society representatives from the EU, Latin America and the Caribbean; the bilateral Joint Consultative Committees with the candidate countries; the business, trade union, consumers dialogues in the Trans-Atlantic cooperation with the United States; the business dialogue in the relations with Asia; the India-EU Round-Table; the EEA Consultative Committee; the Cotonou Agreement and regional seminars in the relations with the ACP countries; the report from the European Council in June 2001 expressing i.a. the desire to establish a dialogue and multilateral cooperation between the actors in the Northern dimension; the promotion of social and civil dialogues in the Stability Pact for South East Europe. In many of the above cases the relationship has been institutionalised through the involvement of the ESC.

3.2. The EU-Russia cooperation is conducted by the EU institutions and the Russian government. The EU-Russia Industrialists' Round Table is recognised as a useful advisory body, but economic and social representatives of civil society have, however, been only marginally involved in the cooperation. Both the PCA and the Common Strategy stress, however, the necessity for the parties to cooperate in strengthening civil society and in bringing both societies closer together.

⁽¹⁾ (1999/414/CFSP), OJ L 157, 24.6.1999, p. 1.

3.3. The main Russian economic and social interest groups have in recent years strengthened their organisation and capacity to act as independent and credible interest groups. This is the case above all with business/employers and the trade unions, but also other civil society organisations, for instance the consumers are improving their role and official networking. The contacts with sister organisations in the EU are, however, in many cases still limited. The above mentioned EU-Russian Industrialists' Round Table has been accompanied by recent European cooperation among the trade unions (ETUC-FNPR) and also among other actors, both at bi- and multilateral level. European companies have established in Moscow the European Business Club (EBC). Russian actors do participate, though with different intensity, in international cooperation: the main organisations of Russian employers and employees participate in the work of ILO; the Russian Chambers of Commerce have a role in the international network of the Chambers; the main Russian trade union organisations are members of the International Confederation of Free Trade Unions (ICFTU); Russian actors participate in the Baltic Sea cooperation. The main Russian civil society organisations have expressed their interest in establishing and improving contacts and cooperation with the actors in the EU.

3.4. Public awareness about the partnership is weak both in Russia and in the EU Member States. There is little public interest in, or debate about, the EU-Russian emerging relations and their future. Media has a central role for stimulating public opinion. Fragile anchoring of the EU-Russian integration process in society has a negative consequence on the alignment of Russian legislation on that of the EU, which is needed for a closer coexistence.

3.5. In both the economic and social field there exist institutionalised relations between the Russian government and the actors. Tripartite commissions and working groups have been established at least by the Ministry of Labour and the Ministry of Economic Development and Trade. An example is the Russian Tripartite Commission on the Regulation of Social and Labour Relations. Ten representatives of each main partners (employers-trade unions-government) meet monthly. It has set up seven permanent working groups. Examples on topics at the agenda are the ratification and implementation of the Council of Europe's Social Charter, the implementation of the new Labour Code, the reform of the pension system. The actors consider their contribution to be valid and appropriately taken on board by the government. The system works best at the federal level and in main regions.

3.6. The new Labour Code came in force on 1 February 2002. It is considered to bring far reaching improvements to the labour market and as regards labour rights. It institutionalises the role of the social partners and has a separate article on

social dialogue. Agreements between the partners concerned will be the main basis in the future for actions in the labour market. The implementation of the Labour Code at all levels will be a demanding task for the partners in the years to come. A new code on the rights and obligations of unions and employers is under preparation.

3.7. The establishment of the tripartite 'Centre for Social Partnership' and the 'Model Labour Arbitration Court' would become important elements for the labour market. They were established in September 2001. The establishment of both institutions was financed by Tacis. They are expected to have an important impact on the implementation of the new Labour Code.

3.8. There is an emerging recognition by the Russian government of the role of civil society organisations. Efforts are made to establish a dialogue with and between major organisations. The Russian President has recently met Russian civil society organisations at a broad front and new forms for contacts with the emerging network of these organisations are under way. Also the recent initiative by a member of the Duma, to establish a committee for 'an international Russia in an integrating Europe' is a positive sign.

3.9. The institutional building and the implementation of new legislation in Russia need, however, further improvement. The same goes with the further development of social and civil dialogue as well as improvements in labour market relations between the social partners in Russia. The Russian civil society organisations and social partners have, on their part, the challenge to contribute to a positive development by raising their preparedness to involve themselves in constructive dialogue, in consultations and negotiation procedures.

3.10. The Tacis programme to Russia, both the national and the horizontal programme is extensive. The major part of the projects are directed to support the modernisation of the economy and the strengthening of the rule of law, democracy and the social sector. There is a country strategy paper for 2002-2006 and a national indicative programme for 2002-2003. Tacis seems to be pragmatically focused on the most important topics. The decentralisation of Tacis administration to the Commission's delegation in Moscow seems to have improved the efficiency of the programme. Russian partners express, however, their criticism about the bureaucracy and time demanding preparatory procedures. The coordination of projects between different programmes (for instance Interreg IIIA and Tacis small Projects) would also need improvement. In the practical implementation of Northern Dimension projects, difficulties often arise in connection with coordination of funding received from different programmes (Tacis, Phare, etc.). The Commission's coordination of the Northern Dimension management should also be improved.

4. Conclusions and recommendations

4.1. The ESC expresses its strong support for all efforts to improve the EU-Russia partnership. The partnership should encourage European integration, bearing in mind above all economic and social transformation in Russia, trade and a Russian membership in the WTO, economic co-operation and growth, employment, improved well-being and living standards, environment, working infrastructures and border relations, investments and co-operation between both business and citizens.

4.2. The ESC supports the EU's view, as described in the Common Strategy that a Common European Economic Space should include both economic and social aspects. Attention should, in addition to economy, technology cooperation, trade, the conditions for companies to operate etc. be given also to topics, such as employment, education and exchange between universities, social security, working and living conditions, fight against corruption, public health, the role of independent media. The ESC is considering to express its detailed opinion in this matter.

4.3. Innovative and mutually beneficial solutions should be reached in negotiations on the main issues of interest. The prerequisites for Russia's WTO-membership include i.a. the abolishment of barriers to trade and investments. The liberalisation of Russian banking, insurance, services and energy markets should be addressed open-mindedly. Issues, which are related to the impact of the EU enlargement on EU-Russia relations, among them Kaliningrad — the movement of persons and goods, should be clarified as far as possible by the partners prior to the enlargement.

4.4. As regards the ensurance of the security of the citizens and the observance of basic human rights in Russia, the Committee's opinion is that they should be promoted in particular in regions in crisis. The EU's support programmes, above all the 'European Initiative for Democracy and Human Rights' (EIDHR) and the 'Core Tacis Action Programme' should be purposefully implemented. The Committee supports also the efforts to deal with these topics in the framework of the Organisation of Security and Cooperation in Europe (OSCE) and the UN. The Committee will follow the developments in various crisis regions, including Chechnya. It may address them at a later stage taking its own responsibilities and expertise as the point of departure.

4.5. The development in Russia has reached a stage when it would be advantageous to engage main civil society actors in the joint efforts to improve the EU-Russia partnership and to establish regular dialogue between Russian and EU actors as an element of the cooperation. The economic and social interest groups would contribute with their experience and knowledge in economic and social policy covered by the PCA.

4.6. The ESC focuses in this opinion on the following recommendations to achieve a functioning partnership: taking advantage of the experience of organised actors of civil society by engaging them in EU-Russian cooperation; anchoring the partnership in society by promoting public information and debate; supporting Russia's efforts to further improve institutional framework and dialogue, as well as the Russian civil society organisations' efforts to strengthen their contribution.

- (a) The ESC supports the decision to study the establishment of an EU-Russia Common European Economic Space. It is recommended, with reference to paragraph 4.2, that the High-Level Group with the task to prepare a report to the Summit in 2003, should arrange hearings or similar events to give main actors from both the EU and Russia the opportunity to express their views about the Common European Economic Space.
- (b) The Cooperation Council should, based on the experiences from the abovementioned hearings, establish a permanent consultative forum which is composed of the main components of organised civil society. The task of this forum would be to advise the cooperation bodies at different levels, as appropriate (Summits, the Cooperation Council and Committee, sub-committees). Establishment of this consultative forum would be based on Article 93 in the PCA⁽¹⁾. Involvement of organised civil society should be recognised also in the Common Strategy. The ESC has also in its previous opinions recommended the creation of a consultative forum⁽²⁾.

⁽¹⁾ See paragraph 2.1.

⁽²⁾ Opinion on 'Relations between the European Union and Russia, Ukraine and Belarus' OJ C 102, 24.4.1995, p. 40; Opinion on 'Relations between the European Union and the countries bordering the Baltic Sea' OJ C 73, 9.3.1998, p. 57.; Opinion on 'Northern Dimension: Action Plan for the Northern Dimension in the external and cross-borders policies of the European Union 2000-2003' OJ C 139, 11.5.2001, p. 42-50.

- (c) The EU should initiate actions to enforce public information about and visibility of the EU-Russia partnership. Anchoring the partnership in society would strengthen the basis for alignment of legislation. Public awareness, understanding and debate should be promoted and stimulated at all levels in society in Russia, in the EU Member States and in the candidate countries, as well as in other European countries. Publications, seminars and information campaigns should be initiated. The Member States, the European Parliament, the EU delegations, media and civil society organisations should be engaged in these efforts.

The EU should also improve transparency within the EU, as regards ongoing activities in the EU-Russia cooperation. Information and progress reports from the Summits and the different dialogues should be improved, as well as reports about the programmes and the results of the EU Presidency.

- (d) The ESC welcomes the efforts by Russian authorities to promote dialogue with the civil society organisations and to engage main actors in the preparation, implementation and enforcement of new legislation. Tacis projects should be tailored to support the implementation of the Labour Code, including the improvement of mechanisms for relations locally, sectorally and regionally (both among the actors and between them and the authorities concerned). Further efforts should be made to smoothen Tacis management and the best expertise should be used.

Also Russian civil society organisations should be encouraged, as appropriate, to improve their preparedness to be involved as credible partners. This activity should cover the different regions of the Russian Federation. The

- economic and social actors in the EU and the Member States should be encouraged to assist in this endeavour.
- (e) The Northern dimension of the EU should be purposefully implemented and further developed in the years to come, as it is a useful tool also to improve the EU-Russia relations. The ESC recommends that, in 2002, the EU prepares a follow-up action plan and takes steps to ensure that both the financing and management of the Northern Dimension are better focused and coordinated so that in future the action plan can be implemented more effectively.

The ESC welcomes the recommendation that a high level forum with broad participation from all parts of society should be regularly arranged. Such a forum would ideally be arranged in 2002, as preparation for the Ministerial meeting during the Danish EU-Presidency, as indicated in the conclusions of the European Council in June 2001. The recommendation that appropriate actions to establish regular multilateral contacts between the economic and social actors in the countries concerned is also relevant. The ESC arranged in February 2001 in Umeå a multilateral meeting, in line with the recommendation of the Northern dimension Ministerial meeting in November 1999. A resolution was launched to the Ministerial meeting in Luxembourg. A multilateral meeting would now, ideally, be put into practice in the context of the above-mentioned high-level forum and in co-operation with the Council of Baltic Sea States. The EU may rely on the ESC's contribution in such actions.

- (f) The ESC expresses its preparedness to participate and assist in forthcoming EU actions to achieve a dynamic EU-Russia partnership. Relations between Russian and European civil society organisations should be improved. The ESC would therefore penetrate appropriate ways to create and encourage regular contacts and dialogue with main actors of Russian organised civil society.

Brussels, 20 March 2002.

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