

# Putin Draws Line at Car Concessions

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Speaking at the Magnitogorsk Iron & Steel plant in the Ural Mountains, Prime Minister Vladimir Putin assured workers that Russia will not sacrifice the development of its car industry for WTO membership.

"We're in difficult talks with the European Commission and the United States," Putin said on national television. "But our position here is unwavering. This is the red line that we will not cross because we cannot give up the interests of our producers."

He said the EU and the United States are insisting that Russia drop assembly requirements aimed at boosting local production.

Foreign carmakers operating in Russia are entitled to low import duties for parts if they produce at least 300,000 cars a year and at least 60 percent of parts are produced locally.

Putin's comments were in stark contrast with the optimism expressed by President Dmitry Medvedev in June.

At a summit with the EU, Medvedev said Russia, the largest economy outside the WTO, "is

sick of" 18 years of talks to join the organization and described the remaining differences as insignificant.

At that time, Medvedev and European officials voiced confidence that Russia would join the WTO before the end of the year, and U.S. officials gave similar timelines.

*(Bloomberg, AP)*

Prime Minister Vladimir Putin said Friday in Magnitogorsk that countries' obligations to reduce emissions under the Kyoto Protocol should be equalized instead of allowing developing countries to pollute more without paying fines, Bloomberg reported.

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