

Euro-Zone Aid May Hit \$20Bln

By [The Moscow Times](#)

December 15, 2011



Medvedev updating Rompuy and Barroso on Russia's offer Thursday. **Yves Logghe**

BRUSSELS — President Dmitry Medvedev said Thursday that he expected the euro zone to pull out of a two-year-old debt crisis, as Moscow pledged at least \$10 billion to the region via the International Monetary Fund.

In talks with European Council President Herman Van Rompuy and European Commission President Jose Manuel Barroso to discuss trade, investment and visa issues at an EU-Russia summit, Medvedev struck a cautiously upbeat note on the prospects of the EU overcoming its debilitating debt problems.

“The situation is very difficult ... and we hope that our colleagues will be able to overcome those problems that have built up by now,” he said. “We are almost confident of that, and we have our interest in that, too.”

The EU is Russia's biggest trade partner, with trade totaling \$286 billion between January and September this year. The EU is also the largest consumer of Russian gas.

“Europe has a stake in Russia’s success as I believe Russia has a stake in Europe’s success,” Barroso told a lunch meeting during the summit. “We should strive for a comprehensive and broad agreement with ambitious trade and energy chapters.”

Earlier on Thursday, Kremlin economic aide Arkady Dvorkovich reiterated a pledge by Moscow to provide funds for the euro zone via the IMF, and said the commitment would be at least \$10 billion. He said Russia may consider providing another \$10 billion, as well, Bloomberg reported.

“We are ready to contribute our part via the IMF,” Dvorkovich told reporters. “We are committed to do it. Ten billion dollars is the minimum commitment.”

At an EU summit last week, leaders agreed on tighter fiscal rules under a pact that also includes new funds to and loans from the IMF. They said they would confirm the provision of funds to the IMF of up to 200 billion euros (\$260 billion) in the form of bilateral loans to help it deal with the crisis.

Medvedev praised the launch last month of the first arm of the 1,224-kilometer Nord Stream pipeline from western Siberia to Germany, which will initially handle 27.5 billion cubic meters of gas a year. This is expected to rise to 55 billion cubic meters once a second adjacent pipeline is completed in 2012.

“Our country has made a new step to provide secure supplies of energy resources to European consumers and has bolstered its authority as a reliable partner,” he said.

Disagreements between Russia and Ukraine, a major transit route for its gas, have resulted in supply cuts in the past years, which outraged European clients and tarred Moscow’s image as a trusted and predictable partner.

Medvedev repeated Moscow’s concern about European Union regulations, known as the third energy package, that seek to liberalize the European gas market by barring suppliers from controlling the transport infrastructure used to deliver their gas.

Russia and the EU have agreed to launch practical steps toward visa-free travel, including document security and measures to deal with illegal immigration.

Moscow has long pressured the EU to allow citizens to travel between Russia and the border-free Schengen zone without the need to apply for visas, but several EU member states are reluctant to provide too much free movement to Russian citizens. ☒

(Reuters, Bloomberg)

Original url: <https://www.themoscowtimes.com/2011/12/15/euro-zone-aid-may-hit-20bln-a11456>