

## EU Says Russia Trade Tensions Rising, May Go to WTO

By The Moscow Times

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BRUSSELS — Time is running out for Russia to settle trade disputes with the European Union on everything from pigs to cars, the EU trade chief said on Wednesday, threatening to take Moscow to the World Trade Organization now that Russia is a member of the body.

The European Union says Russia, one of its biggest trade partners, unfairly levies fees on imported vehicles, unreasonably bans EU exports of live animals and makes it costly for the bloc to export hundreds of products, especially wood.

EU Trade Commissioner Karel De Gucht said he saw little willingness in Moscow to overcome EU complaints, setting up a potentially tense EU-Russia summit in Brussels on Dec. 21, which President Vladimir Putin is expected to attend.

"The European Union will not wait forever to reach agreement. And the clock is ticking," De Gucht said in a speech prepared for delivery in Brussels on Wednesday.

"We are most certainly prepared to use all the legal avenues at our disposal, and since Russia's accession, that includes dispute settlement at the WTO," he added.

Russia joined the WTO this year after a 19-year wait, and Putin has said the country would use its membership to develop worldwide trade links.

But he said in November that the country's \$1.9 trillion economy could suffer from WTO entry due to the increase in imports that would result.

Russia's team at the WTO is not fully up and running, something that may be delaying an EU decision to launch a case at the global body.

Ending its trade disputes with Russia would help the European Union, which is hoping exports will revive its economy. Russia already buys 10 percent of EU farm exports.

The European Union — a market of 500 million relatively wealthy consumers — is Russia's biggest trading partner and a big buyer of Russian energy.

The total bilateral trading relationship is worth 340 billion euros (\$445 billion) a year in goods and services, according to the European Commission.

But the two sides regularly argue about energy supplies, market access and human rights, among other issues.

The commission opened an investigation in September into allegations that Gazprom was abusing its dominant position in central and eastern Europe in gas markets.

For its part, Russia may contest EU energy rules at the WTO, in what would be its first formal trade dispute at the global body.

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