

EU Rebuffs Russian Appeal to Delay Ukraine Trade Deal

By [The Moscow Times](#)

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The European Union has sought to reassure Russia that a free-trade pact with Ukraine was not aimed at hurting Moscow but rejected calls to postpone its implementation, offering more talks instead.

In a historic shift away from Russia, Ukraine, Georgia and Moldova last month signed political and free-trade agreements with the EU that have been at the center of months of conflict and hundreds of deaths.

Russia warned of “grave consequences” following the signing of the accords, which undermine Moscow’s ability to create its own trade bloc with the former Soviet states, and has taken what Brussels says are retaliatory steps by blocking Moldovan wine and European meat imports.

In talks in Brussels on Friday aimed at defusing the tensions, Economic Development Minister

Alexei Ulyukayev said that Moscow would have to re-evaluate its customs rules with Ukraine, meaning Kiev could lose preferential access to one of its biggest trade partners.

“I’m afraid that our colleagues do not fully understand the scale of the problem that we will be faced with,” Ulyukayev was quoted as saying by RIA Novosti, adding that the agreement created “risky areas” for Moscow.

He also said the agreement between Ukraine and the EU, which falls short of full EU membership for Kiev but offers deep economic integration and

tariff-free access to the EU’s 500 million consumers, should be postponed.

EU trade chief Karel De Gucht tried to assuage Moscow and in a joint statement with Russia and Ukraine agreed there was an impact on Russian business, acknowledging the free-trade pact “could entail some potential economic risks.”

De Gucht also said Russia would circulate a list of potential concerns by the end of next week and all three sides would meet again in September to discuss the issue further.

Moscow fears Ukraine may

re-export EU products to Russia, avoiding duties that Russia imposes to protect its own output.

Ulyukayev said the EU-Ukraine deal risked “the possibility of displacement of Russian goods on the European market and Ukrainian goods from the Ukrainian market.”

Ukraine’s former pro-Moscow President Viktor Yanukovich turned his back on signing the EU agreement last November in favor of closer ties with Moscow, prompting months of street protests that eventually led to his fleeing the country.

Soon afterwards, Russia annexed Ukraine’s Crimea region, drawing outrage and sanctions from the U.S. and EU, and pro-Russian separatists began an uprising in eastern Ukraine.

In the latest measures, Brussels announced on Saturday the names of 11 pro-Russian Ukrainian separatists — including Ukrainian rebel commander Alexander Borodai — whom it has targeted with asset freezes and travel bans.

The total number of people in Ukraine and Russia hit with EU sanctions is up to 72.

See also: [Kiev Economy Minister Predicts 'Trade War' With Russia](https://www.themoscowtimes.com/2014/07/11/eu-rebuffs-russian-appeal-to-delay-ukraine-trade-deal-a-37242)

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