
Georgia delays Russia's WTO entry talks

By Niko Mchedlishvili and Gleb Bryanski
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Georgia, angry about Moscow's ties with its breakaway regions, moved on Monday to block talks on Russia's entry into the World Trade Organisation.

The chairman of the WTO talks said the negotiations had taken a "great step forward" with the issue of a new document summarising the progress of the long-running negotiations.

But Georgian officials made it clear they would use WTO rules to block further progress on Russia's accession until Moscow reversed a decision earlier this month to step up ties with the two provinces.

"We demand that the order from President (Vladimir) Putin for the government to establish direct links with Abkhazia and South Ossetia, which contradicts WTO rules, be withdrawn," First Deputy Economy Minister Vakhtang Lezhava told Reuters.

Iceland's EU ambassador Stefan Haukur Johannesson, who chairs the accession talks, told Reuters a new version of the report on Russia's trade regime would be issued shortly.

"There was basically agreement to put out the consolidated document with all the sections that we have been working on since the last version of the working party report," he said.

"We will now be putting it out shortly in the coming few days. I think it's a great step forward."

Johannesson said he had convinced all members to issue the new document reflecting the work of the past 3-1/2 years.

However, Deputy Economic Development Minister Tamar Kovziridze, who leads Georgia's delegation in the Geneva talks, told Reuters the document would be a mere compilation of texts without the formal status of a revised report.

And she said Georgia would suspend its bilateral talks with Russia until Putin's order was withdrawn.

"Until the decree is cancelled it will not be possible to resume the bilateral process," she told Reuters.

Under WTO rules, candidate countries have to reach agreement with a working party in which any existing member can take part, as well as agree a bilateral deal with any member that seeks it.

Moscow's support for separatists in Abkhazia and South Ossetia is the most difficult problem in relations between Russia and Georgia, which seeks to join NATO and the European Union.

Tbilisi has condemned as a breach of international law Moscow's decision to establish legal links with the provinces controlled since early 1990s by separatist governments.

In its bilateral talks Georgia is insisting that Russia allow Georgian checkpoints on the Russian border with the two rebel regions. Russia rejects the claim saying it does not fall under the WTO mandate.

Russia has only two bilateral deals -- with Saudi Arabia and Georgia -- left to sign but several issues remain at the multilateral level, including a disagreement with the European Union over raw timber export tariffs.

Russia is the largest country still outside the global trade watchdog, which sets the rules for global commerce and provides a forum for the negotiation of multilateral trade pacts.

Its neighbour Ukraine, with which relations are also often troubled, will become the WTO's 152nd member on May 16, allowing it to take part in the next meeting of the working party on Russia that Johannesson said was planned for around May 26.

That meeting would give members time to review the 400-page consolidated document and decide on the next steps, he said.

The latest version covers non-tariff barriers and health and quarantine measures, and 37 of the 40 chapters are now complete.

But the three remaining sections -- on agriculture, export duties and state trading companies -- are among the most sensitive areas to be negotiated.

Johannesson declined to speculate on whether Russia's entry negotiations could be wrapped up this year.

"A lot of work remains ahead, let us be clear about that," he said.
