



ACCESSION OF RUSSIA TO THE WTO
ORGALIME POSITION PAPER
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Introduction

Orgalime speaks for 31 trade federations representing some 100,000 companies in the mechanical, electrical, electronic and metalworking industries in 21 European countries. These industries employ some 7.6 million people and account for 1200 billion Euro in the GNP and a third of the manufactured exports of the European Union. Our industry has significant exports to Russia which in 2000 were worth 7.5 billion Euro. We are therefore closely following Russia's efforts to become a functional market economy and also the EC's actions on this issue.

Accession of Russia to the WTO

Orgalime welcomes the intention of Russia to join the WTO and its consequent commitment to respect WTO rules. We hope that the ongoing multilateral and bilateral negotiations will result, within a short time frame, in a balanced agreement that can be accepted by all parties involved.

Orgalime's Position

Orgalime is of the opinion that the bilateral negotiation with Russia, conducted by the European Commission on the basis of Article 133 of the Treaty, should focus on the following priorities:

- If a zero rate tariff cannot be achieved for engineering products, at least a reduction of import duties and elimination of peak tariffs should be obtained;
- Consolidation of import duties at a level which is not higher than that currently applied;
- Elimination of restriction of imports: patents, discriminatory internal taxes, and inspections of products should to be abolished quickly;
- Costs for approval and certification need to be brought to reasonable levels and be coherent with the practices already established within the OECD;
- Elimination of exports restrictions (quotas, taxes, transport restrictions, etc.);
- Abolition of subsidies which are incompatible with multilateral rules;
- Continuation of reforms in the customs system;
- Liberalisation of foreign investment;
- Reinforcement of protection of intellectual property rights;
- Liberalisation in the service sector;
- Application of the non-discrimination principle to citizens and foreign companies, including the national treatment (elimination of any discrimination between local and imported products, elimination of obligation imposed by Russian public bodies to incorporate products manufactured in loco..:).

Conclusion

Orgalime hopes that the Commission will take our proposals into account and will be pleased to collaborate for any further question arising from this position.