



THE EUROPEAN INSTITUTE

Russia in a Multipolar World: Implications for Russia-EU-U.S. Relations

A Discussion with:

His Excellency Sergey V. Lavrov
Foreign Minister of the Russian Federation

Moderated by:

Joëlle Attinger
President, The European Institute

Dr. John Hamre
President and CEO, Center for Strategic and International Studies

July 12, 2011
Embassy of the Russian Federation
Washington, D.C.

*Transcript by Federal
News Service
Washington, D.C.*

SERGEY LAVROV: Thank you very much for introducing me, and since I'm not going to deliver a speech but rather to say a few productive remarks and then to engage in some interactive discussion. If you don't mind, I will stay here. Thank you to everyone who came to this event which was very kindly organized by Ambassador Sergey Kisiyak. And ladies and gentlemen, it's an honor to be able to talk to you this morning.

The time I think is very right for frank discussions. The world is, without exaggeration, is at the turning point of history; a new system of international relations, a new system of managing the world affairs is emerging.

The best manifestation of this is the activity of G-20, which reflects the objective trend of a polycentric world being shaped in front of our eyes when more countries with economic and financial power and with political influence, which comes with it, become active in international economy, international finances and in international politics.

And certainly the nature of the challenges and threats we all face demands coherent, coordinated, collective action because to think otherwise and to think and act in ideological stereotypes of the 19th and 20th century, I think, would be a huge mistake.

And of course another sign of the modern times is the democratization. Democracy is required, is demanded by people in the Middle East and North Africa and elsewhere. Democracy and the rule of law become the order of the day. But I would very specifically emphasize the need to respect democracy and the rule of law not only domestically but internationally as well.

So what is the place for Europe, the United States and Russian Federation in this environment? I think it is important to point there on what our role of the three pillars and three branches of European civilization would be today and tomorrow.

I think for us to be – for the European civilization which was spread by the Americans – I mean, by those who emigrated to America westward and was spread by the Russians over centuries eastward, thus creating this famous space from Vancouver to Vladivostok, I think it's in our best interest to make sure that we are competitive in the modern world, in the modern polycentric world.

And from this point of view, we have to be united. We have to join resources and join our intellectual, inventive, creative capacity. And I think this is – this understanding is getting through, not without problems because old habits die hard.

But still in Europe today, we witness that confrontational approaches give way to more cooperative stance, and more and more countries realize that it is in our – in our best common interest to resolve the issues in Europe so that Europe is united, so that Europe doesn't have any dividing lines – which are of course heritage of the Cold War – and so that Europe feels one piece. Europe – I use this term to refer to Euro-Atlantic community.

After the Lisbon Summit of the NATO-Russia Council, after the OSCE summit in Astana last year, very right words were pronounced by the leaders: indivisibility of security, strategic partnership – that was the motion in Lisbon. The goal of building strategic partnership between NATO and Russia was endorsed by the leaders.

They also said that they want to see the Euro-Atlantic space based on indivisibility of security, predictability and transparency, mutual respect, taking into account the interest of each other.

So it seems like everything has been agreed and that exactly this movement towards unity has been endorsed. And some people ask, what do you Russians need, what else do you need? We believe that what we all need, not only Russia, we need to make sure that these principles are really implemented in practice. Call it legally binding, or call it anything else. Those very lofty words must be translated into practical deeds.

And you might recall that three years ago President Medvedev suggested that we all consider concluding a treaty – a European, Euro-Atlantic security treaty – which would codify the principle of the indivisibility of security, the principle that no country should increase its own security at the expense of security of others. Those are quotations from many documents endorsed in the '90s by NATO-Russia Council, by OSCE.

But the principle of indivisibility of security was never indeed made legally binding. But it is not just for the sake of making it legally binding that we talk about it. This principle was not applied in practical life. And I mean quite a lot of things which might controvert the declared principles, including expanding NATO, then there was a treaty – (inaudible) – including the violation of the commitment not to deploy military infrastructure in the territory of new NATO members and so on and so forth. Those were commitments not carried out.

Therefore we believe that something must be done for us to make sure that whenever we strike a deal, we implement it. This is a very old Russian tradition, when Russian salesmen in the 15th and 16th century just shook hands. This was considered sacred. So maybe we are overly idealistic, but we still hope that people would keep their word.

So what can we do now, and what is the answer to the query, why do we need this treaty and what in practical terms this would mean? Fortunately or unfortunately, the answer is readily available, and the answer relates to the missile defense situation.

The discussions on missile defense started in July 2009 when President Obama visited Moscow, and together with President Medvedev they endorsed a statement saying that they would like to have a joint coherent effort on missile defense, starting with common analysis of the threats and challenges, then developing common responses and then implementing those responses, if God forbid there would be a need for those.

And there have been continued discussions between the American and Russian experts. There have been continued discussions in the NATO-Russia Council. But so far those discussions did not materialize in some agreement. But parallel with those discussions, sites on

the ground have been created on the basis of the American desire for missile defense, the well-known phrase “adaptive approach.”

And you know our analysis of that approach. We do believe that the – (inaudible) – of this period designated for the four phases, and no understanding as that there would be no further phases; but at the end of the announced period of four phases, the military infrastructure of this project would create risks for the Russian strategic arsenals.

And it's not a matter of who is going to attack whom. We are not aiming missiles. So in Lisbon, very bluntly we said that we are partners. But it's just a matter of military planners who are paid, you know, for making sure that whenever something which can fire is next to your border, you must take some compensating measures, as it were.

So missile defense situation is the crux of the matter of indivisibility of security. This is the material manifestation of what we mean, among other things. There might be other material manifestations, but this one is just being formed, being shaped at this very moment. So and this remains, I think, the single irritator of considerable importance in Russian-American relations to which I'll come to in a couple of minutes.

So we believe that what was agreed in Lisbon should be implemented. And the absolutely indispensable thing is to – after we have said that we are partners, to say the next thing and to make sure that whatever we do in missile defense or in anything else is not – I mean, in the military, in the military area – is not targeted against any of the participants of the Euro-Atlantic community.

And that's what we suggested to our colleagues in Washington and in Brussels and we continue to discuss this proposal. So I believe that on this dialogue, on things related not only to security but to the economy as well, and this troika format – U.S., Europe and Russia – will bring us a long way to this goal of Europe without any dividing lines, Europe without zones with different level of security, and Europe of common prosperity, I hope.

A house divided against itself cannot stand. That very famous ancient wisdom was quoted by then president-to-be Abraham Lincoln in 1858. I think it's very much relevant to the modern Europe.

We do have some experience in introducing the troika format in practical activities. The dialogue between the foreign policy planning departments is being held at the level of foreign ministries – I mean, the State Department, Russian foreign ministry and European foreign service.

But we need to do more. We need to embrace additional areas of cooperation, not just comparing views on how we proceed in the modern world. Of course we are not planning, you know, to enter as a member of what is called the Western community. Probably we are too big for this, to become part of any agreed forum which is existing in the Euro-Atlantic area and which is associated with the Western world.

But we are the biggest partners of NATO and also of the European Union. So we should not be really obsessed with formalities, formal membership. We should concentrate on practical

areas where the potentials of the three participants could be very useful if brought together to make us more – I would emphasize this once again – more competitive in today very competitive world.

And it relates to economy, it relates to developing new technologies, it relates to our ability to react properly and rightly to the unpredictable situations like the ones we're witnessing in the Middle East and North Africa. Otherwise, time itself and history itself would overtake us.

My last point is the Russian-American relations. I alluded to them already. True, there have been ups and downs. We are on the up stage now but even the up stages are not without bumps.

I alluded to one of them being missile defense. We do hope that we can overcome it and will be, as Russia, doing anything we can to achieve a fairer view which would be based on equality, respect of the interest of each other and the respect for the security concerns of each other.

We have achieved a lot: the START treaty, the 123 Agreement, the creation and very active functioning of the presidential commission with 20 working groups; the two groups were lately added on innovations and on the legal issues. These began to cooperate more actively in such forums as APEC, G-8, G-20, the United Nations, in spite of the fact that on some things in the U.N. we disagree, only to mention the Resolution 1973 on Libya.

But we should not be complacent with what we have achieved. I think we must put new ambitious goals in front of the two countries, the goals which would not ignore the interests of Europe. And there are no such goals, I believe, which would – in the Russian-American context which would be detrimental to the European security and European development.

Our immediate task is to finalize the very protracted and infamous WTO accession. We are sick and tired of new – (inaudible) – demands and I think we are closing a moment – nearing a moment of truth, and it would be very unfortunate if the truth would be negative rather than positive.

I mentioned missile defense which we have to resolve if we are responsible members of the international community. But we also have to put in front of us the goals which will be immediately felt by our citizens, and I would just mention the agreement between the two presidents when they met in the margins of the G-8 summit in Deauville to start working on an agreement on visa facilitation, which is ready and which we will sign very soon.

It will provide for businessmen and tourists to get multiple visas for three years and for the officials of the two governments to get one-year multiple visas. Besides, when Vice President Biden visited Moscow last spring, the goal of visa-free regime was put forward by the Russian leadership, and President Biden said it's a good idea. And I think he wasn't joking. Only two years ago, such thing would be unthinkable. But I'm not saying that we will move to visa-free regime tomorrow.

But this is a realistic goal. It will take time, like it takes time to move to visa-free regime between Russia and the European Union. With Israel, we reached visa-free arrangement much,

much faster than with Europe. I hope the similar arrangement with the United States would take not longer than the European-Russian deal but much less time.

And of course we finalized the very important agreement on adoption, on cooperation on the issues of adoption. It's a good agreement. It's an agreement which is equal, which provides for instruments to monitor the fate of the adopted kids. And it prohibits adoption by individuals independently. A certified U.S. competent program would be involved and would be responsible for the decisions taken on adoption of Russian kids.

I think I stop here – one last thing probably. When I say we need to do more which would be immediately felt by our citizens, this of course relates to Europeans as well, to the American, to the Russians. And if we are guided by this, I think we would achieve much more compared to a situation when we make the potential useful mutually beneficial agreements hostage to domestic political situations. Thank you very much.

JOËLLE ATTINGER: Thank you, Minister Lavrov. One of the really seismic events that has great effect on Europe, the United States and on Russia has been the Arab awakening. And there have been differences in policy and in approaches both in terms of Libya and continuing certainly on Syria. I wonder if you could address opportunities that you see for closer troika cooperation in resolving of the situation in Libya and in Syria.

MR. LAVROV: Well, I think it's a very good question, and when Europe, the United States and Russia together – when we also bring China to a proper position and if the three are together, China would almost always would be very much eager to join the club. And this isn't - because this format with China in it includes all five permanent members of the Security Council.

And whether we like it or not, but this China provision is still very, very important for the international community. Yes, sometimes people blame the P-5 for either not doing anything or doing too much or either imposing reforms or blocking the reforms.

But this is the cornerstone of the United Nations which made itself successful compared to the League of Nations which didn't have the mechanism of the permanent members, and that's why the Americans left. And that was, you know, a very bad thing for Europe after all.

So the key to the success is for all of us to start by developing a common position. It's the same as with missile defense, as with anything else. When we agonizingly, painfully negotiated for almost half a year the last resolution of the round, we reached consensus in the P-5, including consensus between the European Union, the United States and the Russian Federation.

The resolution was adopted. Immediately after this, the United States and the European Union and some other countries introduced unilateral sanctions in addition to the United Nations sanctions, and whatever was not possible for them to negotiate in the Security Council, they just added, you know, à la carte, individually.

I think this is the wrong approach because we have been hearing the appeals to ask to the Chinese we have to be together. We have to show our unity and solidarity. That doesn't mean that you cannot detract from the agreed product but you can add to that agreed product in this product of sanctions. I don't think so; not to mention that many American sanctions are extraterritorial, targeting, among others, the European and Russian companies.

And the Europeans – the last time the round was topic in the United Nations, end of the '90s, I think. I think the European Union negotiated with Washington a deal whereby the European companies would be exempt from the unilateral American sanctions if respective companies abide by the Security Council resolutions but do not necessarily feed into the American legislation – (inaudible).

But we still cannot – cannot get there, though quite a number of undeserved sanctions on the Russian companies have been removed during the last year and I pay tribute to the administration which understood the importance of moving in this direction.

So when the Libyan situation evolved or rather erupted, we all joined consensus on Resolution 1970 declaring total arms embargo, declaring the goal of immediate cessation of hostilities and beginning of the political process. And Russia voted without any hesitation because we condemned, together with all others, what Gadhafi was doing, using heavy arms and airplanes against his own people.

The resolution didn't help. Gadhafi continued to do what he was doing. Then the Arab League requested to – requested from the Security Council to declare the air space – the Libyan air space a no-fly zone and we supported this goal because, as I said, it's absolutely unacceptable to use air force against citizens.

And then the resolution was negotiated with this goal as its centerpiece. The only problem we had with that resolution was the paragraph saying that anyone can do anything to ensure the goals of the resolutions being implemented – that the goals of the resolution are implemented.

We wanted, together with China, Germany, India, South Africa – we wanted to specify who is going to volunteer to deliver this no-fly zone resolution, what would be the rules of engagement and what would be the limits of the use of force.

I think it was a very fair question. It was ignored, and the draft resolution which we introduced demanding under Chapter 7 immediate cease-fire was also not supported.

So we didn't have any other choice but to abstain unfortunately because had we had the co-sponsors, given a bit more time to negotiate, not a carte blanche to anyone to do anything but to negotiate the means necessary to ensure the no-fly zone regime, it could have been a consensual resolution as 1970.

Now Syria, it's a different story for many reasons. And I would not – I wouldn't really go on explaining why if only for the importance Syria plays in the region and the connections with

so many regional aspects which are very important. Before even suggesting that the Security Council should do something, the United States and the European Union introduced the unilateral sanctions at once.

So – and then they said, well, we need to do something in the Security Council. There was a European resolution – The French, British resolution – draft resolution, which basically said that the entire situation in Syria is because Assad doesn't want to do anything. The opposition is fine and Assad must, must, must.

On the basis of the information we have heard from our embassy, from other sources, we knew that this is not entirely true. The opposition was not entirely peaceful. Among peaceful demonstrators, who of course predominant, there were people who were armed and who were provoking violence.

So we suggested that the international community in the form which was acceptable to everyone should address both parties and should tell Assad, well, we heard you promised yourself reform. This is right. But you must implement those reforms in practice faster. That's exactly what President Medvedev told President Assad during the several phone conversations during the last couple of months.

But we also have to tell the opposition, you should not provoke violence. You should not resort to violence yourself. You should not count on the reputation of the Libyan scenario and you should not ignore the proposals for dialogue, the proposals for discussions of reforms coming from the government.

What was already done by President Assad was the removal of emergency law, which had existed for decades in Syria. Two amnesties was announced – were announced. The national dialogue was proposed, and I think started yesterday and it continues today, or rather it should have finished yesterday, I think.

Maybe they continue. And it's good that considerable number of opposition forces, parties came to that dialogue. The president of Syria proposed set of legal reforms, including constitutional reform, including electoral reform, reform of the legislation on the media. This should not be rejected.

This should be engaged because we have seen only too often the prevalence of the logic of isolation over the logic of engagement, be it in Iran, be it in Syria in the past when Syria was isolated from the mainstream of the Arab community. We've seen Hamas having been isolated after it won free and fair democratic elections.

We have seen the attempts to isolate Hezbollah in Lebanon which brought nothing good to this country. So as a matter of principle, we are against isolation. We are for engagement. At the end of the day, the Iranian issue can only be resolved through engagement and that's what the 3-plus-3 group reiterated a month ago in its statement that we need an approach which is based on a step-by-step logic and reciprocal logic.

So I think that we should act on Syria no less responsibly as we all act on Yemen. No one is pulling Yemen, you know, into the Security Council. By the way, no one lifted a finger when the presidential office was shelled by the rebels in Yemen, as the president almost being killed and with the top government officials and parliament officials who had been on the premises also wounded severely.

No one condemned this – I mean, in the Security Council. Individually several countries did. But now in Yemen, the United States, Europe, Russia, the U.N., the Gulf Cooperation Council – everyone is saying, well, you must sit down and talk to each other, you must discuss this road map.

I think the Syrian situation is absolutely deserving the same treatment. Even in Libya, things are moving in the same direction after the failure of the reliance on military solution alone.

JOHN HAMRE: Foreign Minister, you came to Washington as part of the Quartet meeting. I'm told it was a difficult session yesterday. Would you be willing to share some of your perceptions on this and how you see this unfolding?

MR. LAVROV: Well, I wouldn't say it was a difficult session. First, the wine was very good. (Laughter.) And there was no disagreement on the matters of principle. The fact that we didn't produce a statement doesn't mean we disagreed and just abandoned the effort.

Our experts continue to discuss it and they would take some time – (inaudible). But we have the same desire. This is the predominant desire to see Palestinians and Israelis returning to the negotiating table and beginning to talk, to talk substance. Yes, starting as it were with the borders and security, but very clearly spelling out that Jerusalem, refugees, border and other final status issues would be discussed in the context of the eventual comprehensive deal.

And we know what Israel thinks. We know what Palestine thinks. And I don't believe the gap in the oppositions is really insurmountable. At least we as the Quartet, which is accepted as mediating by the parties, by the United Nations, by the international community in general, could produce a position which would basically achieve the following things.

First, it must not deviate from the existing broadly accepted, universally accepted legal basis in the form of Security Council previous resolutions and in the form of the Arab League initiative, the Madrid principles, the road map. This is the foundation. And two, the position to be presented by the Quartet, we hope very soon, should reflect the specific demands by each of the parties.

Everyone says, sit down and talk about your conditions. Israel believes that Palestinian insistence on the settlement freeze is a precondition. Palestinians believe that when Israel says, we will discuss without any conditions but your state would be demilitarized, we would protect your airspace and we would protect your borders and we will keep our military in the Jordan River Valley. The Palestinians say, that's something from somebody who says no preconditions.

So but we understand how crucial security is for Israel. We also understand how crucial a statehood is for the Palestinians. And the exercise yesterday was not intended, you know, to hectically produce something which could be used to tell the Palestinians, you see you have this from us, you shouldn't go to the United Nations, there is no need to go to the United Nations. I wouldn't support this. It's their country. It's their right.

But of course we talked to the Palestinians, to Fatah, to Hamas. End of May, all Palestinian factions after the deal in Cairo on the reestablishing of the Palestinian state, came to Moscow and met with them. They all say, we want negotiations. We want 1967 borders, including Hamas, which means – which implies the recognition of Israel, recognition of Israel's right to exist.

We should not ignore these things. We should not continue the logic of isolation. We should not be maximalistically, you know, demanding. The quarter criteria must be adopted tonight before anything else happens. They are moving towards these criteria. They have accepted the Palestinian Union on the basis of the platform of the Palestinian Liberation Organization, which recognizes Israel.

So I think it's the famous problem of the glass half-full or the glass half-empty. But it is not just – (inaudible) – terminology. It's an issue of crucial importance, and we must not neglect even the minimal progress in the right direction. So I am – and we received a member of the Fatah leadership a few days ago, Nabil Shaath, in Moscow who confirmed very strongly that the U.N. exercise is not going to be the substitution for negotiations.

So it all depends on what you say in the resolution which you want to adopt. But in a nutshell, we agreed tomorrow that we see things very closely, that we all believe that what President Obama said on May 19th is a basic statement from the United States and that it should be incorporated in the common position with the language to be fine-tuned with the participation of the European Union, the United Nations and Russia.

MS. ATTINGER: One issue that certainly has been of great conversation here has been Russia's accession to the WTO. And certainly the American administration is supportive, as is the European Union. However, there are some real hang-ups with regard to the U.S. and the U.S. Congress, particularly Jackson-Vanik. Would you speak a bit to what Russia can do moving ahead assuming that America cannot in fact back WTO accession?

MR. LAVROV: Cannot back?

MS. ATTINGER: No, can back it but cannot ratify compliance.

MR. LAVROV: Well, if the United States would not ratify – I mean, if Jackson-Vanik is legal, the Americans cannot enjoy the regime which Russia will provide to other members of WTO when they enter the Russian market. That's done.

MS. ATTINGER: Absolutely. So it's their loss.

MR. LAVROV: Well, I think so, and they know it. But I mentioned WTO's thinking in my introductory remarks. We are very pleased. We thought we were close a year ago, last September actually. Before that in 2006 we signed with the Bush administration the final deal bilaterally only to see it re-signed last September.

New and new things are popping up and popping up, and the same is true with the European Union position. We finalized our bilateral negotiations with the EU back in 2004. That was one of the events. When I became minister there was a Russia-EU summit in Moscow, and it was crowned by deal on WTO only to see the re-signing last year, I think.

So if, again, our partners would – I understand that this is an important thing because it's about money. It's about access. It's about your producers. And negotiations are very tough, maybe tougher than on the START treaty, you know – (laughter) – because everyone understands that there would be – there would be some commercial, some financial consequences.

But when our minister of economy and development was here a few days ago, they negotiated with their American counterparts and almost everything is closed. Now it's about pork – pork meat, and some of the partners with whom she negotiated even used the expression, you are 20,000 tons of pork meat away from WTO. (Laughter.) So it's – yeah, it's really funny.

MR. HAMRE: I think we should turn – turn to the audience. First, I made the mistake – I failed to recognize the ambassador from Italy. Thank you for coming today. Colleagues, I think – are we going to pass microphones or are we going to – people up – OK, so signal if you have a question. Why don't you come up to the microphone – questions, no statements. I'll cut you off if I start hearing – OK?

Q: Thank you. My name is David Nikuradze. I represent Georgian television station Rustavi in Washington, D.C. I would like to follow up on WTO. There was a third round of negotiations in Switzerland a couple of days ago where Georgia demanded international monitoring on trade. What is Russia's position, and do you believe that this issue will be resolved with Georgia? Thank you, sir.

MR. LAVROV: Well, if we all concentrate on WTO rules and do not go beyond those rules into some politics, yes. It's very much doable, and we responded positively to the Swiss proposal to mediate those Russian-Georgian discussions to finalize the WTO issues. And the Swiss produced a paper for the Georgians and us to consider.

I think the paper is logical and conceptually it's right because it does not deviate from WTO agenda problem. The customs control on the Russian borders can be transparent. This is what the Swiss suggested. And this transparency can be ensured the way which satisfies everyone. I don't want to go into the details. But yes, if politics don't interfere, it's not very difficult to do.

MR. HAMRE: Could I ask people to turn off their cell phones? I mean, put it on silent- stun, OK? Bill Nitze, and then please just walk up to the microphones, will you? I think it's probably going to be easier that way.

Q: Mr. Foreign Minister, Bill Nitze. I'm a small businessman. I used to work on Arctic issues in my role at the EPA. And I'd appreciate your perspective on – or the Russian perspective on the proper international regime for development of the Arctic with particular reference to sustainable development of natural resources, freedom of navigation for commercial vessels and avoidance of military conflict, particularly regarding submarine forces of the various countries.

Perhaps you could also comment on the Arctic Council and the Law of the Sea Convention. Thank you.

MR. LAVROV: Well, actually you answered your own question. The international regime for the Arctic exists. This is the International Law of the Sea Convention. This was very unambiguously stated by the Arctic Five, the five coastal states – Russia, U.S., Canada, Norway and Denmark – when we met at the ministerial level in Greenland in May 2008 and produced the Nuuk Declaration of the Arctic Five.

This was very strongly reiterated by the Arctic Council – at eight members already. We don't see any problem in the Arctic which could not be resolved through the existing mechanisms and on the basis of the existing international law in the form of the International Law of the Sea Convention.

The proof of this – if anyone needed the proof – was the negotiation – I mean, the conclusion and ratification of the Russian-Norwegian treaty on the limitation in the Barents and the North Sea. And that's basically it.

Sustainable development of natural resources is first of all the responsibility of the Arctic states. We don't avoid cooperation with countries who are not members of the Arctic Council. And only last May, a month – two months ago in Nuuk, the Arctic Council met and adopted the rules of the game as far as the non-members' participation in various projects is concerned.

This – I mean, the criteria to become an observer has been – have been spelled out in so many details, and observers can easily participate in development of natural resources. They can enjoy the freedom of navigation, including, you know, to bring – to ship oil and gas through the northern sea route.

Observers can of course participate in research – scientific research and other activities. We don't see any problem in the Arctic which would require a military solution and this is the position of the Arctic Council members. So it's really about cooperation.

MR. HAMRE: Thank you. Next question, please. Please identify yourself.

Q: Arshad Mohammed with Reuters. Minister Lavrov, on Iran, after the Iranians' unwillingness to take up the Tehran research reactor proposal and after the lack of success in the round of talks in Istanbul, could you sketch out for us what kind of a diplomatic initiative, what kind of engagement you think is likely to draw the Iranians into a serious discussion about their uranium enrichment program?

MR. LAVROV: Well, first on the Tehran research reactor, it's not a substitute for the solution of the Iranian nuclear issue. But it's an important thing which if resolved would serve as a very important confidence-building measure.

President Medvedev together with president of Kazakhstan met with President Ahmadinejad on June 15th in Astana in the margins of the Shanghai Cooperation Organization summit, and we sensed the readiness of the Iranian leadership to resume negotiations, including on the Tehran research reactor.

Again, you know, it's about engagement and it's about negotiators to be guided not by the wrongly understood prestige considerations but by the substance. And the substance is very important. And we need not to say, well, we'll wait until they blink. We have to be more creative and more inventive.

On the Iranian nuclear issue in general, which also fits into the approach I described, secretary of the Iranian security council, Mr. Jalili, some time ago addressed a letter to Cathy Ashton, the high representative of the European Union, suggesting that Iran is ready for resumption of negotiations but not mentioning among the subjects the Iranian nuclear issue itself which is of course not what we all need.

But Cathy Ashton sent a reply to him on behalf of the 3-plus-3 group which said, yes, we are ready to negotiate, and she explained that everything would be on the table, including of course the most important thing for us, the Iranian nuclear issue.

But the Iranians – they must know whether the negotiations are just to resolve the questions which are still remaining with International Atomic Energy Agency, and if this is the case, whether the 3-plus-3 will deliver on our previous commitment that you resolve all the problems, you restore the confidence in the entirely peaceful nature of your nuclear program and you will be a normal non-nuclear member of NPT enjoying all the rights.

If you fulfill all your obligations, you will enjoy all the rights which include the right to enrichment. Let's be frank about this.

But the Iranians keep asking questions, whether the Western participants of the 3-plus-3 really – are really sincere and whether they are not having a different agenda which is not limited to nonproliferation tasks but is about, you know, isolation of the regime and then eventually the regime change, if not the use of force which was mentioned so many times by so many people in two or three countries.

We have been trying to make sure that some sort of a road map to implement the 3-plus-3 proposals delivered to Iran a couple of years ago is discussed. In last November, we suggested to our 3-plus-3 partners a non-paper describing the approach which would be – could be – could be described as an action for action.

Iran makes a step towards implementing the requirements of IAEA and we do something in return – lowering the – to make the pressure of sanctions lower. Then Iran makes another step which IAEA wants it to make and we respond in kind again. It's being considered now. It's taking some time but most of our partners including Europeans and the Americans promise to look into it and to see how we can use it.

MR. HAMRE: Next question, please.

Q: Morning. Maciej Pisarski– Polish DCM. Here, I would like to thank Mr. Minister for a very interesting presentation and since this even has a strong European touch, let me ask a question about Russia-EU relations.

Poland is holding an EU presidency these days and we certainly hope very much that during this presidency, a new framework of cooperation between Russia and the European Union would be established, and more specifically, we would welcome any actions – moves towards signing a new partnership and cooperation agreement with Russia, also developing the holistic EU-Russia partnership for modernization project. And also we would like to see progress in the Polish-Russian initiative to include the whole Kaliningrad region in the framework of facilitated travel restrictions under the small border movement.

MR. HAMRE: We need a question.

Q: So I would like to ask Mr. Minister, how do you see the prospects for achieving progress in these – in this field? Thank you very much.

MR. LAVROV: Well, we certainly – we certainly have high expectations with the Polish presidency. We have been talking to my colleague and friend, Radek Sikorski, a lot during the first half of this year on bilateral issues, but also on Russia-EU cooperation. As you know, we have been in agreement with Poland for quite some time on the small-border travel between Kaliningrad area and the adjacent areas of Poland. After very huge efforts, we managed to persuade the commission in Brussels that the entire Kaliningrad region should be included in the small-border travel scheme.

And now, we are helping you to persuade Brussels to agree that the comparable area of Poland, including Gdańsk, would be covered by this deal. I think we will succeed, and I think

we must succeed under the Polish presidency. We also hope that another neighboring state, Lithuania, will also accept the same scheme on the same principle. And if Russian-Polish deal will be endorsed, that will create precedent, not for everything else but for Kaliningrad area only because of its unique geographic location.

On the new basic treaty, we have been progressing very well, but now we are stuck because the EU side wants to have the chapter on trade and economic cooperation and investment to be spelled out in so many details. We believe that all this would be – (chuckles) – known and would be clear after we become WTO members, and that at this stage, we can really have a framework agreement on – as far – as far as trade and economy and investments go.

And then, after we know on what specific and exact conditions we join the WTO, it would not be too difficult to have a separate, additional agreement between Russia and EU spelling out the WTO regime, but also adding more concessional treatment because we agreed already with Brussels that we would have a more liberal trade and investment regime between Russia and EU compared to what we will get under WTO. Of course, this also involves the customs union between Russia, Belarus and Kazakhstan, so it's not very easy.

But for this reason, I believe that it is important to make this new basic agreement legally binding by the framework agreement, to be addition by several detailed, elaborate agreements after the – (inaudible) – is adopted.

And we also – the partnership for – (inaudible) – is a very promising project. Not only we have signed the deal between Russia and EU, but also more than half of the EU members signed bilateral deals with us on modernization, in developing, you know, practical terms of the framework agreement between Moscow and Brussels.

On visa, visa-free regime negotiations are progressing. We are now finalizing discussions on an exhaustive list of steps to be taken by Moscow and by Brussels and EU member states, and when these steps would be – will have been taken, the visa-free agreement would be signed. And they just met for another round yesterday, and the agreement, as they report it, is 99-percent ready on this list of necessary steps.

And of course, we want a crisis-management agreement with the European Union. It's also in a very advanced stage of negotiations; EU just signed a crisis-management agreement with the United States. We cannot just copy it because we have some specific features, including geography, and so on. But I hope under Polish presidency, it will be – would be really possible.

The only thing which I am sorry about is that after the Lisbon treaty, all summits in EU are held not in the presidency capital, but in Brussels. (Laughter.)

MR. HAMRE: OK, I've got three colleagues to question, so I'm going to ask you to each ask a question in order, and I'm going to put the burden on you to keep track of the questions, Foreign Minister, and then we'll wrap up. Because we're supposed to get out of here by 10:00.

Next question, please. Identify yourself.

Q: Thank you. I'm Katie Fox; I'm from the National Democratic Institute, which is a nongovernmental organization. I wanted to ask Minister Lavrov, at the beginning of your remarks, you said that one of the very important things in today's world is democracy and the rule of law, and you stressed that you meant internationally as well as domestically. Could you expand on what you meant by that?

Q: Joe Fitchett from the European Institute. Minister, thank you for your very forthcoming presentation. I'm wondering if you would elaborate a little bit, coming out of the Russia-NATO council, on the question of missile defense: Do you think the way forward is in technical fields, or is there something in the form of consultation and reassurances that could open the way to progress on a timetable that maybe you'll give us a hint about – or expectations? Thank you.

MR. HAMRE: OK, and our last question, please.

Q: Hello, Minister, my name is Thomas de Santipolite. I am from France 24 TV channel. Yesterday's Quartet meeting was the latest – the last high-level meeting before the vote in September at the U.N. What do you think will be the consequences of the vote at the U.N. on the Palestinian state, and what might be the result of the vote according to you?

MR. LAVROV: OK, on democracy and the rule of law, I think – I think it's obvious that if we all want each and every country to be based on the principles of democracy and on the basis of the rule of law, we should not forget our obligations internationally. Democracy and international relations means, you know, the principle embodied and enshrined in the U.N. charter – one country, one vote. It's called sovereign equality of states.

And the rule of law means that international obligations must be – must be respected, and must take preference over the national legislation. And this is not always the case. And this is wrong.

And NATO-Russia council and missile defense, you know, that's the position of our Western partners in NATO-Russia, just like it's the position of U.S. negotiators in our bilateral dealings. It cannot be to the detriment of the Russian security. You have a potential which would not be, you know, compromised by the design we have. So don't have any suspicions; start practical, technical cooperation with us, and you will see for yourselves that this is not against – (inaudible).

Our response – (chuckles) – is very simple: First, we agreed, both with the United States in 2009 and with NATO-Russia participants in 2010, to start by joint, common analysis of the situation, and then on the basis of that analysis to move forward to decide on the concept and architecture of the European missile defense system. Because it's after the agreement on how we perceive threats that we will be able to discuss geography of location of those military means necessary to intercept potential missiles flying in the direction of Europe, and so on.

So to – they're not even giving us a benefit of the doubt as far as our intellectual, analytical capacity is concerned. So this is not really what common work means. (Inaudible) – no, no, no. We can discuss it with you; yes, we agree to discuss it with you, but this is something which we already decide. So why not you just sit down and calm down and start cooperating with us? We cannot start this practical cooperation until we have an agreement, a consensus, on the concept and architecture of the – of the missile defense.

We want the legally binding, firm, guaranty assurances, whatever you call it, that the missile defense project in Europe – and elsewhere, actually, for that purpose – should not create any threats and risks for the strategic stability which is based on strategic parity. We also want to discuss jointly the criteria which would, you know, be applied to make sure that the declared goal of the missile defense is really respected and followed, and the declared goal being to address potential threats coming from outside the Euro-Atlantic region. And those criteria should be geographical, should be military-technical; military people know how to discuss these things.

Lastly, on the Quartet, I don't think the Quartet yesterday was the last high-level meeting, if only because we would all be in New York for the general assembly, and that should have time to consult again.

I didn't mention it when I was touching upon the Quartet answering the previous question: It's a pity that, you know, we convened so late because Russia has been proposing to have the ministerial meeting of the Quartet in March, and everyone was considering, and then it wasn't possible for one member of the Quartet – the same thing happened in April. It's good that we met yesterday. And we still have, you know, some things to be finalized. And our experts, as I said, are working on that, and then they would report to us.

And the second thing which I think we should have done is to invite the League of Arab States to the Quartet meetings in the person of its secretary-general. It's a very experienced diplomat. Amr Moussa is now a presidential candidate in Egypt, but Nabil el-Araby, who was my colleague in New York some 10 years ago, and then he was the member of International Court of Justice, he is now the secretary-general. And we wanted to invite him because it's very important to have the Arab input in all this exercise – which should also be, by the way, more democratic internationally, especially since the Palestinians have brought their previous position last year when they agreed to come back to – (inaudible) – to come back to negotiations. They've held these positions – held this position endorsed by the Arab League, and they would certainly consult the Arab League now.

So it would only be helpful for the search of the practical solutions if we cooperate closely with the Arab League, especially since some time ago the Quartet agreed in principle that we should do such meetings.

MR. HAMRE: We've come to the hour, ladies and gentleman. This has been what I expected – I mean, a professional, thorough, candid and challenging morning. And I'm grateful for it. Let's welcome and thank the foreign minister for his time.

