

MEMORANDUM OF UNDERSTANDING FOR ESTABLISHING A DIALOGUE ON REGIONAL POLICY BETWEEN THE MINISTRY OF REGIONAL DEVELOPMENT OF THE RUSSIAN FEDERATION AND THE EUROPEAN COMMISSION

1. PRINCIPLES

The cooperation between the Russian Federation and the European Union is strengthening and deepening. Questions regarding regional and territorial development become ever more important, not only because the European Union and the Russian Federation share common borders but also because both cover territories of a continental scale which leads to similar large-scale problems. It is natural that such problems should be studied and solved by joint efforts and within a specified contractual framework.

The continental scale of our territories calls for cooperation on territorial development policies in a much wider scope than cross-border cooperation. When pursuing joint activities in the area of regional and territorial development it is therefore important at the same time to distinguish cross-border cooperation from regional cooperation on thematic issues of large territorial relevance and importance that are topical for both Russian and EU regional policies.

Recognising that the joint objective of the Common Economic Space is the creation of an open and free market between the EU and Russia, including the widening of trade and investment and development of reforms and the competitiveness of the Russian and EU economies based on the principles of non-discrimination, transparency and good governance, the Ministry of Regional Development of the Russian Federation and the European Commission have agreed to establish a Dialogue on Regional Policy, according to the following principles:

- The dialogue will promote mutual understanding and enhance bilateral co-operation and the exchange of information on regional policy;
- The dialogue will take place on the basis of Article 73 of the Partnership and Co-operation Agreement and contribute to the broader efforts undertaken by the European Union and the Russian Federation with the aim of implementing the Roadmap on a Common Economic Space, approved during the EU-Russia Summit in Moscow in May 2005, item 1.7. 'Inter-regional and cross border cooperation';

- The dialogue will address issues of common interest to Russia and the EU.

2. OBJECTIVES

The objectives of this dialogue are:

- to co-operate and exchange information on relevant policies contributing to growth, competitiveness, employment and to achieve a better territorial balance;
- to exchange information on experiences in setting up and implementing regional policy with special emphasis on ways to promote the development of disadvantaged areas, to strengthen cross-border cooperation and the socio-economic development of border regions;
- to exchange views and best practices on multi-level forms of governance and the partnership principle in regional policies;
- to exchange experience on developing regional strategies and methodologies of multi-annual programming;
- to support and facilitate co-operation between Russian regions and EU regions, as well as between local, regional and national representatives;
- to exchange experience and foster co-operation on spatial development issues, including activities developed in the framework of other international organizations, such as co-operation in the context of Russia's Chairmanship in the European Conference of the Ministers responsible for Regional Planning (CEMAT);
- to exchange experience and foster co-operation in research on territorial development issues, including activities of the European Network of Observatories of Spatial Planning ESPON;
- to organise seminars and senior-level meetings in the frame of coordination of joint activities;
- any other topics of mutual interest relating to regional policy.

3. ORGANISATION

Meetings at a political level (Minister – Commissioner) in a broader format, integrated in the framework of the existing or future PCA bodies, will be organised according to need.

Both sides nominate officials as members of the Joint Working Group in the Directorate General for Regional Policy of the European Commission and

the Ministry of Regional Development of the Russian Federation. Both sides will be responsible for the co-ordination of the dialogue.

According to need both sides are entitled to set up working groups to work together on specific issues and to facilitate discussions at expert level.

Decisions on establishing working groups, as well as decisions on continuing, suspending or re-organising any of the working groups can be taken at any time, provided both parties indicate their agreement via an exchange of letters.

Specific events can be jointly organised as appropriate.

4. WORKING METHODS

The working languages will be Russian and English. Meetings will be held alternately in the EU and Russia, unless otherwise decided. Each side will be represented at least at the level of Director (European Commission) and Director of Department (Ministry of Regional Development of the Russian Federation) at these meetings.

The level and composition of the delegations in the meetings will be decided by each side after consultation with the other. It is understood that both sides will call upon relevant stakeholders, including regional representatives, other ministries and services.

5. COSTS

Both sides bear their own delegation's costs of the participation in the dialogue. The costs of the agreed specific events will be decided in consultation between both sides.

6. REVISIONS AND ADDITIONS

The two parties may agree to revise or to widen the scope of this Memorandum.

7. LEGAL STATUS

This Memorandum of Understanding is not intended to create international obligations binding on the European Communities and the Russian Federation and does not constitute an agreement under international law.

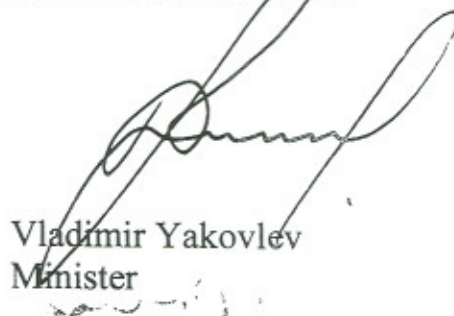
Done in Moscow, on 23 May 2007, in duplicate, in both Russian and English.

For the European Commission



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