

P R E S S R E L E A S E

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**Declaration by the Presidency on behalf of the European Union
on the situation in Russia**

The European Union attaches great importance to a politically stable and economically sound Russia. Russia remains a vital partner in addressing global issues and in ensuring regional stability. The European Union and Russia enjoy a privileged relationship reflected in the Partnership and Cooperation Agreement. Intensive political dialogue at all levels between the Union and Russia, including the Foreign Ministers' meeting in September and the Summit in October, is of great importance. The EU stands ready to send a Troika at ministerial level as soon as practicable to Moscow.

We hope that the constitutional procedures to form a new government will soon be completed. This will help to reestablish confidence among the Russian people and the international financial community. It is our firm conviction that political and economic stability go hand-in-hand, and are a prerequisite for economic growth in Russia. In this context, social cohesion and credible efficient and transparent institutions will undoubtedly be of prime importance. Against this background the existing programmes of the international financial institutions should be reviewed.

We realise that Russia has had to face and will continue to face unique challenges. We see a continued reform process as an expression of Russia's commitment to democracy, a market economy and its integration into the world economy. The responsibility for these reforms lies with Russia. We trust that Russia will not revert to a command economy but proceed along the path of structural reforms in order to establish a social market economy. Only through resolute structural reform and sound macroeconomic policies will it be possible to pave the way for sustainable growth and social stability.

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