

# EU – Russia relations

Common Economic Space



# Background

## 1997: Partnership and Cooperation Agreement

- Common objectives and institutional framework
- Basis for activities and dialogue in a number of areas
- A 'mixed' agreement covering matters falling under EU and under national competence of the Member States
- To be renewed in 2007, negotiations have started

## 10 May 2005:

Single package of road maps for the creation of the four Common Spaces, setting out shared objectives for EU/Russia relations as well as actions to make these objectives a reality.

# The four common spaces

## Common Economic Space

- To create an open and integrated market, reduce trade barriers etc.

## Common Space of Freedom, Security and Justice

- Democracy, rule of law, respect for human rights, freedoms etc.

## Common Space of External Security

- Shared responsibility for an international order

## Common Space on research, education and culture

- To reinforce links and promote cultural and linguistic diversity

# Kaliningrad Region

Between 1991 and 2003, the EU committed over € 50 million of technical assistance to Kaliningrad region.

Another € 50 million have been earmarked for the period 2004-2006, under a special programme for Kaliningrad, the Neighbourhood Programmes and for improving border crossings.

## **EU-Russia Foreign Ministers Troika, 9 November 2005**

*”The EU wants to do more to help Kaliningrad to benefit from the economic opportunities after EU enlargement. It is important that the wealth and living standards of Kaliningrad and the neighbouring EU member states develop in a harmonious way and this is why it is essential that we concentrate not only on transit issues, but begin to work together on socio-economic questions.”*

# ERB and Kaliningrad Region

*With its central territorial location within ERB on the one hand, and outside of the EU on the other, the Kaliningrad Region should be given special attention in the joint development efforts to be implemented.*

*Enhancement of the pre-conditions set by the EU and its member states for the Kaliningra Region's ability to participate in European policies and bilateral and multilateral activities should similarly obtain special support within the framework of the ERB development programme.*

# A competitive business environment

## ERB strategy:

In a European perspective, measures will be taken which help to strengthen competitiveness of the ERB business world and promote innovation and an attractive investment climate. The emphasis will be put on sustainable growth through a prosperous SME sector, increased knowledge contents for products and services and on environmental and energy issues, as well as social and regulatory transparency and stability

## Common Economic Space

- Establish a regulatory dialogue
- Approximate competition legislation systems and strengthen implementation of competition policy
- Improve investment climate
- In-depth dialogue on economic reform and enterprise policy
- Simplification of customs procedures and transit operations

# Transport infrastructure

## **ERB strategy:**

The ERB cooperation will highlight the importance of transport infrastructure as a means of facilitating the growth of trade and improving competitiveness of industry and service business – as well as of helping to develop tourism in the region.

The ambition is that ERB becomes an advocate and a driving force of the enhancement of the member regions' development aims, a political lobbyist at national and European levels.

## **Common Economic Space:**

- Further deepened cooperation in the area of cross-border infrastructure
- Promoting the complementarity of the Russian and EU sectors and gradual integration of transport networks
- Ensuring transport infrastructures' interoperability
- Further intensification of cooperation in the field of air transport
- Identification of priorities for the cooperation in the area of inland waterways
- Implement priority transport corridors

# Social dimension

## **ERB strategy:**

Cohesion activities within the social field are very important for the sustainable development within ERB. It is necessary to reduce unemployment in order to facilitate economical growth in the region. Labour market cooperation should be pursued as a means of equalising sub-regional imbalances in the supply of and demand for manpower in the member regions.

## **Common Economic Space:**

Promotion of establishing and strengthening of economic and people-to-people links between Russian and EU regions.

# Environment and energy policies

## **ERB strategy:**

Joint initiatives should be taken in order to increase knowledge and common understanding of EU initiatives within the environment and energy sectors.

The ERB goal should be to become one of the leading regions in implementing EU initiatives and regulations in a direct dialogue with the responsible EU bodies.

## **Common Economic Space:**

To intensify EU-Russia co-operation in the framework of the EU-Russia Energy Dialogue, with particular emphasis on sustainability and continued reliability of the production, distribution, transportation and use of energy, including energy efficiency, energy savings and the use of renewable energies

Implement cleaner production policies and the use of natural resources saving technologies

Cooperate in the field of water policy