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## **THE POSITION OF THE KALININGRAD REGION OF THE RUSSIAN FEDERATION AFTER THE ENLARGEMENT OF THE EUROPEAN UNION<sup>3</sup>**

### **ABSTRACT**

After the enlargement of the European Union in 2004, the Kaliningrad region of the Russian Federation became surrounded by the EU member countries. In order to decrease the danger of creating new barriers and divisions, the Union and Russia seek to remove the obstacles for free movement and transition of people and goods between Kaliningrad and Russia itself, as well as to ensure cross-border cooperation between Kaliningrad region and the EU member countries. For its specific geographic position, Kaliningrad has become mutual responsibility of the Union and Russia, and its status directly depends upon mutual relations between these two parties.

*Key words:* Kaliningrad region, Russian Federation, European Union, border control, cross-border cooperation.

### **Introductory Remarks**

The Kaliningrad region differs from other Russian regions for its specific historical and geopolitical position. The city of Kaliningrad was once named Königsberg (*Königsberg*), and was the main German seaport in Eastern Prussia. At the Potsdam Conference in 1945, Poland gained the two thirds of the territory on the south, and the

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Soviet Union gained the remaining territory on the north.<sup>4</sup> After its annexation to the Soviet Union, the German population was largely expelled from Kaliningrad region and replaced with Soviet citizens.<sup>5</sup>

During the Cold War, Kaliningrad was important Soviet military base and headquartered the Soviet Baltic Fleet; it was closed for foreigners and completely isolated from the West. During the USSR period Kaliningrad was one of the most militarized zones in Europe. In this region, the 11<sup>th</sup> Guard Army was stationed, which was equipped with offensive weapons, such as artillery, tanks, rockets and planes.<sup>6</sup> With the ending of the Cold War and the dissolution of the Soviet Union, grand military structures in the region were dismantled, while the Russian Baltic Fleet has been seated in Kaliningrad up to day.<sup>7</sup>

Until 1991, Kaliningrad has administratively been part of the Russian Soviet Federative Socialist Republic, and today it belongs to north-west federal subject of the Russian Federation, whose capital is Saint Petersburg. In this region, which covers over 15.100 square kilometres, less than a million residents live today, out of which around 430.000 are concentrated in the very city of Kaliningrad.<sup>8</sup>

After the collapse of the Soviet Union, this Russian region found itself surrounded by Poland, Lithuania and the Baltic Sea, and therefore was about 400.000 kilometres separated from the rest of Russia. Travel to Kaliningrad from north-west Russia implies passing across Latvia or Belarus and then across Lithuania. Thus, the transportation costs were significantly increased, and a sense of separation and isolation was created among the population.<sup>9</sup> In the beginning of the 1990s, the economic situation in Kaliningrad led to increased unemployment, rising poverty and the flourishing of organized crime.

From the moment the entry of Poland and Lithuania into the EU has become certain, Kaliningrad had to face new challenges. Given its geographical position, it was clear that the adoption of European legislation in Poland and Lithuania, especially in terms of border

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<sup>4</sup> Richard J. Krickus, *The Kaliningrad question*, Rowman & Littlefield, Lanham, 2002, p. 1.

<sup>5</sup> Christian Marten, *The Kaliningrad Region: At the Crossroads Between Russia and the European Union*, GRIN Verlag, 2010, p. 2.

<sup>6</sup> Alexander Sergounin, *The Future of Kaliningrad a Pilot Project or Exclave?*, Nizhny Novgorod Linguistic University, 2003, p. 3.

<sup>7</sup> Adel Grafskiy, "The Kaliningrad Region as a Factor of Cooperation between the EU and the Russian Federation", in: Andreas Langenohl and Kirsten Westphal (eds.), *Comparing and Inter-Relating the European Union and the Russian Federation*, Universität Gießen, Bonn, 2006, p. 26.

<sup>8</sup> Alexander Sergunin, "Kaliningrad: Changing Perceptions", *Acta Slavica Iaponica*, No. 15, Slavic Research Center (SRC), Sapporo, 2008, p. 85.

<sup>9</sup> Guido Müntel, "Assessing institutions and policies in the EU-Russian relations: The case of Kaliningrad", Paper to the 2nd Pan-European Conference on EU Politics – Bologna, 24-26 June 2004, p. 3.

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control, visas and customs, would directly affect the lives of people in Kaliningrad, freedom of movement, cross-border cooperation, trade and transit.<sup>10</sup> At the same time, it was clear that the Kaliningrad enclave, as a unique case within the EU, requires a more flexible approach. For these reasons, the EU and Russia became particularly interested in comprehensive cooperation, meant to contribute to the development and stability of the Kaliningrad region, and therefore the wider Baltic region.

### **The Impact of the EU Enlargement on Kaliningrad**

Due to the risk that the enlargement of the EU could create a series of new problems, the issue of Kaliningrad gained an important role in almost all the negotiations between the European Union and Russia. It was clear that the unique geographic position of Kaliningrad region shall require special legal, economic and political solutions, different from those in force in other regions of Russia.<sup>11</sup> These solutions had to include special measures in order to respond to the specific issues arising from the enlargement process in terms of movement of goods and people between Kaliningrad and Russia itself.<sup>12</sup> At the same time, the role and status of Kaliningrad, together with the relation of this region with the rest of Russia, neighbouring countries and the European Union as a whole, had to be specified.<sup>13</sup>

Due to a specific geographical position of Kaliningrad, some of the most important issues in relations between the EU and Russia became issues of freedom of movement of Russians between Kaliningrad and the Russia itself, cross-border cooperation and trade/transit facilitations.

Russia was worried that after the EU enlargement, the rights on transit of people and goods will not be preserved, and that the Lithuanian-Kaliningrad border would remain closed like the rest of the EU external borders.<sup>14</sup> In the Medium-Term Strategy for Development of Relations between the Russian Federation and the EU (2000-2010), which was presented at the EU-Russia summit in October 1999, Russia indicated the need for conclusion of a special agreement with the EU in order to protect the interests of Kaliningrad, as a Russian entity, during the European Union enlargement process. The Strategy highlights the need for providing the conditions necessary for the

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<sup>10</sup> Viktor Romanovsky, Andrei Stepanov and Mikhail Tsikel, "The Perspective of Kaliningrad's Policy Makers and Practitioners", International Institute for Strategic Studies, London, 2008, pp. 1-5.

<sup>11</sup> Bartosz Cichocki, Katarzyna Pelczyńska-Nałęcz, Andrzej Wilk, "The Kaliningrad Oblast in the context of EU enlargement", *CES Studies*, Center for Eastern Studies, Warsaw, 2001, p. 53.

<sup>12</sup> Yuri Borko, Russia and the EU: The Kaliningrad dilemma, *CEPS Policy Brief*, No. 15, Centre for European Policy Studies, Brussels, 2002, p. 1.

<sup>13</sup> Romuald J. Misiunas, "Rootless Russia: Kaliningrad — Status and Identity", *Diplomacy and Statecraft*, Taylor & Francis, 2004, p. 385.



*Internet, <http://news.bbc.co.uk/2/hi/europe/4645447.stm>.*

functioning and development of Kaliningrad as an integral part of Russia and an active participant in programmes of cross-border and inter-regional cooperation. In addition, given the unique geographic and economic situation of Kaliningrad, the Strategy indicates a need for the development of a reliable transport connection with Russia that would function efficiently under new circumstances, which shall develop after the enlargement of the EU.<sup>15</sup>

In March 2001, the Government of Russia adopted the Concept of Federal Social-Economic Policy towards the Kaliningrad region. Although this concept is more of declarative than operational nature, it contains some important ideas, such as measures to increase economic capacities of Kaliningrad, measures to attract investors and modernization of traffic connections. The Concept refers to the conclusion of an agreement that would provide, under certain circumstances, a regime of freedom of movement to Kaliningrad citizens in Poland and Lithuania. In addition, it advocates the

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<sup>14</sup> Since 1995, transit of Russian citizens across the territory of Lithuania has been regulated by the temporary agreement on traveling of citizens, which allowed Russian citizens with permanent residence in the Kaliningrad region to travel through Lithuania without visas and stay on its territory up to 30 days. Visas were neither required from any Russian citizens that were traveling by train from Russia to Kaliningrad through Lithuania's territory and back. Equally, Lithuanians were provided with visa-free entry into the Kaliningrad region.

<sup>15</sup> Viktor Romanovsky, Andrei Stepanov and Mikhail Tsikel, "The Perspective of Kaliningrad's Policy Makers and Practitioners", *op. cit.*, pp. 1–5.

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signing of an agreement that would ensure free transit for Russian citizens across the territory of the EU member countries, as well as agreement that would simplify the issuance of visas for the citizens travelling to Kaliningrad.<sup>16</sup>

That same year, the Union adopted the Communication that set out potential ways on how to reduce the negative consequences that the planned enlargement of the EU could have on Kaliningrad, i.e. the existing rules and practices of Russia and the countries that were expected to become the EU members. The Communication states that the adoption of the *acquis* by Poland and Lithuania will inevitably require changes that will have special implications for Kaliningrad, primarily on the movement of people and goods and energy supply. In addition, the Communication discusses the ways in which the EU and Russia could work together in order to reduce the existing problems Kaliningrad faces in the fields such as the environment, fight against organized crime, health care and economic development.<sup>17</sup>

In a speech held at the EU-Russia Summit in Moscow in May 2002, Vladimir Putin pointed out the importance of Kaliningrad for Russia and stressed that the further development of relations between the EU and Russia will depend upon resolving this issue.<sup>18</sup> The following month, the State Duma of the Federal Assembly of the Russian Federation issued a statement regarding the situation in Kaliningrad within the context of the forthcoming EU enlargement, in which it was referred to the constitutional right of Russian citizens to freedom of movement at the territory of Russia, as well as to the Protocol № 4 of the European Convention on Human Rights, UN International Covenant on Civil and Political Rights and the UN Universal Declaration of Human Rights. The State Duma expressed its confidence that “all plans for the introduction of visas, customs or any other artificial obstacles to the transit between Kaliningrad region and the rest of Russia can be seen as ignoring of Russia’s territorial sovereignty and violation of generally accepted norms and principles of international law by the EU”.<sup>19</sup>

Even though the Union is interested in providing control and security at the border crossing at entrance to and exit from Kaliningrad, it is clearly committed that its borders should not be obstacle to trade, social and cultural cooperation and exchange between Kaliningrad and the rest of Russia, as well as with neighbouring countries. This is very important, because the limitations of the movement of goods and people would harm

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<sup>16</sup> Simon Petermann et Geoffroy Matagne, “The EU Enlargement and Russia: The Case of Kaliningrad”, Internet, <http://popups.ulg.ac.be/csp/document.php?id=65>.

<sup>17</sup> “The EU and Kaliningrad”, *Communication from the Commission to the Council*, Brussels, 2001, Internet, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2001:0026:FIN:EN:PDF>.

<sup>18</sup> Simon Petermann et Geoffroy Matagne, “The EU Enlargement and Russia: The Case of Kaliningrad”, *op. cit.*

<sup>19</sup> Lara Margret Ragnarsdottir, “The enlargement of the European Union and the Kaliningrad Region”, Report Political Affairs Committee, Doc. 9560, 22 September 2002, Internet, [http://assembly.coe.int/Main.asp?link=/Documents/WorkingDocs/Doc 02/EDOC9560.htm](http://assembly.coe.int/Main.asp?link=/Documents/WorkingDocs/Doc%2002/EDOC9560.htm).

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already weak economy of Kaliningrad. Key factors that should ensure the safety of the Union, without creating unnecessary obstacles to the movement of people and goods, are traffic links and infrastructure, efficient border control and good practices in cooperation with neighbouring countries.<sup>20</sup>

The future of Kaliningrad depends both upon the ability of Moscow to conduct a proper policy towards the westernmost enclave of Russia and on good relations with its neighbours. Good relations with neighbours are very important, since all inland and rail routes to the Kaliningrad region must cross the international borders.<sup>21</sup>

The borders of Kaliningrad region with Poland are 200 km long and with Lithuania nearly 280 km, and border authorities control the passage of people, vehicles and goods at 25 border crossing points (eight sea, two air, and seven rail road border crossing points).<sup>22</sup>

Bearing in mind geographical position of Kaliningrad region, a well-functioning transport system connecting the EU and neighbouring countries is essential for sustainable economic growth and welfare of all citizens in this part of the world.

At the EU-Russia Summit held in November 2002, an agreement was reached on comprehensive package of measures, which will be applied to the Kaliningrad region during the Union's enlargement process. On that occasion, a Joint statement of the EU and Russia on the transit between Kaliningrad region and the rest of the Russian Federation was adopted, in which the two parties recognized a unique situation of Kaliningrad as a part of Russia, which is separated from the rest of the Federation by other countries. Also, the two parties agreed that they should make a special effort in order to respond to concerns about the future transit of persons and goods between Kaliningrad and other parts of Russia and intensify cooperation aimed at encouraging social and economic development of the whole region. In terms of economic and social development of the region, it is envisaged that the EU should continue to support the efforts that Russia makes in order to contribute to the economic development of Kaliningrad and simplify cross-border cooperation.<sup>23</sup> Here especially significant are measures that should contribute to the improvement of border management regime and development of border infrastructure.<sup>24</sup>

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<sup>20</sup> "EU-Russia Co-operation on Kaliningrad: 2002 and beyond", Internet, [http://kaliningradexpert.org/stuff/docs/2002%20and%20beyond\\_eng.doc](http://kaliningradexpert.org/stuff/docs/2002%20and%20beyond_eng.doc).

<sup>21</sup> Richard J. Krickus, *The Kaliningrad question*, op. cit., p. 1.

<sup>22</sup> Nikolai Kuznetsov, "Russian-International Collaboration on Kaliningrad's Borders", *Russian Regional Perspectives Journal*, Volume 1, Issue 3, The International Institute for Security Studies, pp. 1–2.

<sup>23</sup> "Joint Statement of the European Union and the Russian Federation on transit between the Kaliningrad Region and the rest of the Russian Federation", 13970/02 (Presse 347), Brussels, 2002, pp. 2–4.

<sup>24</sup> Between 2004 and 2006 the EU budget for support economic and social development of Kaliningrad was 25 million euros. "Russian Federation National Indicative Programme 2004–2006", Internet, [http://ec.europa.eu/external\\_relations/russia/csp/04-06\\_en.pdf](http://ec.europa.eu/external_relations/russia/csp/04-06_en.pdf), p. 3.

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Given the fact that the EU internal security can be ensured only through joint standards of the member countries in terms of regulations for visa regime and border crossings, Poland and Lithuania have had to meet the requirements of the Schengen *acquis* even before accession to the EU.<sup>25</sup> At the same time, it became necessary for the Union, Lithuania, Poland and Russia to reach an agreement on transit from and to Kaliningrad, which shall preserve the then existing civil rights. A compromise was reached to apply the Schengen provisions on transit between Kaliningrad and Russia in a less strict form, after Lithuania's and Poland's accession to the EU.<sup>26</sup> It was foreseen that from 1<sup>st</sup> July 2003 Russian citizens could travel to and from Kaliningrad across Lithuania's territory with appropriate transit documents (*Facilitated Transit Document*), and that after 1<sup>st</sup> January 2004 all the transit passengers must possess the international passports. Russia has agreed to accept the return of illegal migrants that were entering Lithuania from its territory. On the other hand, Lithuania agreed to allow passage of the fast railways through its territory, which would completely eliminate the need for transit documents. Lithuania was promised that such an arrangement should not prevent its inclusion into the Schengen zone. When it comes to Poland, on 1<sup>st</sup> October 2003 this country imposed a visa requirement for all citizens of Russia, which were free of charge for the residents of the Kaliningrad region.<sup>27</sup>

In April 2004, the European Union and Russia issued the Joint Statement on EU Enlargement and EU-Russia Relations, which contained a provision that should ensure free transit of goods between Kaliningrad and Russia. The Statement confirms the application of the principle of freedom of transit of goods, including energy, between Kaliningrad and the rest of Russia. In particular, it is confirmed that the freedom of transit shall exist and that the goods in such transit would not be subjected to unnecessary delay and would be excluded from customs and transit duties.<sup>28</sup>

To avoid Kaliningrad being isolated from its neighbours, the EU seeks to provide easier travel to its citizens. Based on the EU Local Border Traffic Regulation of 2006, citizens of border areas of Kaliningrad gained facilitations regarding cross-border traffic, which enable exception to the general rules on border checks laid down in the Schengen regulations. Experience has shown that such cross-border traffic regime facilitates life of people living near the external borders, as well as that such a regime is rarely abused. For all of these reasons, in July 2011, the Commission has proposed amendment to the existing Local Border Traffic Regulation, which, bearing in mind the Kaliningrad's

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<sup>25</sup> Guido Müntel, "Assessing institutions and policies in the EU-Russian relations: The case of Kaliningrad", *op. cit.*, p. 4.

<sup>26</sup> Tobias Etzold and Clive Archer, "Kaliningrad in EU and Northern European perspectives: enclave or exclave?", in: Kaliningrad in Europa: nachbarschaftliche Perspektiven nach dem Ende des Kalten Krieges, Stefan Berger (ed.), Otto Harrassowitz Verlag, 2010, p. 170.

<sup>27</sup> Romuald J. Misiunas, "Rootless Russia: Kaliningrad — Status and Identity", *op. cit.*, p. 386.

<sup>28</sup> "Joint Statement on EU Enlargement and EU-Russia Relations", 27 April 2004, Brussels.

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specific position, would foresee the entire Kaliningrad region as border area. In this way, the artificial division of Kaliningrad would be avoided, and all its citizens could visit neighbouring countries (Poland and Lithuania) without Schengen visas and with special permits within the 30-50 kilometres zone.<sup>29</sup>

Although the Agreement on Visa Facilitation between the EU and Russia of 2007 has largely improved opportunities for travel, local border traffic regime would provide additional facilitations, especially for regular, even daily travel in local area. For example, persons would not have to prove whether they have sufficient means of subsistence, permits would be issued free of charge, and for local border traffic special border crossing points could be reserved. In addition, all the citizens of Kaliningrad would enjoy these facilitations, while facilitations according to the Agreement on Visa Facilitation between EU and Russia are applied only to specific categories of citizens.<sup>30</sup> It is expected that the adoption of the amendment to the Local Border Traffic Regulation will significantly improve life in Kaliningrad, without the negative impact on the security of the Union.

Also, The European Union has co-funded numerous projects in order to solve the problem of long stay at the border crossing point and enable free transit.

However, issues related to free movement of people and goods were not the only problem that could gain momentum and cause notable problems, even on the international level after the enlargement of the Union.<sup>31</sup> The EU and Russia were also concerned about all the problems in Kaliningrad that, for their potential cross-border impact, may affect the security of the wider region. These are primarily organized crime, health and environmental protection, as well as economic development of Kaliningrad.

The development of Kaliningrad is slower than Lithuania's and Poland's, and the EU and Russia are concerned that this socio-economic gap will grow in time, and thus destabilize the situation in the entire region. Although Kaliningrad, essentially, is Russia's responsibility, socio-economic development of this region is mutual goal of both Russia and the Union. The European Union is interested in Kaliningrad's development, for it is aware that the high level of unemployment and poverty in this region may negatively affect its own member countries. Therefore, the Union shows readiness to actively engage, through financial and technical support, in solving a series of open issues in Kaliningrad. The European Union sees as one of the ways to improve the situation in

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<sup>29</sup> "Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1931/2006 as regards the inclusion of the Kaliningrad area and certain Polish administrative districts in the eligible border area", European Commission, Brussels, 27.7.2011, COM(2011) 461 final, 2011/0199 (COD), Internet, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0461:FIN:EN:PDF>.

<sup>30</sup> *Ibidem*.

<sup>31</sup> Hanne-Margret Birckenbach, Christian Wellmann, *The Kaliningrad challenge: options and recommendations*, LIT Verlag, Münster/Hamburg/Berlin/London, 2003, p. 24.



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Kaliningrad the achievement of the appropriate “economic and social harmonization” of this region with the Union’s standards.<sup>32</sup>

As for economic policy, the Russian federal authorities have been aware since the beginning of 1990s that the specificities of the Kaliningrad region required defining of a special strategy. Same as the other parts of Russia, Kaliningrad depends upon budgetary allocations and trade and economic relations with the rest of the country. For its specific geographical position, Moscow gave Kaliningrad originally the status of free economic zone in 1991, and in 1996 the status of special economic zone. Special economic zone was established in order to provide companies seated in Kaliningrad more favourable conditions through customs and tax exemptions for import and export of local goods. This zone, among other things, foresees that all components imported to Kaliningrad and processed there, are free of customs charges. This led to opening of numerous factories that assembled products from imported parts, and then distributed them in the Russian market.<sup>33</sup> In this way, companies founded in Kaliningrad region gained an advantage compared to similar companies in other parts of Russia, and gradually achieved a foothold on the entire Russian market. In April 2006, the revised Law on Special Economic Zone entered into force, which put greater emphasis on tax relief aimed at attracting new investments, especially in manufacturing industry. The Law also foresees simplified visa regime for entry visas for foreigners involved in investment projects in Kaliningrad.<sup>34</sup>

The European Union estimates that this idea of promoting economic activities and investments through special economic zone is interesting, even though such subventions are not in accordance with the Partnership and Cooperation Agreement between EU and Russia and the World Trade Organization’s rules. However, the EU’s position is that Russian central and local authorities can do much more in order to foster the economic development of Kaliningrad. At the same time, it is especially emphasized that there is a need for a stabile and safe legal and institutional environment in Kaliningrad, as well as in other parts of Russia.<sup>35</sup>

Beside weak economic development of Kaliningrad, the EU recognizes degradation of the environment, poor state administration, lack of the rule of law and developed organized crime as a form of security threats to both regional and Union’s stability.<sup>36</sup>

Organized crime is largely present in the Kaliningrad region, and it is estimated to be 20 percent higher than the Russian average. It has a devastating impact on regional

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<sup>32</sup> “The EU and Kaliningrad”, *Communication from the Commission to the Council*, *op. cit.*

<sup>33</sup> “Kaliningrad”, Internet, [http://eeas.europa.eu/russia/kaliningrad\\_en.htm](http://eeas.europa.eu/russia/kaliningrad_en.htm).

<sup>34</sup> “EU Support to Kaliningrad”, Internet, [http://ec.europa.eu/external\\_relations/north\\_dim/kalin/index.htm](http://ec.europa.eu/external_relations/north_dim/kalin/index.htm).

<sup>35</sup> “The EU and Kaliningrad”, *Communication from the Commission to the Council*, *op. cit.*

<sup>36</sup> “Russian Federation National Indicative Programme 2004 – 2006”, *op. cit.*, p. 8.

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development and the overall investment climate in Kaliningrad, as well as security of neighbouring countries. In addition to illegal migrations, trafficking in humans, drugs and stolen vehicles, smuggling and organized prostitution are also developed in this region.<sup>37</sup> Because of trans-national nature of many illegal activities, international cooperation is the key factor for protection and safety of both Russian and Union's borders. The EU and Russia have shown readiness to, through joint approach and coordinated activities, fight against illegal activities in the Kaliningrad region.<sup>38</sup> Thus, Kaliningrad's border service cooperates on regional level with border services and coast guards of neighbouring countries and other countries in the Baltic region.<sup>39</sup>

The very limitation of movement of people across the territory of the European Union is regarded as a part of the solution for prevention of undesirable exportation of organized crime, as well as illegal migrations from the Kaliningrad region to the EU countries.<sup>40</sup> Given the fact that the danger from the penetration of crime and illegal migrations from Kaliningrad to the Union is completely real, the EU encourages Russia to intensify the fight against crime in Kaliningrad and is ready to provide it with all necessary technical support.

Bearing in mind that the strong commitment of Russian authorities at all levels is of crucial significance for fight against illegal activities, very important is the readiness of Russia to improve its capacities for fight against organized crime in Kaliningrad, as well as to cooperate with police and customs services of the EU member countries.<sup>41</sup>

In addition to the fact that it represents a threat to economic development, crime connected with corruption influence very negatively the development of democratic system based on the rule of law.

As a part of wider efforts to improve the quality of life in Kaliningrad, there is a need to improve the state of the environment, above all, reduce pollution. Given that the whole region will benefit from cleaner Baltic Sea, the Union, Baltic countries and Russia have agreed that it should be one of the priority goals of regional cooperation. The European Union regularly participates in co-funding of projects aimed at improvement of sewage treatment plants in the Kaliningrad region.<sup>42</sup>

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<sup>37</sup> Alexander Sergounin, *The Future of Kaliningrad a Pilot Project or Exclave?*, *op. cit.*, p. 6.

<sup>38</sup> "Судьба Калининградской области", Институт менеджмента, 2008, Internet, <http://www.ukrreferat.com/index.php?referat=12271&lang=ru>, p. 11.

<sup>39</sup> Nikolai Kuznetsov, "Russian-International Collaboration on Kaliningrad's Borders", *op. cit.*, pp. 1–2.

<sup>40</sup> Jonathan Gast, "Political Geography of the Kaliningrad Oblast: Its problems as an. Enclave within the EU and projected outcomes", 2004, Internet, <http://largo.crushhumanity.org/doc/kaliningrad.pdf>, p. 2.

<sup>41</sup> "EU-Russia Co-operation on Kaliningrad: 2002 and beyond", *op. cit.*, p. 7.

<sup>42</sup> "The EU and Kaliningrad", *Communication from the Commission to the Council*, *op. cit.*

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## **The Positions of Moscow and the Union towards the Kaliningrad Region**

For its specific geo-strategic position, the Kaliningrad region has an important role in securing Russian national interest in the Baltic region and Europe.<sup>43</sup> Due to the fear from separatism, Russian authorities hardly accept the attempts to observe the Kaliningrad-related issues only in international or regional context.<sup>44</sup>

Russia's fears are considered unsubstantial, given that there are no real grounds for separatism based on ethnic or religious background in Kaliningrad. Over 82 percents of Kaliningrad's citizens are ethnic Russians, and more than 94 percents are Slavs (Russians, Belarusian and Ukrainian). Besides, Russian language is mother tongue for more than 86 percents of population, and the vast majority of citizens are members of the Russian Orthodox Church.<sup>45</sup>

The European Union treats the issues related to the Kaliningrad region mainly in a broader context of relations with Russia. Although the Union understands the Russia's sensibility in relation to Kaliningrad, especially when it comes to visas, the EU wants Russia to understand its legitimate concern for its own security, because of which the Union attempts to find the ways for cooperation that will not jeopardize the security of the entire Schengen zone.<sup>46</sup> For this reason, the Kaliningrad region receives significant support through the EU programmes and projects in the fields such as transportation, supply of energy, visa regime, customs and cross-border cooperation with neighbouring countries Lithuania and Poland.

Moscow's suspicious attitude towards the EU initiatives could bring into question the efficiency of the EU's numerous regional programmes and projects, whose goal is to encourage cross-border contacts and cooperation between civil society and all levels of authorities of participating countries, thus contributing to economic and social development of Kaliningrad. For the period between 2007 and 2013, the Union has allocated funds of 1 billion and 18 million euros for these projects.<sup>47</sup>

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<sup>43</sup> Hanne-Marget Birckenbach & Christian Wellmann, "Managing asymmetric interdependence: A comparative approach on the Kaliningrad policies of core actors", in: *Kaliningrad 2020: Its future competitiveness and role in the Baltic Sea economic region*, Kari Liuhio (ed.), Turku, 2005, p. 8.

<sup>44</sup> Adel Grafskiy, "The Kaliningrad Region as a Factor of Cooperation between the EU and the Russian Federation", *op. cit.*, p. 26.

<sup>45</sup> Yury Zverev, "Kaliningrad: Problems and Paths of Development", *Problems of Post-Communism*, Vol. 54, No. 2, M.E. Sharpe, New York, 2007, p. 9.

<sup>46</sup> "Press Background note Ninth EU-Russia Summit Moscow", May 2002, Internet, [http://trade.ec.europa.eu/doclib/docs/2003/november/tradoc\\_114151.pdf](http://trade.ec.europa.eu/doclib/docs/2003/november/tradoc_114151.pdf), p. 9.

<sup>47</sup> Adel Grafskiy, "The Kaliningrad Region as a Factor of Cooperation between the EU and the Russian Federation", *op. cit.*, p. 26.

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Because of specific nature of the Kaliningrad region, Moscow shall have to reconcile the interest for maintaining control over Kaliningrad with the need for its integration into European economic, social, legal and cultural environment. Otherwise, this region could become the main factor of instability in whole region of Baltic Sea.<sup>48</sup>

## Concluding Remarks

For legal and practical consequences of the Union's enlargement to the Kaliningrad region, the Union and Russia seek to find the mutually acceptable solutions for all open issues through comprehensive cooperation.

Common goals of the Union's and Russia's policy is achieving sustainable development of the Kaliningrad region, as an integral part of Russia, ensuring free transit of people and goods between Kaliningrad and the rest of Russia and solving practical issues which may occur due to the fact that this region is some sort of enclave in the EU. Besides, both parties are interested in protection of the environment in Kaliningrad and the Baltic Sea region, as well as in fight against all forms of organized crime.<sup>49</sup>

Position of both the EU and Russia is that the Kaliningrad region should become an area of intense cooperation between the Union and Russia, a specific kind of pilot project, that is, a model that should show in which way and to what extent the relations between the Union and its neighbours could develop.<sup>50</sup> In this regard, a significant advancement was achieved, having in mind that Kaliningrad is now open for international cooperation and has one of the most liberal economy, customs and border/visa regimes in Russia. Owing to opening of Europe towards Kaliningrad and Kaliningrad towards Europe, this region got the opportunity to come out from isolation, which was for many years the main reason of its peripheral position.<sup>51</sup>

Given the mutual long-term interests, one could expect that the EU and Russia will continue to dedicate a special attention to Kaliningrad-related issues, which could affect the overall relations and cooperation between the two parties.<sup>52</sup>

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<sup>48</sup> Alexander Sergounin, *The Future of Kaliningrad a Pilot Project or Exclave?*, *op. cit.*, p. 1.

<sup>49</sup> "Kaliningrad", *op.cit.*

<sup>50</sup> "Medium-term Strategy for Development of Relations between the Russian Federation and the European Union (2000–2010)", Internet, [http://ec.europa.eu/comm/external\\_relations/russia/russian\\_medium\\_term\\_strategy](http://ec.europa.eu/comm/external_relations/russia/russian_medium_term_strategy).

<sup>51</sup> Tadeusz Palmowski, "Problems of cross-border Cooperation between Poland and the Kaliningrad Oblast of the Russian Federation", *Quaestiones Geographicae* 29(4), Poznań, 2010, p. 75.

<sup>52</sup> Katarzyna Pełczyńska-Nałęcz, "The Enlarged European Union and its Eastern Neighbours: Problems and Solutions", *Policy Briefs*, Centre for Eastern Studies, Warsaw, 2003, p. 36.

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