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## **The abstract of the Baltic Strategy of EU**

- **The objectives of the Baltic cooperation**
- 1. Environmentally sustainable region
- 2. Prosperous region (e.g. innovation in SME)
- 3. Accessible and attractive region (e.g. better transport links)
- 4. Safe and secure region (e.g. improving accident response).
- **The Action Plan for the Baltic Cooperation**
- (the four pillar of the Baltic Strategy and horizontal actions)
- 1. The Baltic Sea Region as an environmentally sustainable place.
- 2. The Baltic Sea Region as an economically prosperous place,
- 3. The Baltic Sea Region as an accessible and attractive place (with better infrastructure: transport links and safe energy supply).
- 4. The Baltic Sea Region as a safe and secure place.
- 5. Horizontal actions.
- **The peculiarities of the Baltic strategy**
- (according to the Report on public consultation)
- - no new institution
- - neither new Regulation nor additional funding from EU
- - European Commission is involved both in design and implementation of a strategy
- - European Regional Development Fund is a co-financing institution for some regional programs.
- Source: [http://ec.europa.eu/regional\\_policy/cooperation/baltic](http://ec.europa.eu/regional_policy/cooperation/baltic)

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**Asymmetrical character of the Baltic region  
in economic terms in 2008**

Member-countries of CBSS	GDP (billion \$, PPS)	Population (millions)	Export (billion \$)	Quota of foreign trade (in %%, GDP=100)*	GDP per capita (\$, PPS)	Share of Baltic trade (total trade=100)*
Estonia	27.41	1.3	12.58	45.6	21,000	71.9
Latvia	38.86	2.2	9.56	24.6	17,300	69.6
Lithuania	63.33	3.5	23.74	37.5	17,800	62.6
Denmark	203.6	5.5	114.9	56.4	37,100	48.2
Finland	193.5	5.2	96.62	49.9	36,900	47.9
Iceland	12.71	0.3	5.69	44.8	41,800	37.7
Norway	275.4	4.7	168.8	61.3	58,000	32.6
Sweden	344.3	9.0	183.1	53.2	38,100	44.8
Germany	2.918*	82.3	1.498*	51.3	35,400	13.2
Poland	667.9	38.5	175.3	26.2	17,300	44.7
Russia	2.266*	140.0	471.6	28.1	16,100	17.8

\* Estimates on the basis of "IMF. Directions of Trade Statistics." Yearbook 2008.

The Source of data: "CIA Factbook." "IMF. Directions of Trade Statistics." Yearbook 2008.

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### **Imbalances in trade among member-countries of CBSS in 2007**

Source of data: estimate on the basis of: "IMF. Directions of Trade Statistics." Yearbook 2008.

Countries of the CBSS	Trade balance in total trade (in million \$)	Trade balance in trade with CBSS-countries (million \$)	Share of Baltic trade in total trade (%)
Countries with trade imbalance in two positions			
Estonia	- 4,104	- 3,250	71.9
Iceland	- 1,756	- 1,600	37.7
Latvia	- 7,287	- 4,279	69.6
Lithuania	- 7,283	-4,522	62.6
Poland	- 23,175	-16,514	44.7
Countries with trade imbalance in Baltic trade			
Denmark	+ 3,426	- 11	48.2
Iceland	-1,756	-1,600	37.7
Finland	+ 8,334	-4,138	47.9
Norway	+ 58,236	- 688	32.6
Sweden	+ 17,802	-6,904	44.8
Countries with surplus in trade			
Germany	+269,410	+28,239	13.3
Russia	+109,811	+19,765	17.8

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**The Factors, influencing the Baltic Strategy**

<b>The Factors, Promoting the Baltic Cooperation</b>	<b>The Factors, Affecting the Baltic Cooperation</b>
The unique character of the Baltic region – potentially the environmentally sustainable region	The conflict of interests about the Nord Stream. The lack of solidarity among EU countries in dealing with Russia. Some of them misuse the ecological arguments against the Nord Stream.
The innovative character of some Baltic countries (Danish wind power energy, German and Finnish experience in cooperation with Russia, Norwegian aquaculture and offshore energy, Swedish program to reach carbon free economy).	The so called Baltic factors, that is the peculiar course of policy of some Baltic countries at limiting the economic ties with Russia even if it doesn't good for theirs economies. (e.g. the initial privatization of "Mazeiki Nafta" by "Williams Int. Co" and "Esti Raudtee" by "RDS", transformed in "BRS").
The effective experience of regional organizations (CBSS, BEAC, ND, Northern Council of Ministers. The assistance of international financial institutes (EBRD, EIB, NIB). The adoption of the renewed version of Northern Dimension (2006).	The asymmetric character of the Baltic region in the economic terms.
The decision to achieve four common spaces (2003) and road maps (2005)	The imbalances in trade among the CBSS's countries.

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## **The fundamentals of the Baltic strategy**

### **The Baltic model of the cooperation = the possible results of the Baltic cooperation**

1. Combination of the innovative, ecological and social orientation of economic activity.
2. The securing of support from the side of civil society.
3. The high competitiveness of the economies.



### **The Baltic Strategy = the implementation of the conception**

1. The further development of the regional cooperation in the framework of corresponding organizations (CBSS, BEAC, ND, AC, NMC).
2. The realization of 4 common spaces between Russia and EU.
3. The overcoming of division lines in Europe in relation to RF.
4. The overcoming of negative factors, affecting the cooperation.
5. The strengthening of solidarity among EU countries in securing energy supply (Nord Stream).
7. The improvement of the relations among Russia and three Baltic republics.



### **A Baltic Idea = a conception of the Baltic strategy**

1. Environmentally sustainable region
2. Prosperous and innovative region
3. Attractive region with good transport links and safe energy supply.
4. Safe and secure region with better accident response and free from cross border crime.