

# Potential of international economic integration of coastal regions of European Russia

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**Abstract**—The article is devoted to the potential of the international economic integration of coastal regions of the European part of Russia. The authors analyze access features of coastal regions of the European part of Russia to the seas water area, the diplomatic missions and consulates placements in these regions, promoting establishment of strong and steady external economic contacts. Features of cross-border thoroughfares and objects of boundary infrastructure for implementation of the international contacts are considered. The participation of coastal regions of the European part of Russia in integration groups with regions of foreign countries is characterized. By results of a research the conclusion is drawn that these regions have the sufficient potential for implementation of active integration communications with neighboring countries.

**Keywords**—international economic integration, coastal region, European part of Russia, integration potential

## I. INTRODUCTION

The international integration's potential of individual regions is a spatial, economic, infrastructural, institutional and other conditions that ensure the development of the interstate contacts [1]. Due to their geographical location and the peculiarities of socio-economic development, the coastal regions of European Russia have significant integration potential [2]. It can be characterized through qualitative and quantitative indicators that reflect the features of the neighborhood, access to the waters of the seas, individual entities of diplomatic missions location in the territory and foreign consular services, border crossing points and international highways through which goods and passengers are transported [3].

## II. METHODS

This study is based on information from the official institutional structures of the Russian Federation, such as the Ministry of Foreign Affairs, the Ministry of Transport, the Directorate for the Construction and Operation of the Objects of the State Border of Russia, the Federal State Statistics Service of the Russian Federation. The data for the study were also taken from the official sites of regions of the European part of Russia. Theoretical basis of research was the works of well-known Russian and foreign scientists considering the socio-economic development of coastal territories (P.Ya. Baklanov, A.G. Druzhinin, G.M. Fedorov, A.S. Mikhailov) and coastal zone management issues (D.R.

Green, B. Weig, A. Schultz-Zehden, R.P. Barston, R.C. Ballinger, H.D. Smith, L.M. Warren), and materials by authors.

## III. RESULTS

There are 14 coastal regions in the European part of the Russia Federation, 9 regions of them are cross-border regions that neighbour on foreign countries ( Table 1). The Russian Federation has 16 land (including Abkhazia and South Ossetia) border states, most of them are immediate neighbours of the coastal zones under consideration [4]. Therefore, the coastal regions of European Russia that form the outpost of integration, acting as a spatial avant-garde in cross-border cooperation primarily with the countries of European Union and CIS [5]. One of the features of the coastal regions is their multi-neighborhood – 5 of the 9 subjects have sections of the state border with 2 foreign states on their territory. At the same time, the neighborhood is spatially differentiated with foreign countries – foreign neighbor's majority border only with one entity of the Russian Federation. Finland borders with three entities of the Russian Federation – Karelia, Leningrad Region and Murmansk Region; Georgia borders to Dagestan and Krasnodar region; Republic of Crimea and Rostov region border with Ukraine (Table 1).

TABLE I. TABLE STYLES FEATURES OF THE NEIGHBORHOOD OF COASTAL REGIONS OF EUROPEAN RUSSIA WITH FOREIGN COUNTRIES

Coastal regions of the European part of Russia			
<i>Azov – Black sea basin</i>	<i>Caspian basin</i>	<i>Baltic basin</i>	<i>Barents – White sea basin</i>
Rostov region Krasnodar region Republic of Crimea Sevastopol	Republic of Dagestan Republic of Kalmykia Astrakhan region	Saint Petersburg Leningrad region Kaliningrad region	Republic of Karelia Murmansk region Arkhangelsk region Nenets Autonomous district
Neighboring countries of coastal regions in European part of Russia			
Ukraine Georgia	Azerbaijan Kazakhstan	Finland Estonia Lithuania Poland	Finland Norway

<sup>a</sup> Regions of the Russian Federation with a land border with foreign countries are emphasized

The access to the sea is an important factor for integrational and foreign trade relations [6]. The seaside entities of the Russian Federation (which we are considering now) are washed by 7 seas (out of 13 seas off the coast of the country), the largest number of regions have access to White sea (Karelia, Murmansk Region, Astrakhan Region, Nenets Autonomous District), while the Kara sea is washed only by the territory of Nenets Autonomous District. In general, the maritime regions of European Russia are bordered by Norway in the Barents Sea, Finland and Estonia in Gulf of Finland, Lithuania and Poland in the Baltic Sea, Ukraine in the Black and Azov seas, Azerbaijan and Kazakhstan in the Caspian Sea ( Table 1).

The presence of the coastal subjects on the territory of diplomatic missions and consular offices (consulates General and Honorary consulates, Embassy branch offices) is a significant factor contributing to the effective development of integration ties. They provide legal and consulting services to support the activities of foreign contractors on the territory of the Russian Federation's entities and, on the contrary, the entry of legal and physical persons of the Russian Federation into foreign market [7]. Consular and diplomatic departments of 62 world countries are represented in the coastal regions of European Russia, and the largest number (56 countries) have placed their diplomatic structures in St. Petersburg. In general, out of 14 coastal regions of European Russia, foreign diplomatic services are available in 9 entities. Moreover, in the North-West, in addition to St. Petersburg (53 consulates), the largest number of diplomatic missions are located in Kaliningrad (11), and in the South of the coastal zone – in Rostov-on-don (diplomatic missions of 7 countries), although the number of consular offices is leading Krasnodar region – in three of its cities there are 13 diplomatic structures of 12 foreign countries [8]. In the administrative centers of the Northern coastal regions, their consulates were placed mainly by their neighboring countries (Norway, Finland), and in the southern coastal regions of European Russia, the range of countries with their representative offices is wider and includes not only the nearest neighbors, but also the countries of Western and Eastern Europe, and in Elista – even Mongolia, which is explained by the ethno-confessional proximity of the kalmyks and mongols.

Regions use border crossing points (BCPs) locate on their territory for the implementation of cross-border relations. There are 111 BCPs within the coastal regions of European Russia (approximately equal shares distributed to the entities of the northern and southern parts of the coastal zone of European Russia). However, automobile and marine crossing points are predominated ( Table 2). Marine BCPs predominate in the southern coastal regions ( Table 2). Their locate depends on more convenient natural and hydrographic navigation conditions and the presence of both cargo and passenger ports. The northern coastal regions concentrate more road and rail BCPs on their territory. In general, the coastal regions of European Russia have a significant share of the country's BCP –there are more than 1/3 road BCPs and rail BCPs within them territory, 1/6 of the air BCP at airports and more than half of all sea BCP. In Kaliningrad region there is also one river BCP on the border with Lithuania.

Highways is a general tool for implementation of international integration relations [10]. The most important of them have the international transport corridors (ITC). They (means ITC) are main transport communications of different transport modes with traffic infrastructure. ITC form the international traffic, and their placement in the most convenient and short directions creates resilience and stability these types of contacts between countries and their regions [11].

TABLE II. TABLE STYLES FEATURES OF THE NEIGHBORHOOD OF COASTAL REGIONS OF EUROPEAN RUSSIA WITH FOREIGN COUNTRIES

Territories	Total BCPs	including:				
		Automobile BCPs	Railway BCPs	Air BCPs	Sea BCPs	River BCPs
Northern coastal regions	52	22	13	4	13	1
Southern coastal regions	59	21	9	9	20	-
Total seaside regions of European Russia	111	43	22	13	33	1
Share of the total number of checkpoints across the border of Russia	35.6	39.8	40.0	16.1	58.9	33.3

<sup>b</sup> Data are presented as of 29.03.2009

<sup>c</sup> Compiled and calculated from the data of [9]

ITC play a significant role in the foreign economic relations development of European Russia's coastal regions, as they are most integrated into the system of cross-border transport links with neighboring states [12]. In addition, the port and other transport infrastructure acts as a material base for the implementation of transport, which allows the coastal entities of the european part of the Russian Federation to act as an integral part of the ITC, thereby performing important transit functions.

From the ITC, which lie within the considered set of coastal regions, we note:

- «North-South» ITC connecting the countries of Central and Eastern Europe with the States of South Asia and passing from Baltic Regions to the Caspian sea;
- ITC «Transsib», integrating countries of Central Europe with the countries of East and Central Asia through the territory of Russia;
- ITC «Northern sea route», which runs from Murmansk to Chukchi sea, with a call to the ports of Arkhangelsk, Kandalaksha and Dudinka;
- branch from the pan-European ITC number 1 runs through from Baltic States and Kaliningrad Region to the border with Poland (Gdansk);
- branch from the pan-European ITC number 9 runs from Finland through the Leningrad Region and St.

Petersburg – to the border with Belarus, Lithuania – to Kaliningrad [13, 14].

International economic integration is expressed in the establishment of strong, close long-term socio-economic ties between countries on the basis of mutual interests between them. The integration's result is the formation of economic unions and groups as States Parties's territorial associations of integration processes. At the same time, the integration have major significant for countries, which have common borders with other states. In this regard, access to the sea is a factor that activates the integration processes, because the maritime transport reduces the cost of foreign trade, and the water area can significantly expand the spatial field of integration relations, including not only immediate neighbors, but also more remote countries [15].

Leading and most significant out of foreign economic relations integration economic groups are European Union (EU), Commonwealth of Independent States (CIS), the Eurasian Economic Union (EAEU) and others. A number of them have a direct «seaside attraction» (which is often fixed even in their name) and unite countries that have access to a certain sea basin. For example, the Black Sea Economic Cooperation Organization, the Baltic Assembly, Union for the Mediterranean, the Council of Baltic Sea States, the Barents Region (Barents/Euro-Arctic Region) and others. The coastal regions of the European part of Russia have close integration relations with most of them. They established fruitful contacts both with States Parties and with their individual regions (parts of countries).

The integration contacts of the coastal regions of European Russia can be divided into two groups (from geographical points of view) – Eurasian integration in the North, within the Baltic and Barents-white sea basin, and in the South – within Azov – Black Sea and Caspian basins. A number of integration associations have a clear localization within these two spatial sectors of the coastal zone of European Russia. At the same time, there are also larger economic groups in structure and localization, which are focused in their activities on cooperation with both the Northern and Southern coastal regions of European part of Russia. These are the European Union and the Eurasian Economic Union.

The economic tie of coastal regions of European Russia with European Union (EU) is an important direction of integration cooperation. At the level of individual entities of the Russian Federation, integration relations with the EU States in the most concentrated form have found their expression in the form of Euroregions. Russian coastal territories are currently included in a number of Euroregions, but the most active are two of them, Euroregion "Baltika", which unites 5 districts: Kaliningrad Region in Russia, Grodno Region of Belarus, Podlaskie Voivodeship of Poland, Vilnius, Alytus and Maryampolsky districts of Lithuania. Euroregion "Karelia", which includes the Republic of Karelia in Russia and the border municipalities of Finland [16]. The key areas of cross-border cooperation of these Euroregions are the implementation of joint transport and infrastructure projects, cooperation in industry, agriculture and forestry, environmental protection, crime control, tourism development and cultural exchange [17].

Due to the peculiarities of geographical location, historical and natural factors, significantly involved in the integration of relations through international economic relations in North-West of European part of Russia are St. Petersburg and Leningrad Region. Their territory is covered by international highways connecting this region of North-West Russia with neighboring Baltic countries and Scandinavia; the offshore section of the main gas pipeline "Nord stream" (North-European gas pipeline), connecting Russia and Germany on the bottom of the Baltic sea, comes from their coast.

Cross-border relations of Southern coastal regions of the European part of Russia differ significantly in spatial directions. Republic of Dagestan, as a Caspian region, is more integrated with neighboring which Azerbaijan and Iran, including due to the passage of the E-119 highway of the trans-European automobile network (Moscow – Volgograd – Astrakhan – Makhachkala – Baku – Teheran). Trade and economic relations of Rostov region were largely associated with Ukraine. It was Ukraine that for a long period of time was the leading counterparty to the subjects of economic activity of South of Russia.

Two major cross-border projects have been implemented in the South of Russia. They are connected with Russian natural gas transport to Turkey:

1. Blue Stream, which provided by Russian fuel the northern part of Turkey.

2. Turkish stream, which supplies natural gas to the border of Turkey and Greece, where it is planned to create a gas hub through which gas will be sent to the countries of southern Europe.

Land sections of these gas pipelines on Russian side come from Black sea coast of Krasnodar region.

The CIS countries, which are part of the new integration group – EAEU, which are close to the coastal regions of European Russia, use their port-industrial potential to enter the water area and transport their goods by sea. Kaliningrad Region's ports and Leningrad Region's ports, St. Petersburg serves the transit of goods to Belarus. Southern ports of Russia, and especially Novorossiysk, are involved in Kazakhstan's economic agents sea transportation, Armenia and Kyrgyzstan, which have no access to the open sea. Under the conditions of the common economic space and the common customs code, EAEU countries receive significant benefits due to duty-free transportation of their goods from Russian ports to their economic territory, which allows them to obtain significant competitive advantages and is one of the factors in the growth of their economies [18]. In this regard, in our view, the role of the coastal regions of the European part of Russia and their transport infrastructure will increase in the coming years, and the intensity of participation in integration ties and cross-border cooperation will increase, which can be expressed in the implementation of new specific foreign economic projects.

#### IV. CONCLUSION

The coastal regions of the European part of Russia have sufficient integration potential are expressed by the benefits of the coastal and neighboring geographical location, the presence of foreign countries diplomatic missions and

border infrastructure for the implementation of numerous and successful foreign economic contacts with neighboring countries. The active development of cross-border relations between coastal regions and neighboring countries is facilitated by a sufficiently developed network of transport highways that are part of international transport corridors, and the implementation of a number of priority international infrastructure projects; and contacts at the level of Euroregions form a stable interaction at the level of municipalities of border areas [19].

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