



EUROREGION BALTIC ANNUAL REPORT 2010



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EUROREGION BALTIC COUNCIL

Jacek Protas, Marshal of Warmińsko-Mazurskie Voivodeship in Poland chaired the Euroregion Baltic Executive Board that consisted of nine other representatives:

1. **Mihail J. Pluhin**, Vice-Chair of ERB Executive Board, Minister for Municipal Development of Kaliningrad Oblast, Russia
2. **Arūnas Burkšas**, Chair of Klaipeda Development Council, Lithuania
3. **Marie-Louise Hilmersson**, Chair of Regional Council, Sodra Smaland, Sweden
4. **Bernth Johnson**, Chair of County Council, Blekinge, Sweden
5. **Åke Nilsson**, Member of Regional Council, Kalmar, Sweden
6. **Per Ole Petersen**, Member of Council of Regional Municipality of Bornholm, Denmark
7. **Mieczysław Struk**, Marshal of Pomorskie Voivodeship, Poland
8. **Elise Wåhlin**, Chair of the ERB Youth Board, Blekinge, Sweden
9. **Joanna Zielińska**, Chair of Association of Polish Communes ERB

In 2010 Euroregion Baltic Council was constituted by 38 members:

Regional Municipality of Bornholm, Denmark

1. **Martin Sten Jörgensen**, Member of Regional Council on Bornholm
2. **Per Ole Petersen**, Member of Regional Council on Bornholm
3. **Bo Damgaard Nielsen**, Member of the ERB Youth Board
Anders Damgaard Nielsen, substitute for **Bo Damgaard Nielsen**

Klaipeda County, Lithuania

4. **Arūnas Burkšas**, Chair of Klaipeda Development Council, Lithuania
5. **Vaclovas Dačkauskas**, Mayor of Klaipeda District
6. **Dalia Makuskiene**, Chief Officer of Foreign Relations Office in Klaipeda County
7. **Virgilijus Pozingis**, Mayor of Silute District
8. **Rimantas Taraskevicius**, Mayor of City of Klaipeda
9. **Algimantas Seselskis**, Member of the ERB Youth Board
Simonas Gentvilas, substitute for **Algimantas Seselskis**

Kaliningrad Oblast, Russian Federation

10. **Boris Batalin**, Member of Kaliningrad Region Duma
11. **Victor Koshelev**, Deputy Head of Baltijsk Municipality
12. **Alexander Kuznetsov**, Member of Kaliningrad Region Duma
13. **Mihail Pluhin**, Minister for Municipal Development of Kaliningrad Oblast
14. **Nikolai Tsukanov**, Chair of Association of Municipalities of Kaliningrad Region
15. **Fedor Yaroshevitch**, Head of Baltijsk Municipality
16. **Alexander Yaroshuk**, Chair of Municipal Council in Kaliningrad
17. **Evgenija Demina**, Member of the ERB Youth Board
Irina Piliukova, substitute for **Evgenija Demina**

Pomorskie and Warmińsko-Mazurskie Voivodeships, Association of Polish Communes, Poland

18. **Maciej Lisicki**, Deputy Mayor of Gdańsk
19. **Bożena Olszewska-Świtaj**, Mayor of Gorowo Iławeckie
20. **Marian Podziewski**, Governor of Warmińsko-Mazurskie
21. **Jacek Protas**, Marshal of Warmińsko-Mazurskie
22. **Mieczysław Struk**, , Marshal of Pomorskie
23. **Jerzy Szmit**, Deputy Mayor of Olsztyn
24. **Roman Zaborowski**, Governor of Pomerania
25. **Joanna Zielińska**, Chair of Association of Polish Communes ERB
26. **Anna Czerwień**, Member of the ERB Youth Board
27. **Paweł Sudara**, Member of the ERB Youth Board
Kamila Tkaczuk and **Małgorzata Piaścik**, substitutes for **Anna Czerwień**

Region Blekinge, Regional Council in Kalmar County, Regional Council in södra Småland, Sweden

28. **Bo Frank**, Member of Regional Council in södra Småland
29. **Carl-Olof Bengtsson**, Member of Regional Council in södra Småland
30. **Kerstin Haglö**, Member of Regional Council in Blekinge
31. **Robert Gajos**, Member of Regional Council in Blekinge
32. **Marie-Louise Hilmersson**, Chair of Regional Council in södra Småland
33. **Bernth Johnson**, Chair of Blekinge County Council
34. **Roger Kaliff**, Member of Municipal Council in Kalmar
35. **Ake Nilsson**, Member of Regional Council in Kalmar County
36. **Cajsa Augustzén**, Member of the ERB Youth Board (södra Småland)
37. **Marta Akesson**, Member of the ERB Youth Board (Kalmar)
38. **Elise Wahlin**, Member of the ERB Youth Board (Region Blekinge)
Camilla Haard-Andersson, substitute in södra Småland
Karolis Dineika, substitute for **Cajsa Augustzén**
Suzanne Svensson and **Bo Löfgren**, substitutes in Region Blekinge
Bo Lundgren, substitute in Kalmar
Linnea Malmström, substitute for **Elise Wahlin**

During the second year of Polish Presidency **Euroregion Baltic Executive Board** met on 21st January 2010 in Gdańsk (Poland), 22nd April 2010 in Olsztyn (Poland) and on 23rd September 2010 in Copenhagen (Denmark).

Euroregion Baltic Council held its meetings on 5th March 2010 in Elbląg (Poland) and between 28 and 29th October 2010 in Kosta (Sweden). It was the last meeting of the Council which was dissolved following the conclusion of the ERB cooperation review process.

ADDRESS BY ERB PRESIDENT

Between 5th March 2010 and 21st February 2011 Euroregion Baltic was under the political leadership of the Marshal of the Warmińsko-Mazurskie Region, **Mr Jacek Protas**.



The year 2010 was the second year of Polish Presidency in Euroregion Baltic (ERB) during which I was given the honour to once again hold the position of its President. This exceptional situation arose from a decision of the Council to revise the existing calendar of presidency within the ERB. At the end my term in 2009 I was asked by all ERB member organisations to lead the organisation also in 2010. Therefore, I would like to thank all members of the ERB Executive Board for the trust and support I received during my second term as President. I sincerely hope that I succeeded in fulfilling all the expectations associated with my leadership.

From the very beginning, the main goal of my presidency was to prepare and implement the strategic review of ERB cooperation priorities which focused on revising the scope of ERB activities and implementing the institutional reform of ERB's organisational structure. To this end, in January 2010 the ERB Executive Board established the ERB Cooperation Review Task Force, which assisted the Board in preparing a special road map outlining the next steps in the review process. One of the main elements of this process was the ERB Stakeholder Conference organised in Elbląg in June 2010. This important event gathered high-ranking politicians and civil servants from all ERB member regions. Based on the outcomes of the Conference, the ERB prepared a strategic document entitled ERB 2020 Agenda, which defined new directions in future ERB cooperation. The review process was finally concluded during the last meeting of the ERB Council in October 2010 in Kosta, Sweden with the adoption of the Agenda and the revised ERB Statutes, which formally sanctioned all the proposed changes. Under the new Statutes ERB become a more efficient and flexible organisation capable of dealing with current challenges and focusing on lobbying, strategic actions and exchange activities.

In 2010 I continued close cooperation with our Lithuanian partners concerning future participation of Klaipeda County in Euroregion Baltic. In June I had another meeting with the Lithuanian Minister of Interior on this matter. I believe that continued cooperation of Lithuania in ERB is of vital importance to our organisation and hope that my successor will be able to succeed in securing the participation of Lithuanian partners in the ERB cooperation.

Youth cooperation was among the most important elements of the ERB cooperation. In 2010 the ERB Youth Board consolidated its role and influence on the youth cooperation issues within ERB. In its activities the Youth Board was assisted by the Youth Cross-border Cooperation and Communication (YC3) project, which gave young people from the ERB area an opportunity to participate in meetings, seminars and workshops on issues of significant importance.

In 2010 many of the projects initiated by the ERB continued to be implemented within the South Baltic Cross-border Cooperation Programme. Such projects as DISKE, LED, or MOMENT not only provide concrete results for their respective target groups but also contribute to the Joint Development Programme of ERB.

My two-year Presidency is coming to an end. It has been a period of hard work and significant changes affecting all areas of the ERB cooperation. I am convinced that thanks to our joint endeavours Euroregion Baltic has become a stronger organisation prepared to tackle new challenges on both regional and European arena.

Jacek Protas
President of Euroregion Baltic

A handwritten signature in blue ink, appearing to read 'J. Protas', written over the printed name and title.

STRATEGIC REVIEW OF COOPERATION PRIORITIES

Background

In 2010 Euroregion Baltic has undergone a strategic review of cooperation which was a direct result of major structural changes that have occurred at different levels in the European societies, affecting the ERB cooperation in a number of ways. At the regional level the organisational structures, roles and responsibilities of the regions have changed due to regional reforms. This has occurred in Denmark, Poland, Russia and partly in Sweden and is currently taking place in Lithuania. Secondly, following the 2004 Enlargement of the European Union the thematic scope of the cooperation shifted significantly towards the EU policies. Other external aspects which have impacted the conditions for the ERB work included: establishment of the Interreg IV A South Baltic programme 2007-2013 (with its geography not fully aligned to correspond to the ERB area), adoption of the EU regulation on establishing European Groupings of Territorial Cooperation (EGTC), and last but not least, the newly approved EU Strategy for the Baltic Sea Region which is believed to exercise enormous impact on the cooperation in the Baltic Sea Region as a whole, and on Euroregion Baltic.

The overall objective of the review process was to set the agenda for the ERB cooperation until 2020 with revised goals of the cooperation, as well as specific objectives and activities planned with the view of reaching the goals. The agenda complimented the vision of the ERB as an organisation with clearly defined roles and strengthened institutional and financial capacities.

Establishment of the ERB Cooperation Review Task Force

On 21st January 2010 the Euroregion Baltic Executive Board decided to establish a task force to effectively manage the process of reviewing the ERB cooperation. The task force consisted of representatives of the member regions responsible for a.o. territorial cooperation and regional development issues. The task force was also open to other key stakeholders of the ERB cooperation (business sector, knowledge institutions, social partners). The Board decided that the review process would start on 11th February 2010 in Copenhagen and would be finalised by the Council in Autumn of 2010. During the first meeting on 11th February the task force worked on a road map of the ERB cooperation review process which was later presented to the Council for approval at their meeting on 5 March 2010. In their work, the task force paid special attention to the assessment of the implementation of the ERB Joint Development Programme, practices of good governance, transparency and subsidiarity, future challenges and regional development strategies in all member regions, involvement of member regions in the implementation of the EU Strategy for the Baltic Sea Region, accumulated experience from and relevance of the ERB cooperation to the member regions' regular work, as well as ways of maximising added value of the ERB cooperation, thematic priorities and foci of the ERB cooperation in the future, and the review of institutional and financial capacities of Euroregion Baltic.

Adoption of the ERB Cooperation Review Road Map

The ERB Cooperation Review Road Map was a direct result of the activities of the special task force established by the ERB Executive Board in January 2010. It was officially adopted by the Euroregion Baltic Council at a meeting in Elblag, Poland on 5th March 2010.

The Road Map focused on three specific processes and a number of related actions. Based on its content, ERB cooperation stakeholders would hold discussions in order to update the implementation of the Joint development Programme, upgrade the added value of ERB cooperation, and strengthen institutional, financial and political capacities within the organisation. The document set out three main objectives to be achieved by ERB during the 2010 review process. Firstly, to develop an updated strategy for the development of ERB until 2020. This would be achieved by assessing the implementation of the ERB Action Programme, reviewing the activities of ERB Working Groups and revising the ERB Development Strategy focus areas. Based on this assessment, the Task Force was to propose a selected strategic project which could be implemented jointly by all ERB member regions. Second objective presented in the Road Map was to closely related the ERB cooperation agenda with regional strategies and expectations, which could be achieved by safeguarding complementarity to regional agendas, involving ERB in the implementation of the EU Strategy for the Baltic Sea Region, defining an ERB political cooperation agenda, and maximising the networking aspect of the ERB cooperation. Finally, the third objective set out by the Road Map was to improve the quality of ERB work in order to make internally stronger and externally more recognisable. To realise this objective, the stakeholders of the ERB cooperation would take actions to secure political representation of the regions, conduct a competitive analysis of ERB, analyse the geography of ERB cooperation, ensure the continuation of Klaipeda County participation, secure the conditions for the participation of the Kaliningrad Region. They would also take steps to review institutional and financial capacities of ERB including the sources of funding, and analyse new instruments to assist joint ERB work such as the European Groupings of Territorial Cooperation (EGTC).

ERB Stakeholder Conference



The ERB Stakeholder Conference was organised in Elblag, Poland between 17 and 18th June with a goal to continue the process of reviewing the ERB cooperation, as recommended earlier in the Road Map. Around 60 local and regional representatives discussed three main issues related to the ERB cooperation. In the first part of the Conference the discussion focused on the results of the cooperation so far with certain successes and weaknesses, as well as the added value of the cooperation being identified by the participants. Among the successes the most

prominent achievement was the establishment of an effective cooperation platform, which in turn resulted in effective lobbying towards the EU and national level, joint strategic projects based on the Joint Development Programme, improved intercultural dialogue benefiting European cooperation, youth cooperation and its formal inclusion in ERB structures, as well as the attraction of financial instruments with particular focus on the South Baltic Programme.

Among other successes the stakeholder mentioned the establishment of the International Secretariat, which safeguarded the continuity of work flow and coordination of efforts within ERB. ERB was also considered as a recognisable brand and an important and reliable partner in discussions and consultations in the European Union. Many participants underlined the fact that the ERB had been the first such structure to have formally involve a Russian partner back in 1998 and since managed to fully integrate the partners from the Kaliningrad Region in the cooperation. Finally, ERB contributed to the development of close ties between local communities, authorities, non-governmental organisations in the ERB area and beyond, mainly those involved in the Phare and Norwegian Financial Mechanism projects implemented by the Association of Polish Communes.



Weaknesses of ERB cooperation were also identified during this discussion and these included a certain imbalance between ambitions voiced by the cooperation stakeholders and the capabilities and resources shared within ERB, insufficient anchoring of ERB work in the member regions, unequal involvement by political representatives. Also, some obstacles to the fully available and equal opportunities for the cooperation between reported. These included the issue of the South Baltic

Programme eligibility area, which does not cover the entire ERB cooperation area, and the existing visa regime on the border with the Kaliningrad Region, which hinders smooth cooperation with Russian partners. There was also general consensus that the ERB Working Groups were not entirely effective, which resulted in the fragmentation of cooperation and unstable work flow.

After that the discussion focused on the added value of the ERB cooperation, which the participants considered to be the basic requirement for any joint activities within Euroregion Baltic. The stakeholders of ERB cooperation understood the added value as any action which can be only implemented through the ERB partnership or implemented to bring a significantly better result than if taken by each region alone. Among the examples of the ERB added value were the results of lobbying activities concerning the South Baltic Programme, influence exercised on EU policies, such as the EU Strategy for the Baltic Sea Region. Moreover, ERB contributed to the development of in the regions through joint projects like Seagull DevERB, Seagull II or MOMENT, facilitated the development and improvement of competence and skills of politicians and civil servants involved in the ERB cooperation, and improved intercultural dialogue and cooperation through exchange of information and experiences. Attracting of external financing from the EU and national programmes was also considered as an important added value of ERB cooperation. In the future cooperation, ERB should pursue the added value of cooperation by acting as a lobbying tool towards the EU and national governments, an implementer of joint strategic development projects, a platform of exchanging information and experience, and a facilitator of other forms of cooperation in the ERB area.

The second part of the Stakeholder Conference focused on the future challenges of the ERB cooperation and reviewing the institutional and financial capacities of Euroregion Baltic. It was widely accepted that the ERB had an important role to play in the Baltic cooperation, mainly

through lobbying activities for strengthening the role of territorial cooperation in the next programming period and EU Cohesion Policy in general, but also in other important issues such as environmental protection and maritime safety, transport accessibility, economic cooperation, cooperation between universities, academia, innovations centres, clusters and small Baltic ports, youth cooperation, as well as people-to-people cooperation in sport, education and culture.

The Conference also discussed the issue of making the ERB an integral part of the work in the member regions. According to the participants this could be achieved by facilitating better involvement of regional political leaders and institutions into the ERB cooperation, making the ERB a more flexible organisation with one structure composed of leading politicians involved in strategic debates and decision-making, optimising the role of ERB as a lobbying tool, implementer of strategic projects and an information exchange platform. Organisation of an annual forum of ERB cooperation stakeholders was also considered as an important tool for achieving the integrity of the ERB cooperation.

Another important theme in the discussion on the future of the ERB cooperation was the role of the Euroregion in the implementation of the EU Strategy for the Baltic Sea Region. The participants stated that ERB should be responsible for informing about Strategy related initiatives in the regions and countries around the Baltic Sea. It should also continue to participate in the implementation of the Strategy and its monitoring process, and take part in the Strategy annual forum. Finally, the stakeholders expressed a view that ERB should consider being involved in the implementation of a flagship project within the Strategy.



Regarding future ERB strategic joint initiatives, it was concluded that ERB should create stronger links between its work and work in the member regions, commence lobbying towards the next EU programming period, attempt to implement a Strategy flagship project, stimulate business relations in ERB, cooperate more closely with other Baltic organisations and EU institutions, conduct a SWOT analysis of establishing an EGTC and provide information on opportunities for international cooperation.

The last theme of the discussion focused on the review of institutional and financial capacities of ERB. Here the participants were of the opinion that ERB should have fewer structures with specific task forces instead of working groups and one decision making structure i.e. ERB Executive Board consisting of up to two representatives from each member organisation and the Chair of the ERB Youth Board. There should also be fewer meetings of ERB institutions per year and an annual forum of ERB stakeholder should be held each year discussing different important topics of ERB cooperation. This new organisational structure required the strengthening of the position of the President of Euroregion Baltic as well as better links between the member regions and the International Permanent Secretariat, and stronger involvement of leading civil servants in the ERB work. Concerning the issue of financial resources, it was agreed that in the future all member regions should pay the same amount of membership fees, while the extra resources for different ERB initiatives should be made available through EU programmes. In this respect it was also important to lobby for one CBC programme covering the whole ERB area.

Adoption of ERB 2020 Agenda and new ERB Statues

The goal of the ERB 2020 Agenda is to draw on the previous successful experiences and help the organisation move into a new phase of cooperation where it becomes a more dynamic tool to tackle common challenges observed by its members, and a strengthened political leverage in the cross-border cooperation of the Baltic Sea Region. To implement that goal, the Agenda set out three main focus areas, therefore allowing for a consolidated approach to the cooperation within the ERB.

The first strategic area includes lobbying activities. These activities aim at strengthening ERB lobbying activities towards the European Union and taking an active role in the shaping of EU policies such as EU Cohesion Policy, EU Strategy for the Baltic Sea Region, Europe 2020 Strategy, and EU - Russia Cooperation. These activities are initiated by the Executive Board which is authorised to established dedicated ad hoc task forces responsible for planning and executing lobbying activities. In achieving these goals, ERB cooperates closely with the European Commission, European Parliament, Committee of the Regions, national governments, Baltic organisations, as well as with the regional offices in Brussels.



In order to facilitate the successful implementation of the lobbying activities, on 28th October 2010 ERB Council decided to create three ad hoc task forces. The Task Force on EU Cohesion Policy is responsible for monitoring the preparation of future EU Cohesion Policy and will actively promote a greater role of its objective 3 - European Territorial Cooperation. The Task Force on the EU Strategy for the Baltic Sea Region will be analysing the current implementation of the Strategy and prepare a draft position on the

Strategy's review process and including a lobby plan. Finally, the Task Force on the Annual Forum of ERB Stakeholders is in charge of preparing and organising the Annual Forum in 2011.

The second focus area concerns strategic actions which upgrade the added value of the cooperation by enabling networking among variety of partners and providing complementarity with the regional development strategies. It also aims at strengthening the vitality of ERB cooperation through involving high political representatives of the regions and other important stakeholders. The ERB 2020 Agenda sets out three strategic objectives within this area: the implementation of ERB Joint Development Programme (JDP), accomplishment of prioritised institutional activities, and development of platforms supporting other forms of cooperation in the ERB area. The ERB JDP is an important element of ERB cooperation. Under the new guidelines, ERB partners will define which JDP actions shall be selected for realisation. Currently, the organisation provides support to the ERB Water Forum and assists the Pomorskie region in its efforts to resubmit the BaltNet project to the South Baltic Cross-border Cooperation Programme. The second objective includes the investigation of a possible status of a European Grouping of Territorial Cooperation (EGTC) on the condition that it covers all the ERB partners and aims at involving more intensively experts in the our work with the long-term objective of building a think-tank capacity of Euroregion Baltic. Within this objective ERB also supports the Youth Board in developing a flagship project proposal to the EU Strategy for the Baltic Sea Region. With regards to the third objective, ERB will mainly support the development of other

platforms of cooperation by serving as a match-making point and information broker in such areas as the triple-helix cooperation, labour mobility, maritime safety, environmental protection and energy saving, promotion of investments in transport infrastructure and facilitating border crossing with the Kaliningrad Region.

The third focus area includes exchange activities which, through collaborative approach to common challenges by local and regional politicians, decision-makers, experts and practitioners, will lead to deepened relations between the ERB member regions and strengthened cooperation. The exchange of information for the benefit of ERB members includes gathering and disseminating information about existing Baltic initiatives, taking actions aiming at deepening relations between ERB communities, collecting information on the needs of communes and local communities regarding cross-border cooperation and the existing resources of this cooperation.

The new ERB Statutes approved in Kosta, Sweden on 29th October 2010 formally implemented the institutional reform of ERB set out in the ERB Agenda 2020. As a result the Council of Euroregion Baltic was dissolved and the ERB Executive Board became the highest decision making body of the organisation. The Executive Board consists of up to two representatives of highest possible political rank and one permanent deputy nominated by each member organisation and the Chairperson of the Youth Board. Decisions of the Board are based on consensus with each member organisation and the Chairperson of the Youth Board all having one vote. Under new Statutes, the Board has the right to initiate and adopt changes to the ERB Statutes, prepare and approve long-term programmes, biennial actions plans and other strategic documents, prepare, adopt and implement resolutions, joint statements and positions, elect ERB President and Vice-President, approve annual activity reports from the ERB President, approve annual activity and financial reports from the International Permanent Secretariat and the Youth Board, decide on enlarging of the ERB territory and approve withdrawal or suspension of the Parties, establish ad hoc task forces; confer the title of the ERB honorary membership. The Board is also responsible for initiating the organisation of the ERB Annual Forum of Stakeholders.



The new Statutes strengthened the role of the President of Euroregion Baltic who chairs the meeting of the Executive Board and is the highest representative of the Euroregion. The President is authorised by the Executive Board to represent ERB externally and act on its behalf. In his duties as the Chair of the ERB Executive Board, the President is assisted by the International Permanent Secretariat and ERB regional secretariats. The President and Vice-President's terms are held for one year and

rotate around all the National Parties of ERB cooperation who nominate their candidates to be approved by the Board.

Finally, the ERB member regions decided to dissolve all Working Groups and replace them with ad hoc Task Forces. Currently four ERB Task Forces are operational dealing with the issues of future EU Cohesion Policy, EU Strategy for the Baltic Sea Region, ERB Annual Forum of Stakeholder and future ERB joint strategic project.

IMPLEMENTING JOINT DEVELOPMENT PROGRAMME

Joint ERB projects directly related to the ERB Joint Development Programme

Moment

MOMENT project was developed by the ERB Water Forum and successfully submitted to the South Baltic Cross-Border Cooperation Programme in 2009. It contributes to the Priority Area 1 of the EU Strategy for the Baltic Sea Region. The main goal of the project is to test and develop a model for



modern water management through so called Water Users Partnerships within pilot areas around small rivers in Lithuania, Poland and Sweden. Each Partnership is responsible for developing and implementing a local programme of measures for decreased outlets of nutrients and hazardous substances. Among the most important project developments was the 3rd ERB Water Forum held in Klaipeda between 29th and 30th October 2010 with participants representing more than 30 different organisations from 5 countries. The Water Forum focused on issues concerning outlets of nutrients and hazardous substances to the Baltic Sea. During the Water Forum 3 other projects with similar objectives, ARTWEI, Baltic Agreement and Waterpraxis, presented their work and strategies for a healthier Baltic Sea. The project will now be continued through MOMENT UP, approved in 2010 by the South Baltic Steering Committee, allowing additional concrete pilot area measures added to those currently managed within MOMENT project, which will further enhance the project's impact on the socio-economic development of the Baltic Sea region. The concept of managing water through Water Users Partnerships will be spread to the Kaliningrad region within the pilot area Primorskaya River. MOMENT UP allows for one additional exchange meeting to take place in the Kaliningrad region and a possibility to spread its ideas to a broader Russian public.

YC3 Project

This Youth cross-border cooperation and communication project was initiated by the ERB Youth Board. Within the YC3 project young people have had a chance to get involved in cross-border political work and to accompany the South Baltic activities, but also develop new ideas for future cross-border actions. The project has organised workshops on different themes in eight member regions of Euroregion Baltic and created an interactive youth web platform helping to involve more active youths in this cooperation.



YOUTH CROSS-BORDER COOPERATION
AND COMMUNICATION

The project activities will result in the elaboration of an action plan for further youth cooperation in the Euroregion Baltic which should be implemented by the ERB Youth Board members and relevant NGOs which are going to be grouped around the ERB Youth Board during the project. A vision (handbook) will give practical advice on how to improve political youth involvement in the South Baltic area. You will find more detailed information on the YC3 project on pages 15 and 16 of this Annual Report.

ERB initiated projects related to the ERB Joint Development Programme

Diske

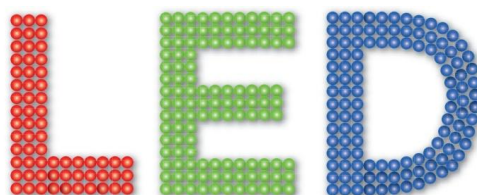
DISKE project contributes to the Priority Area 8 of the EU Strategy for the Baltic Sea Region and aims at intensifying cross-border relations between innovative SMEs and strengthening their economic potential and competitiveness through cooperation of science and technology parks, incubators, local



authorities and academia. In 2010 main activities focused on promoting the triple helix concept and strengthening the cooperation between local authorities, academia, research institutions and entrepreneurs. Between 6 and 7th May 2010 the project held its fourth study visit which was organised by the Business Centre Bornholm. The programme included the presentation of the renewable energy sector as well as the Bornholm's branding strategy entitled Bright Green Island. The fifth study visit took place in the Videum Science Park in Växjö, Sweden between 29-30th September 2010 including a training session and feedback seminar. Finally, project's mid-term conference was held between 7 and 8th October 2010 at the Technology Centre of Western Pomerania. The conference summarised the first year of project implementation, its achievements and main results so far. The participants also discussed the issue of innovation support in the South Baltic region, transfer of knowledge and experience between science and technology parks, incubators, local authorities and universities.

Led

Implemented within the South Baltic Programme LED project contributes to the Priority Area 5 of the EU Strategy for the Baltic Sea Region. It aims at providing arguments for a conversion of city and road lighting to energy saving, environmentally friendly and versatile LED technology. Regarding the project implementation in 2010, the city of Kalmar invited its citizens to join tests of LED city lighting. The idea is that the so called "Light Pilots" contribute with their



Light in Public Space

perspective on the city's future outdoor lighting. More than 50 inhabitants have been involved in the different evening tests taking place in Kalmar. Also, the Hanseatic City of Wismar started building a LED test area at a primary school Tarnow. The test area will measure the real energy saving effect, the saving effect on maintenance, the different illumination effects (colours, brightness) and the individual comfort that the people feel with LED lighting.

Other projects related to the ERB Joint Development Programme

Baltic Master II

The project is a continuation of an award winning Baltic Master with Region Blekinge as the Lead Partner. While the first project aimed at more broadly at developing strategic concepts and visions, the idea of Baltic Master II is to go from vision to action. The aim of the project is to improve land based response capacity to oil spills and prevent pollution from maritime transport. By bringing together relevant actors from local, regional and national authorities, research institutions, universities and pan-Baltic organisations, the project provides a necessary link between different levels, and combines hands-on knowledge with strategic work.

The Baltic Master II is a flagship project contributing to the Priority Area 4 of the EU Strategy for the Baltic Sea Region. In 2010 the most important project activities were carried out within the Work Package 3 - Improved land-based response capacity to oil spills at sea, where partners participated in cross-border oil spill exercises. The first exercise took place on 26th October 2010 . According to the hypothetical scenario, the bay of Skälderviken suffered a 1000 ton oil spill, which affected four municipalities in the vicinity. The main objective was to use parts of the regional oil contingency plan for practicing crisis management, cooperation and communication. Also, project partners took part in the annual joint exercise organised on the west coast of Sweden in Gothenburg. The main aim of this exercise was to test information exchange between international participants in the event of a collision involving two vessels and resulting in a oil spill.

East-West Transport Corridor II

The project is a continuation of a very successful East-West Transport Corridor (EWTC) with Region Blekinge as the Lead Partner. The aim of the EWTC II, again with Region Blekinge in the lead, is to secure sustainability for transport solutions within the corridor. The project connects cities of Minsk, Vilnius, Klaipeda/Kaliningrad with Denmark via south Sweden and with Germany via Sassnitz. It facilitates development of transport hubs as growth centres. The project is also developing an innovative testing ground for a green corridor concept. EWTC II project contributes to the Priority Area 11 of the EU Strategy for the Baltic Sea Region. In the 2010 one of the most important achievements of the project was the establishment of the East West Transport Corridor Association at a meeting in Vilnius, Lithuania on 29th June 2010. The EWTC Association includes representatives from China, Denmark, France, Germany, Kazakhstan, Lithuania, Mongolia, Russia, Sweden and Ukraine, and will be responsible for a long-term management of the East West Transport Corridor after the completion of the EWTC II project through maintaining economical and political dialogue between the states and partners in the corridor as well as in other regions. The East West Transport Corridor's international competitiveness will be maintained through continued cooperation in the fields of transport development and innovation. The EWTC Association will also work as a joint voice representing its partners in the European Commission and international transport organisations.

Interface

The overall idea of the parent project "INTERFACE" is to develop and revitalize cross-border passenger traffic without cars to a comfortable, cheap & environmental friendly alternative to travel within the South Baltic area. The project origin is in diminishing the share of foot passengers among ferry passengers and drop down in their absolute number. INTERFACE sets a rethinking in motion to revert this process. The project activities are focused on the following transport axes: Karlskrona - Gdynia, Gdansk/Gdynia - Kaliningrad and Trelleborg/Gedser - Rostock. The upgrade "INTERFACE PLUS" will go in parallel with the parent project for 18 months and extends the cooperation by another 18 months. The overall idea of the project is to upgrade INTERFACE in two directions. On the one hand, it widens the scope of the INTERFACE initiative by including passenger transport axes not considered in the parent project (Darłowo / Ustka / Kolobrzeg - Nexo). On the other hand, it includes "missing link investments" that lift the cross-border passengers transport improvement to a new and more concrete level.

SUPPORTING ERB YOUTH INITIATIVES

Assistance to the ERB Youth Board

ERB stakeholders have always actively supported the youth cooperation within their regions. After a decade of successful work it became evident that the youth dimension had be brought to the cross-border level and formally included in the ERB cooperation. To this end on 6th December 2007 the Euroregion Baltic Council amended the ERB Statutes in order to create a new formal body within the Euroregion structure - the ERB Youth Board. Designed to promote and facilitate the cooperation of youth from around Euroregion Baltic to help them actively participate in the ERB decision making process, the Youth Board consists of girls and boys between 16 and 25 years of age representing all ERB member regions. The official inauguration of the ERB Youth Board took place on 22nd February 2008 in Elbląg and its first Chairperson was elected. During 2008 and 2009 members of the Board created a well functioning structure and an effective organisation promoting youth issues both within the ERB and outside. Since 2009 the Youth Board has been implementing a joint project within the South Baltic CBC Programme: Youth Cross-border Cooperation and Communication (YC3).

Assistance to the YC3 Project



Within the YC3 project young people have had a chance to get involved in cross-border political work and to accompany the South Baltic activities, but also develop new ideas for future cross-border actions. The project has organised workshops on different themes in eight member regions of Euroregion Baltic and created an interactive youth web platform helping to involve more active youths in this cooperation.

The project activities will result in the elaboration of an action plan for further youth cooperation in the Euroregion Baltic which should be implemented by the ERB Youth Board members and relevant NGOs which are going to be grouped around the ERB Youth Board during the project. A vision (handbook) will give practical advice on how to improve political youth involvement in the South Baltic area.

In 2010 the project organised four important events during which young people from the ERB area had a chance to discuss the issues of influence, environment, democracy, equality and education.

The first meeting - Baltic Green-Day - took place on 8th February 2010 in Växjö, Sweden and was devoted to the problem of youth influence and environment. More than 40 young people participated in the event. During the first part of the meeting, Mr Bo Frank, Mayor of Växjö presented the environmental policies making Växjö the greenest city in Europe. Next, Mr Jan Sjökvist from the Young Energy Project gave a presentation about key facts concerning climate changes. The presentation was followed by a workshop on environment during which all

participants had a chance to express opinions on different methods of protecting the environment both globally and in their private lives. The second part of the meeting was dedicated to the issue of youth influence. After a presentation by Rebecka Jakobsson, youth ombudsman at Umeå municipality and Elin Gräns from the Växjö Student Union, young people took part in another workshop on this issue. The results of the workshop were summarised in a document submitted to the European Commissioner responsible for Youth affairs. The Baltic Green-Day ended with a study visit to the VEAB company, which provided bio-fuel based heating and electricity based to the Växjö inhabitants.



The second meeting - Baltic Q-Day took place in Klaipeda, Lithuania on 8th April 2010 and was devoted to the issue of democracy and equality. The participants were welcomed by Mr Arūnas Burkšas, Governor of Klaipeda County and ERB Board member. The meeting then proceeded with a lecture from the representatives of the National Social Integration Institute who presented their new project "The Living Library". Its goal is to promote dialogue, reduce prejudices and encourage understanding among people. The lecture was followed by a workshop on the

issue of equality during which the participants were then asked to react to different situations. During the second lecture Mr Kęstutis Gabšys, the youngest member of Klaipeda Municipal Council, talked about his vision of youth democracy. The meeting ended with another workshop on democracy and the EU citizens' initiative and a study visit to a youth centre in Klaipeda.

Between 23-24th July 2010 a youth summit entitled Youth in Connection was held. Mr Pawel Sudara presented his film documenting the meeting in Växjö. Then Ms Märta Martin-Åkesson described the ERB Youth Board structure and activities. The meeting continued with presentations considering youth activities in different Baltic Sea Regions: Warmia-Mazury, Kaliningrad and Kalmar. The presentations were followed by a workshop during which young people described the organisations they belonged to and showed their relations with regional politicians. During the second day people were divided into two groups and new discussions began. The first one considered entrepreneurship while the other was devoted to environment protection. This activity gave the participants a chance to exchange their opinions and knowledge among each other.

The last YC3 meeting in 2010 concerned the issue of education and was held in Gdańsk on 22nd October 2010. During the Baltic Edu-Day more than 50 participants discussed student mobility and modern mnemonic techniques. After the address by Ms Wiesław Byczkowski, Vice-Chair of the Board of Pomorskie Region, Ms Zofia Drozd, member of Erasmus Student Network presented some information about possibilities for student exchanges in the European Union. The presentations were followed by a series of two workshops. The first workshop concerned education, Erasmus and the possibilities for student exchanges in the future. The conclusions of the workshop were sent to the EU open consultation concerning the future of Erasmus. The other workshop gave the participants the opportunity to get to know some useful techniques that help to improve memory.

PARTICIPATING IN EUROPEAN DEBATES

EU Strategy for the Baltic Sea Region

In 2010 Euroregion Baltic continued its involvement in the implementation of the European Union Strategy for the Baltic Sea Region (EUSBSR). Based on the provisions of the Euroregion Baltic 2020 Agenda, which define three main areas of activity concerning the Strategy (for more information see pages 10-11 of this Annual Report), ERB was actively engaged in the implementation and monitoring of the EUSBSR.

As far as the implementation process is concerned, the Euroregion and its member organisations participated in the activities within ERB initiated projects implemented in the South Baltic Cross-border Cooperation Programme and the Baltic Sea Region Programme 2007-2013 (for more information see pages 12-14 of this Annual Report). Also, the ERB Water Core Group, based on the experience from the MOMENT project, began working on the development of a new EUSBSR horizontal action on multi-level governance, local and regional spatial planning and sustainable development. Finally, the ERB Youth Board was proposed to be included as a EUSBSR flagship as an example of youth network within the EUSBSR Priority Area 12. The ERB Youth Board also began working on a new EUSBSR flagship proposal “Informal learning and mobility for young people”, addressing the difficulties young people encounter while entering the labour market.

Concerning the monitoring of the EU Strategy for the Baltic Sea Region, ERB participated in the Strategy’s first Annual Forum which was held in Tallinn, Estonia between 14-15th October 2010. The Forum gathered around 500 representatives from various organisations involved in the Baltic Sea cooperation. The agenda included the presentation of the first draft implementation report, as well as updates on the various Priority Areas specified in the Strategy. The report presented information about new projects initiated to better implement the Action Plan of the Strategy. It encouraged all stakeholders, especially from local and regional authorities, to keep the political momentum in order to safeguard the successful implementation of the Strategy. Moreover, the report elaborated on the lessons learned after first eight months of the implementation process, and specified next steps to be taken in the future activities within the Strategy.

Finally, ERB launched a special Task Force on the EUSBSR in order to coordinate its participation in both implementation and monitoring of the Strategy, including its upcoming revision in 2011.

Consultations on the 5th Cohesion Report

The 5th Cohesion Report was published on 9th November 2010. The Report analysed regional disparities, contribution of the EU, national and regional governments to cohesion, impact of Cohesion Policy, as well as Cohesion Policy after 2013. EU Cohesion Policy after 2013 is of great importance for the regions by making available a set of instruments with which they can drive regional development, both within Objectives 1 & 2 (convergence, and regional competitiveness and employment), as well as within Objective 3 (European Territorial Cooperation). The need for a joint position paper from the ERB originated from the willingness of its member regions to continue their cooperation and coordination efforts at the cross-border

level, and equally importantly, was justified by their readiness to participate in the implementation of common transnational goals of the first European macro-regional strategy: the EU Strategy for the Baltic Sea Region (as confirmed in the ERB 2020 Agenda). Consequently, ERB considered European Territorial Cooperation (ETC) programmes to be the best example of the added value of the Cohesion Policy.

In their joint position paper on the future EU Cohesion Policy adopted by the ERB Executive Board (see pages 23-26 of this Annual Report), ERB stakeholders placed the main focus on European Territorial Cooperation (Cohesion Policy Objective 3), thus implementing the aims specified in the ERB 2020 Agenda. Firstly, to actively promote a greater role of ETC by calling for the strengthening of Objective 3 of the Cohesion Policy and for the geographical compliance of territorial cooperation programmes with the existing cross-border cooperation (CBC) structures. Secondly, to advocate for the equal importance of CBC along maritime borders and land borders by proposing to eliminate the current 150 km distance limit. Thirdly, to ensure favourable long-term financial possibilities for CBC in the ERB area by recommending the inclusion of the European Neighbourhood and Partnership Instrument (ENPI) in the ETC programmes, specifically pointing out to the Kaliningrad Region and its participation in the South Baltic CBC Programme. Fourthly, to ensure favourable long-term financial possibilities by proposing to exclude the first operational year of ETC programmes from the automatic de-commitment rule (N+2 and N+3), as well as to simplify methods of cost reimbursement in ETC projects.

ERB paper also referred to some more strategic issues and agreed to make the Cohesion Policy priorities compatible with the goals of Europe 2020 Strategy but, at the same time, to take into account territorial specificities prevailing in regions. It also agreed to implement Europe 2020 objectives through a common strategic framework including all budgetary policies and EU funds, and to include development and investment partnership contracts in the National Reform Programmes of the EU Member States but not in the case of ETC programmes which ERB proposed to link to macro-regional strategies, e.g. to the EU Strategy for the Baltic Sea Region.

ERB Position on the local border traffic regime with the Kaliningrad Region

On 23rd September in Copenhagen, Denmark the ERB Executive Board adopted a joint statement in support of ongoing process to introduce the local border traffic regime on the border with the Kaliningrad Region. The statement reads as follows:

The Executive Board of Euroregion Baltic fully supports the efforts taken by the Governments of the Republic of Poland and of the Russian Federation to implement a bilateral agreement offering advantages to border residents crossing the external borders of the Member States of the European Union. We believe it justifiable that the border area is extended to allow residents in the Kaliningrad Region and neighbouring regions of Poland to benefit fully from the local border regime.

The aim of this statement was to provide additional stimulus to the negotiations held between the Polish and Russian governments in order to allow the inhabitants of the Kaliningrad Region and of the Polish Regions of Warmińsko-Mazurskie and Pomorskie living in the border area (not more than 30 kilometres from the border and up to 50 kilometres in exceptional circumstances) to travel across the border based on a permit without the need of having a valid visa. Such bilateral agreements between the EU Member States and the Russian Federation are possible and

in accordance with the Regulation (EC) No 1931/2006 of the European Parliament and of the Council of 20 December 2006 laying down rules on local border traffic at the external land borders of the Member States and amending the provisions of the Schengen Convention, and the Agreement on the facilitation of the issuance of visas to the citizens of the European Union and the Russian Federation from 17th May 2007.

Consultations on the European Groupings of Territorial Cooperation



In July 2010 ERB participated in the consultations on the future of the European Groupings of Territorial Cooperation organised by the Committee of the Regions, thus contributing to the opinion on review of the EGTC Regulation that the Committee of the Regions would deliver at the beginning of 2011, and to the consequent legislative work of the institutions. This consultation was a joint initiative of the Committee of the Regions, the Trio of Presidencies of the Council of the European Union (Spain-Belgium-Hungary), the European Commission and the INTERACT programme. It

intended to collect the opinions of Member States, EGTC setups and EGTC under preparation, local and regional authorities and other stakeholders concerning EGTC in the perspective of the review of the Regulation. The consultation focused mainly on the legislative aspects that should be improved or modified in view of the next revision, and also considered the added value and potentialities of the EGTC. The results were presented in Brussels the 6 October 2010 during the 8th edition of the Open Days in Brussels.

Euroregion Baltic submitted its own contribution to the consultation process on 20th July 2010. Concerning the legal aspects of the regulation, ERB stressed the issue of potential problems arising from the differences between limited or unlimited liability of prospective EGTCs in different EU Member States, as well as the issue of applicability of certain regulations in a country where an EGTC would have its seat. Furthermore, the ERB underlined the need to amend the provisions concerning the participation of third countries in EGTCs by including a possibility to conclude inter-state agreements as basis for such participation which would facilitate the participation of the Kaliningrad Region in a future EGTC ERB. The document also pointed to potential contribution of EGTCs to the objective of territorial cohesion. In this respect EGTCs could become a valuable tool in implementing more complex issues such as regional development or territorial cooperation. Moreover, EGTCs' solid institutional structure could be focused entirely on bringing the added value of cooperation to all participants at different political levels. Concerning the multi-level governance, EGTCs could facilitate direct contact between sub-national administrative levels (regions, municipalities) and Member States' level and EU institutions, and become an advanced tool for the most complex form of multi-level governance in a cross-border context by integrating various administrative levels and sectors across borders and involving a multiplicity of actors. As far as the issue of EGTC's role in macro-regional development is concerned, it could become a good communication channel between the European Commission, Member States and regional level. It could also be a relevant actor initiating and implementing flagship projects within macro-regional strategies. Finally, after amending the provisions regulating the participation of third countries, EGTC could facilitate cooperation within EU's neighbourhood policy.

PARTICIPATING IN SOUTH BALTIC CBC PROGRAMME

Programme management

In 2010 Euroregion Baltic continued its active participation in the implementation of the South Baltic Cross-border Cooperation Programme with activities being realised on different levels. Regarding the formal participation in the Programme bodies, the ERB was represented in both the Steering and Monitoring Committee. Also, the ERB member regions had their individual representatives in both of the Programme Committees and effectively managed Regional Contact Points. The Euroregion also implemented South Baltic projects initiated within its cooperation. In 2010 the partners originating from the ERB area continued to implement DISKE, LED, MOMENT and YC3 projects (for more information on the projects see pages 12-14 of this Annual Report). Consequently, they provided important contribution to the continuous implementation of the ERB Joint Development Programme.

Between April 2010 and February 2011 the Programme concluded another two calls for proposals. The fifth call was held between 1st April and 21st May 2010, and received 25 applications to the total amount of almost 26 MEUR. On 29th September 2010 the Steering Committee decided to approve ten projects amounting to almost 12 MEUR of the ERDF co-financing. The six call for proposals was held 21st October - 17th December 2010 and received 32 project applications amounting to more than 26 MEUR.

Capacity Building Project

Since March 2010 Euroregion Baltic has been a partner in the Capacity Building Project, which is currently being implemented within the South Baltic Cross-border Cooperation Programme. The goal of the project is to help potential Programme beneficiaries, especially from local authorities and small NGOs, in the preparation and implementation of cross-border projects, also those which can potentially contribute to the EU Strategy for the Baltic Sea Region. The project offers free-of-charge services, including training on project development, cross-border workshops and individual project consultations. Within the project, Euroregion Baltic is responsible mainly for promotion and dissemination of information about the project activities.

In 2010 Euroregion Baltic very actively participated in most of the project activities which included a series of training sessions held across the South Baltic Programme area and two cross-border workshops organised in Klaipeda, Lithuania and Gdynia, Poland. On 20th September 2010 ERB co-organised one of the training sessions for potential programme beneficiaries. With more than 20 participants, it included basic information on project generation and engaged the participants in a series of action-based exercises including success factors, identifying and solving problems, determining objectives, activities and outputs. Finally, the project provided significant expert support to many project ideas developed by potential beneficiaries with two of them - Art Line and Dredgdikes being approved during the 5th Call for Proposals. The project indirectly contributes to the Strategy by supporting project ideas within the South Baltic Programme which could potentially implement activities within certain priority areas.

EUROREGION BALTIC MEETINGS

Executive Board, 22nd April 2010 in Olsztyn



ERB Executive Board discussed the issue of cooperation review process including the report on the implementation of the ERB Joint Development Programme (JDP), review of the ERB Working Groups, and better involvement of Lithuanian partners in the future ERB cooperation. Concerning the ERB JDP, the Executive Board was of the opinion that some elements had been successfully implemented, especially through the ongoing ERB projects, but more would be required to meet other objectives of the Programme. The Executive

Board adopted the conclusions of the report and recommended to include them in the discussion during the ERB Stakeholder Conference. Executive Board also concluded that ERB Working Groups (WGs) were very important at the initial stage of implementing JDP. However, there were also some shortcomings concerning their present activities which led to the conclusion that it was necessary to reform the current WG structure to adapt Euroregion Baltic to new challenges. Finally, concerning the involvement of Lithuanian partners in the ERB cooperation, the Executive Board emphasised the importance of continuous active participation of the Klaipeda County in Euroregion Baltic after the conclusion of the Lithuanian administrative reform, including the possibility to engage Lithuanian local authorities. The Executive Board asked the President of Euroregion Baltic to hold another meeting with the Lithuanian Minister of Interior on this matter.

Ministry of Interior of Lithuania, 21st June 2010 in Vilnius

On 21st June the delegation of Euroregion Baltic, chaired by President Jacek Protas, met the Lithuanian Minister of Interior, Mr Raimundas Palaitis. The meeting concerned the future participation of Klaipeda County in Euroregion Baltic. The administrative reform which has begun in Lithuania will terminate Klaipeda County Administration and the post of its Governor on June 30th (Klaipeda County Governor was one of the signatories of the agreement establishing Euroregion Baltic). Minister Raimundas Palaitis informed that since July 1st it will be the regional development councils operating within the borders of the existing counties which will take over the responsibility for international relations. The Government of the Republic of Lithuania, he continued, will appoint Mr Arunas Burksas (Klaipeda County Governor until June 30th) as its representative to the regional development council in Klaipeda County. The work of the council will be assisted by a small office - unit of the Lithuanian Ministry of Interior. In July this year the regional development council in Klaipeda (which will act without legal personality) will discuss the issue of further participation in Euroregion Baltic. If the council is positive towards the cooperation, the Ministry of Interior of Lithuania - acting as a legal person - will represent the Lithuanian Party in Euroregion Baltic.

Executive Board, 23rd September 2010 in Copenhagen

During this meeting the Executive Board further discussed the issue of ERB cooperation review process and its main strategic documents. In the first part of the discussion members of the Board agreed on the final text of the ERB 2020 Agenda to be presented to the ERB Council for approval. Next, the Executive Board discussed the provisions of the draft ERB Statutes. After a thorough discussion the draft was adopted and decision was made to submit the new Statutes to ERB Council for approval. The third document to be discussed at the meeting was the outline of the ERB Action Plan 2010-2011. After presenting their views on the documents, members of the Executive Board agreed on its main points and requested the ERB IPS and Regional Secretariats to complete the outline with detailed actions so that it could also be submitted to the ERB Council for approval. In the second part of the meeting the Executive Board discussed the proposed responses to a questionnaire on the future of the South Baltic CBC Programme as well as the current activities of ERB member organisations with reference to the EU Strategy for the Baltic Sea Region, and a preliminary proposal for a future joint ERB strategic project. The meeting was concluded with the approval of the final text of the statement in support of the process to introduce the local border traffic regime on the border with the Kaliningrad Region.

28-29th October 2010 in Kosta

The meeting was of special importance to the future of ERB as it marked the completion of the cooperation review process which had started in October 2009 and continued throughout 2010. The highlights of the process included the adoption of the cooperation review roadmap by the Council in March, ERB Stakeholder Conference in June, anchoring process in the member organisations in July and August, and the ERB Board meeting in Copenhagen in September 2010. The Council concluded the cooperation review process with a series of decisions and by adopting the strategic documents - ERB 2020 Agenda, ERB Statutes and Action Plan 2010 - 2011. ERB Council also established four task forces: on EU Cohesion Policy (responsible for monitoring the preparation of the future EU Cohesion Policy and promoting a greater role of its Objective 3), on EU Strategy for the Baltic Sea Region (responsible for monitoring the implementation of the



Strategy), on ERB Annual Forum of Stakeholders (responsible for the organisation of the Annual Forum), and finally, on ERB Joint Project (in charge of investigating a potential joint project that would focus on the ERB 2020 Agenda and provide added value for all member organisations). ERB Council also debated on ERB's role in the forthcoming EU Cohesion Policy. The participants of the debate gave their views on issues such as the availability of structural funds after 2013, the role of

the INTERREG programmes in the next programme period 2014-2020, and the future of the South Baltic Cross-border Cooperation Programme. The meeting marked the conclusion of the entire ERB cooperation review process and implemented all institutional. Consequently, the Euroregion Baltic Council was dissolved with the ERB Executive Board taking over its main prerogatives as the highest decision-making body within Euroregion Baltic.

ERB JOINT POSITION ON EU COHESION POLICY

31st January 2011

Euroregion Baltic



Position Paper on EU Cohesion Policy after 2013

Consultation on the Conclusions of the Fifth Report on Economic and Social Cohesion

Introduction:

Euroregion Baltic and its stakeholders have been actively engaged in the implementation of the EU Cohesion Policy objectives. We therefore welcome the consultation process initiated by the European Commission and with this paper would like to express our expectations towards the Cohesion Policy after 2013. In particular, we call for:

- enhancing European Territorial Cooperation (ETC) objective of the Cohesion Policy,
- considering territorial cohesion perspectives and Europe 2020 Strategy objectives in the Cohesion Policy after 2013,
- ensuring compliance between ETC and existing functional geographies,
- replacing the 150 km limit for maritime borders with the criterion of functional geographies,
- including cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) into the EU Cohesion Policy,
- modifying the automatic de-commitment rule,
- linking the reinforced strategic framework for the territorial cooperation programmes to the macro-regional strategies.

Recommendations:

We strongly believe that one of the main ambitions in the preparation process of the Cohesion Policy after 2013 should be to enhance the European Territorial Cooperation. As a stakeholder in the process, ERB would like to underline that the Cohesion Policy has displayed its added value, probably most clearly, in the territorial cooperation programmes which support regions in search of common solutions to shared challenges and in joint implementation of such key EU policies as the Single Market policy, macro-regional strategies, climate and energy policy, transport policy, maritime policy, as well as Europe 2020 Strategy.

With regards to the territorial cohesion goal of the Cohesion Policy and the introduction of macro-regional strategies, as well as opinions expressed by the European Parliament, the Member States' Ministers in charge of Cohesion Policy and the Committee of the Regions, ERB supports the reinforcement of the European Territorial Cooperation of the future Cohesion Policy.

With the view to strengthening the European Territorial Cooperation, ERB would like to express its strong support to the following proposals:

- selecting the Cohesion Policy priorities according to the territorial conditions of the regions and covering obligatorily the themes which are in line with Europe 2020 Strategy, addressing appropriately these priorities from the territorial perspective,
- ensuring compliance between the geography of territorial programmes and functional geographies such as existing euroregions (cross-border) and macro-regions such as the EU Strategy for the Baltic Sea Region (transnational),
- abolishing the current limitation of maritime borders to a distance of 150 km and replacing it with joint criteria for both land and maritime borders taking into consideration functional geographies/areas,
- including cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) into the EU Cohesion Policy in order to ensure simplification of the implementation system and binding procedures as well as to avoid serious hindrances these programmes are experiencing in the current implementation period. Should it not be possible, ERB supports improving coherence between the structural funds and the ENPI making it possible to include an ENPI component in territorial cooperation programmes of the Cohesion Policy. At the same time, in order to ensure the correct functioning of this mechanism, it is necessary to safeguard a solution enabling the implementation of programmes in the regions located on the external borders of the European Union in the case when negotiations with third countries fail, and to abolish the obligation of applying the Practical Guide to Contract procedures for EU external actions for entities from Member States where legal systems are compliant with standards of the European Union. ERB partners consider it crucial that the Kaliningrad Region of the Russian Federation is given equal opportunity to participate in the South Baltic CBC Programme. Not only will this solution significantly enhance the effectiveness and performance of the South Baltic CBC Programme (facilitating the achievement of its objectives: growth, employment, environmental and intercultural dialogue in the area) but will also contribute to a wider participation of the Russian partners in the integration of the whole Baltic Sea Region,
- exempting at least the first year of the programmes from the automatic de-commitment rule which is of particular importance for territorial cooperation programmes, more complicated and time-consuming to set up and requiring a number of partner regions and countries to agree on management and control systems, etc,
- simplifying methods of reimbursement by introducing standard scale of unit costs and lump-sum payments and common rules for overheads, etc.

ERB also supports the proposal to reinforce the strategic programming by establishing a common strategic framework (CSF) presenting a cohesive vision of implementing the Europe 2020 strategy objectives by all budgetary policies and EU funds. Therefore, ERB supports the idea of multi-fund operational programmes.

ERB considers the proposal of a development and investment partnership contract to the Member States National Reform Programmes (the so-called development contract) useful in setting out the investment priorities, allocating national and EU resources between policy areas and programmes, and agreeing on conditionalities and targets to be achieved. However, we would like to express our concern about possible negative impact such contracts may have on territorial cooperation programmes. This proposal may hamper effective territorial cooperation in programmes involving a number of different Member States. Therefore, ERB proposes that a reinforced strategic framework for the territorial cooperation programmes be linked to the macro-regional strategies, with flexibility for cross-border programmes to meet their specific development potential. ERB stakeholders are convinced that such contracts in the case of the Cohesion Policy should also be concluded with the regions, for example by means of territorial pacts proposed by the Committee of the Regions.

ERB shares worries expressed by a large number of Member States and does not support the proposal of extending the financial sanctions linked to the Stability and Growth Pact to the Cohesion Policy. Such sanctions could have particularly unjustified consequences on beneficiaries of territorial cooperation programmes from the Member States where macro-economic governance is at a good level. Instead of sanctions, we believe, the introduction of positive stimuli for the Cohesion Policy beneficiaries should be considered, e.g. *carte blanche* awarded to the regions which perform well in audits and controls.

About Euroregion Baltic:

Euroregion Baltic (ERB) is a politically solid and well anchored cooperation in the south-east of the Baltic Sea Region, consisting of eight regions of Denmark (Bornholm), Lithuania (Klaipeda County), Poland (Pomorskie and Warmińsko-Mazurskie Voivodeships), Russia (Kaliningrad Oblast) and Sweden (Blekinge, Kalmar and Kronoberg Counties). It was the first Euroregion to have formally included a partner from the Russian Federation. Since its establishment in 1998 ERB has been pursuing the goals of improving life conditions for its inhabitants, promoting bonds and contacts among local communities, and providing measures for a more sustainable development within the region. Our cooperation actively involves both local and regional authorities, private and public sectors, and NGOs.

Within the framework of the INTERREG III B BSR financed Seagull Project, in 2005 ERB member regions elaborated the ERB Development Strategy and Joint Development Programme, based on the strategic priorities, including economic and social development, implementation of the EU policies regarding environmental protection and promotion of renewable energy sources, as well as improving the infrastructures in order to provide better access to the Trans European transport networks, all corresponding with the revised Lisbon Strategy and the development of Four Common Spaces between the European Union and Russia.

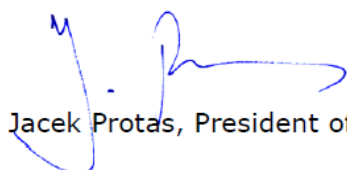
Following the operationalisation of the ERB Development Strategy within the Seagull II project a number of specific tasks of the Joint Development Programme have been put into action in partnerships including representatives of the local and regional authorities, expert institutions, academic organisations, professionals and NGOs. These ERB led partnerships have implemented projects like:

- BALTIC MASTER II (improving maritime safety by integrating local and regional perspectives and focusing on pollution prevention, coastal zone management and on land response capacity to an oil spill at sea); recognised as a flagship project in the Baltic Sea Strategy of the European Union,
- DISKE (intensifying cross-border relations between innovative SMEs and strengthening their economic potential and competitiveness through cooperation of science and technology parks and incubators),
- LED (providing facts for a conversion of public space lighting to versatile LED technology based on a pedestrian perspective, investing in effective measures to reduce the energy consumption and CO2 emissions),
- MOMENT (improving water management and local/regional preparedness for implementation of the EU Water Framework Directive and HELCOM Baltic Sea Action Plan through Water Users Partnerships); proposed to continue as a new horizontal action in the Baltic Sea Strategy of the European Union,
- YC3 (forming a platform for young representatives of the ERB member regions to exchange ideas and proposals to local, regional and national policies concerning e.g. student mobility and exchange programmes, young entrepreneurship, sustainable development, etc).

Majority of these projects have been implemented through the South Baltic CBC Programme. ERB played a crucial role in its establishment initiating a successful dialogue with the national and European partners which resulted in the launch of a new instrument supporting the cooperation in our area. The South Baltic Programme objectives are largely based on the ERB Development Strategy and Joint Development Programme.

These, and many more joint ERB initiatives have clearly contributed to a more sustainable and democratic development of the cooperation area, and helped to strengthen integration among people and institutions. They have been designed and implemented in order to bring added value to each region's own development through operating at the ERB level. Added value has thus constituted a strategic determinant in the ERB cooperation.

As an effective cross-border cooperation structure politically anchored in its member regions, ERB will continue to contribute to the enhanced integration in the European Union and actively participate in activities implementing the objectives of the Cohesion Policy. ERB has taken part in the preparations for the future Cohesion Policy presenting to the European Commission proposals and solutions based on the experience of its member regions, as well as on development challenges jointly identified in the South Baltic area. As a stakeholder of the EU Strategy for the Baltic Sea Region, ERB will go on with its initiatives to the benefit of the growth of the whole region involving the Kaliningrad Region of the Russian Federation, a neighbour to the EU and an important partner of the ERB cooperation. We also believe that the ERB 2020 Agenda, which has been recently adopted as a result of broad political and substantive consultations in the ERB member regions, will constitute significant contribution to the implementation of the future EU Cohesion Policy.



Jacek Protas, President of Euroregion Baltic

2010 FINANACIAL RESULTS

INCOME:

| Lp. | Item | Planned for 2010 in EUR | Planned for 2010 in PLN | As of 31.12.2010 in PLN |
|-----|--|----------------------------|----------------------------|----------------------------|
| 1 | <u>Result as of 01.01.2010</u> | <u>263,15 €</u> | <u>1 052,60 PLN</u> | <u>1 052,60 PLN</u> |
| 2 | <u>Region Blekinge</u> | <u>6 900,00 €</u> | <u>27 600,00 PLN</u> | <u>27 315,72 PLN</u> |
| 3 | <u>Regionförbundet Södra Småland</u> | <u>6 900,00 €</u> | <u>27 600,00 PLN</u> | <u>26 984,52 PLN</u> |
| 4 | <u>Regionförbundet i Kalmar Län</u> | <u>6 900,00 €</u> | <u>27 600,00 PLN</u> | <u>27 279,15 PLN</u> |
| 5 | <u>Bornholm</u> | <u>6 900,00 €</u> | <u>27 600,00 PLN</u> | <u>27 520,00 PLN</u> |
| 6 | <u>Pomorski Urząd Marszałkowski</u> | <u>3 450,00 €</u> | <u>13 800,00 PLN</u> | <u>13 800,00 PLN</u> |
| 7 | <u>Warmińsko-Mazurski Urząd Marszałkowski</u> | <u>3 450,00 €</u> | <u>13 800,00 PLN</u> | <u>13 800,00 PLN</u> |
| 8 | <u>Stowarzyszenie Gmin RP Euroregion Bałtyk</u> | <u>3 450,00 €</u> | <u>13 800,00 PLN</u> | <u>13 800,00 PLN</u> |
| 9 | <u>Klaipėda County</u> | <u>2 300,00 €</u> | <u>9 200,00 PLN</u> | <u>9 185,51 PLN</u> |
| 10 | <u>Kaliningrad Region</u> | <u>2 300,00 €</u> | <u>9 200,00 PLN</u> | <u>8 726,89 PLN</u> |
| 11 | <u>Refund from projects (Restart / Capacity)</u> | <u>43 000,00 €</u> | <u>172 000,00 PLN</u> | <u>103 468,00 PLN</u> |

TOTAL INCOME

85 813,15 €

343 252,60 PLN

272 932,39 PLN

EXPENDITURE:

| Lp | Item | Planned for 2010 in EUR | Planned for 2010 in PLN | As of 31.12.2010 in PLN |
|-----------|--|------------------------------------|------------------------------------|------------------------------------|
| <u>1</u> | Overheads | <u>7 300,00 €</u> | <u>29 200,00 PLN</u> | <u>29 810,05 PLN</u> |
| | office rental - IPS | 3 300,00 € | 13 200,00 PLN | 10 248,00 PLN |
| | office rental - Capacity Building Project | 1 500,00 € | 6 000,00 PLN | 7 832,40 PLN |
| | land line, incl. Capacity | 300,00 € | 1 200,00 PLN | 1 124,93 PLN |
| | mobile phone, incl. Capacity | 1 500,00 € | 6 000,00 PLN | 7 612,65 PLN |
| | internet connection | 400,00 € | 1 600,00 PLN | 1 524,00 PLN |
| | stationary, incl. Capacity | 300,00 € | 1 200,00 PLN | 1 468,07 PLN |
| <u>2</u> | ERB Publishing / Marketing | <u>500,00 €</u> | <u>2 000,00 PLN</u> | <u>3 276,04 PLN</u> |
| <u>3</u> | Travel / Meetings (incl. Capacity) | <u>8 000,00 €</u> | <u>32 000,00 PLN</u> | <u>45 465,23 PLN</u> |
| <u>4</u> | Personnel costs | <u>33 500,00 €</u> | <u>134 000,00 PLN</u> | <u>138 821,60 PLN</u> |
| - | IPS Head | 21 500,00 € | 86 000,00 PLN | 89 433,92 PLN |
| - | IPS Assistant - Capacity Building Project | 10 500,00 € | 42 000,00 PLN | 43 463,68 PLN |
| - | Accounting Officer - Capacity Building Project | 1 500,00 € | 6 000,00 PLN | 5 924,00 PLN |
| <u>5</u> | IT | <u>4 100,00 €</u> | <u>16 400,00 PLN</u> | <u>16 894,55 PLN</u> |
| - | ERB website, updates, domains and hosting | 1 200,00 € | 4 800,00 PLN | 4 746,25 PLN |
| - | Marratech | 1 700,00 € | 6 800,00 PLN | 6 710,00 PLN |
| - | equipment, incl. Capacity | 1 200,00 € | 4 800,00 PLN | 5 438,30 PLN |
| <u>6</u> | Financing ERB Cooperation Review Process | <u>27 000,00 €</u> | <u>108 000,00 PLN</u> | <u>103 468,00 PLN</u> |
| <u>7</u> | ERB Youth Board | <u>5 100,00 €</u> | <u>20 400,00 PLN</u> | <u>20 189,88 PLN</u> |
| <u>8</u> | Reserve (incl. Banking charges) | <u>313,15 €</u> | <u>1 252,60 PLN</u> | <u>1 432,72 PLN</u> |

TOTAL EXPENDITURE

85 813,15 €

343 252,60 PLN

359 358,07 PLN

RESULT (Income - Expenditure)

0,00 €

0,00 PLN

-86 425,68 PLN

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ERB Council meeting participants lined up to face youth challenge



Presentation of Euroregion Pyrénées-Méditerranée (Kosta)



Visit to Lessebo Handpappersbruk (Hand Paper Mill in Lessebo)



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| | |
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