

LITHUANIAN PROPOSALS FOR THE EU BALTIC SEA STRATEGY

Lithuania welcomes timely report of the European Parliament, the initiative of Sweden, active engagement of other Baltic Sea countries and endeavours of the European Commission to launch a first EU internal regional strategy - Baltic Sea Strategy. Seeking to overcome the existing regional fragmentation and economic disparities, the Strategy should become a model of regional policy planning within the EU and beyond. It should also set the ambition for the Baltic Sea region to become a global front-runner.

Lithuania believes the Strategy will become a key instrument in promoting competition, environmental cooperation and people-to-people contacts in the region.

SUMMARY

Lithuania takes the view that there are three main issues to be addressed in the Baltic Sea Strategy:

- priorities,
- instruments and
- coherence with the existing initiatives and external aspects.

On priorities, Lithuania believes that only competitive, environmentally friendly and interactive region could create the added value for the further development of the region and effectively contribute to the aims of the EU. Therefore, it should be reflected in the Baltic Sea Strategy and real mechanisms how to achieve these goals should be set.

Only deeper integrated region can be **competitive**. Well functioning internal market would most effectively contribute to the achievement of this goal, including the speedy implementation of the missing energy and transport interconnections. It is necessary to ensure energy security, maritime safety and fight against international crime. Special attention should be given to innovations, research and development.

There can be no prosperous and attractive region by the contaminated and lifeless sea. The Baltic Sea is already listed among the most polluted and sensitive seas in the world. Therefore, **environmental issues** like marine environment, climate change should take a special place in the Strategy.

Interaction and connectivity of the region should be based on the education mobility, exchange of best practices and stimulation of **close contacts of people**. Cultural exchange, tourism and heritage fostering must be promoted.

Secondly, about financing. Baltic Sea Strategy should be financed from **all available funds**, including EU, national contributions of the Member States as well as international financial institutions, such as EBRD, EIB, NIB. **Efficient and targeted** use of funds is of utmost importance.

Thirdly, all EU countries of the region should coordinate their decisions and actions seeking the agreed objectives. In order to make the Strategy operational and viable, the existing cooperation frameworks, initiatives and ties in the region should be

maintained and developed further widely engaging non-governmental actors, particularly municipalities, universities, schools, business associations and others.

The Strategy should also reflect **external aspects** of the cooperation. First of all, it is of utmost importance to engage Russian Federation and its North-western regions of Kaliningrad and Saint-Petersburg in the Baltic Sea Region cooperation in the framework of the EU-Russia partnership and to stimulate Russia's positive approach towards the implementation of the Strategy. Council of the Baltic Sea States and Northern Dimension, as two major cooperation formats in the region, involving the EU, the Member States individually and the third countries, provide a sound basis for the implementation of external aspects of the Strategy. Lithuania would also like to see the Baltic Sea Region open for cooperation with its neighbours, particularly providing opportunity of closer interaction on working level with Belarus as well as with other interested countries, for example the Visegrad Four. The potential of inter-regional cooperation with Black Sea and Caspian regions should be utilized more effectively, emphasizing cooperation in energy and transport fields. Such partnership would contribute to more instrumental European Neighbourhood Policy. Possibilities of establishing contacts with the Mediterranean region could also be explored, especially taking into account Union for the Mediterranean initiative .

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PRIORITIES

1. COMPETITIVE REGION

The EU already has to take necessary actions how is Baltic Sea region going to maintain its economic growth and cohesion within the EU taking into account the global economic challenges including increased competition, growing inflation and changes in the labour market. The region's economic growth and cohesion could be ensured by developing the integrated network of sea and land transport, energy infrastructure, promoting innovations, modernizing agriculture as well as coordinating the sustainable development, Baltic Sea region could become a global front runner .

• FUNCTIONING INTERNAL MARKET

Fully integrated and flexible internal market is a keystone for the EU competitiveness in the world. Therefore it's necessary to strengthen single market and competition, enhance sectoral market monitoring, and improve regulation in key services and network industries, paying particular attention to the development of missing energy and transport interconnections, postal services and telecommunications. There is also a need to facilitate exchange of knowledge through the mobility researchers and students, the promotion of the so called fifth freedom. We believe that the strategy could serve as an instrument in achieving these goals in the region.

• RESEARCH AND DEVELOPMENT

- Systematic multi-field based scientific research and experimental development;

- Promotion of the academic cooperation within the region by establishing centres of competence/excellence with easily accessible world class infrastructure and by strengthening academic exchange network;

- Close cooperation between research, innovations and business, especially in priority sectors, such as climate change and energy, new communications, nano- and bio- technologies.

• **TRANSPORT**

- Sustainable development of TEN-T network in the Baltic Sea Region with the aim to reduce isolation of the transport networks of the Baltic States including Rail Baltica, Via Baltica projects, more active implementation of the Motorways of Sea. During the EC's revision of the TEN-T it would be innovative to present the BSR approach and perspective of the development of the TEN-T.

- Increase of competitiveness of the Baltic Sea Ports by improvement of effective hinterland transport connections.

- European Neighbourhood Policy implementation in transport sector should be underlined. More active cooperate with Kaliningrad Oblast, Belarus, Black Sea region for development and implementation of transport infrastructure projects, corridors and improving horizontal measures.

- Sustainable development of transport by promoting development of "green" transport corridors concept as recommended by the EC. "Green" transport corridor concept would contribute to a more efficient trade and promote transport solutions which are more environmentally friendly.

- In order to promote sustainable transport development and use most advanced technologies in transport it is essential to establish more coordinated transport research activities by creating a joint BSR transport research centre which could be the driving force for transport innovations in the region.

- Maritime safety, security and prevention of pollution from ships are one of the key elements necessary to ensure healthy Baltic Sea environment. Any increase of shipping activities in the Baltic Sea, including oil transportation, must be thoroughly assessed.

• **ENERGY SECURITY**

It is vitally important to speed up the creation of a well-functioning and integrated European internal energy market. It is clearly interlinked with the development of the EU external energy policy. New interconnections are to be considered in order to solve the remaining problems of so called "energy islands" as it was agreed at the March European Council in 2007.

The following actions should be taken:

- Enhanced regional energy cooperation through participation in the projects of common interest in line with environmental requirements, implementation of the solidarity principle and better coordination of positions in the EU. Implementation of the new Nuclear Power Plant project in Lithuania with a participation of four countries is the excellent example of such cooperation .

- Integration of isolated energy markets is the main precondition for creation of viable, competitive and efficient regional as well as the EU energy market. Connection of electricity grids between the Baltic States with the Nordic countries and Poland would create the possibilities for viable regional electricity market and solve the problem of the Baltic States electricity sectors isolation. Integration of the Baltic States into the

synchronous operation system of the Western Europe - UCTE would complete integration process. Lithuanian-Polish gas interconnection could be the gate for the Baltic States to the broader EU gas market.

- Diversification of energy supply. In order to increase energy security of the Baltic Sea region it is important to promote the energy infrastructure projects which would help to diversify energy supply sources and transportation routes. In this case the potential of cooperation with the Caspian and Black Sea region should be better used, including implementation of energy projects important for the Baltic Sea region.

- Development of the solid EU external energy policy based on the principle of solidarity should be the common interest of the whole Baltic Sea region.

- Promotion of the efficient, renewable and other climate friendly energy development in the Baltic Sea region, creating the proper mechanisms for technology research, development, dissemination and for the exchange of experience between the countries.

• PUBLIC SECURITY

Baltic Sea Strategy should render a greater focus on the public security issues that become more sensitive with the changing community. The particular fields of cooperation should be implemented by:

- The enactment and conformation of the legal measures concerning the prevention of human trafficking, illegal migration, unlawful employment and other human rights breaches.

- Baltic Sea states controlling external Schengen borders play a major role in blocking the spread of the criminal activity. Therefore the cooperation with the third countries bordering BSR countries is crucial.

2. CLEAN AND ENVIRONMENTALLY FRIENDLY REGION, CLIMATE CHANGE

The critical situation of the Baltic Sea and climate change problem should be a key priority. Our actions should focus on these objectives:

- It is necessary for the Baltic Sea strategy to seek for the effective implementation and coordination of multiple strategies which were already set in the existing international documents (EU "Green book" On Sea Policy, HELCOM Baltic Sea Action Plan and alike);

- The Strategy should involve requirements of the thorough scientific data regarding the Baltic Sea ecosystem;

- The Baltic Sea Strategy should focus on substantially better coordination of the actions among the Baltic Sea states (both EU members and Russia) and various organizations, thus seeking to avoid overlapping of functions and goals.

- Implementation of waste-water treatment projects in Kaliningrad and Saint-Petersburg regions are of primary importance;

- Voluntary cooperation on the issue of chemical weapons dumped at sea (e.g. information sharing) would improve response capabilities and prevent the risks;

- It is important to pay due attention to the environmental threats to the Baltic Sea, which may be caused by intensified traffic and implementation of energy projects. Implementation of large-scale energy projects which may cause the serious impact for environment should be based on independent impact assessment.

- Baltic Sea strategy should include the objectives of major importance for the Baltic Sea riparian countries such as safe maritime traffic without accidental

pollution, minimum sewage and air pollution from ships, no introductions of alien species from ships, zero discharges from offshore platforms, minimum threats from offshore installations and other. .

- Development of the environmentally sustainable farming to maintain and multiply natural resources as well as strengthening the obligatory control of the food quality, security and storage. Coordination of business, military and recreational activity according to the environmental requirements.

- The recovery of fish stocks, fight against illegal fishing as well as other measures specifically related the Baltic Sea could effectively contribute to the implementation of EU fisheries policy.

3. FOSTERING CONTACTS OF PEOPLE

The attractiveness of the region should be based on both of its diversity and unity. Sustaining and expanding the image of an open, safe and appealing region should be foremostly based on abundant communication and networking approach. People-to-people contacts are to be prompted by a variety of measures:

- Exchange of ideas, experiences and best practices;
- Educational exchange, school partnership programs;
- Promoting tourism and raising interest in well-preserved heritage;
- Cross-cultural communication.

INSTRUMENTS

The preparatory stage of the Strategy should already involve the financial provisions regarding the actual implementation of the Strategy. As it has already been stated in the Resolution of the European Parliament of 16 November 2006, the option of separate budget line for this, strategy, supported by national inputs and private investments in the framework of EU budget review could be considered. This option would be much more target-oriented and transparent in comparison with the enhanced coordination within different EU instruments, such as EU Structural Funds Objective 3 "European Territorial Cooperation", ENPI, EIB.

THE BALTIC SEA STRATEGY EXTERNAL ASPECTS

The Baltic Sea strategy- should address both external and internal policy goals, therefore while rendering greater focus on public security issues, openness of the Baltic Sea region should be increased through fostering contacts and exchanges, projecting EU values and approaches, promoting economic development, security and responding to gaps in national labour markets.

The Baltic Sea region plays an important role in the EU partnership with Russia and in the implementation of the EU Neighbourhood Policy. Active involvement of the region's direct neighbours as Kaliningrad district and Belarus in the cooperation projects is of great importance as well as closer ties between the Baltic and the Black Sea regions.

Development of people-to-people contacts play an important role in the fields of education, science, culture, tourism and business, for promoting shared principles as well as enhancing EU visibility in the ENP region. In order to increase mobility, legitimate short-term travel by nationals from neighbouring countries to the EU should

be facilitated, on the basis of a country-by-country approach, by a more flexible use of existing possibilities to simplify visa procedures.

- Development of cooperation between the Baltic Sea states should pay adequate attention to the Kaliningrad District. We have to discuss the possibilities to make the dialogue more open and to improve conditions for business and tourism.

- Lithuania is also interested that the BSS should take into account the importance of Belarus as the country closely related with the Eastern Baltic States. Belarus should be involved in the transport development process of the region as well as in the environmental projects, etc.

- The BSR could make its input to create a basis for intensive intercontinental trade development. Therefore it would be important for the Strategy. to identify the need for a more close cooperation between the Baltic and the Black and Caspian Seas.

- The BSR could also contribute to the common developments and the synergy between the Baltic and the Adriatic and Mediterranean sea regions.

- The BSS should put emphasis on improving the use of the existing corridors of interconnections between different regions.

CBSS and Northern Dimension have to play an important role in implementation of the Baltic Sea Strategy external aspects.