

BSSSC
B7 Baltic Sea Islands Network
Euroregion Baltic
Baltic Development Forum
CPMR - Baltic Sea Commission
UBC – Union of Baltic Cities



September 23, 2008

Position Paper on the EU Strategy for the Baltic Sea Region

A competitive region in a globalized world

SUPPORT FOR A STRATEGY

BSSSC, B7 Baltic Sea Islands Network, Euroregion Baltic, Baltic Development Forum, Union of Baltic Cities and CPMR Baltic Sea Commission – hereafter mentioned as the Baltic Sea organisations - welcome that the European Commission is to submit a Baltic Sea Strategy. Through this position paper we would like to put forward our joint views on the content of the strategy.

The Baltic Sea organisations fully believe that the Strategy will ensure a joint and coordinated approach to the development of the Baltic Sea Region. We do believe that the strategy should include three essential elements; the strategy, an action plan and a plan for implementation.

An action plan will ensure concrete activities and initiatives that will enable the region to maintain and develop its growth potential. The Baltic Sea Region is on its way to become one of the world's most competitive regions. The region is capitalising on its strengths and making the most of its diversity to stimulate innovation, increase the skilled labour force and foster entrepreneurship and investments. The environment of the Baltic Sea Region needs to be protected through measures in order to maintain its long-term competitiveness. This will increase the attractiveness for settling, investment and tourism.

FORM of STRATEGY

The Baltic Sea Region consists of many different organisations and actors, but it is only through joint efforts and cooperation that the region will fully develop its potential. The Baltic Sea organisations therefore urge the Commission to make a strategy that not only points to the necessary actions as such but also name the responsible authorities and institutions and the method of implementation.

A plan for implementation of the Baltic Sea Strategy is essential in order to specify the roles and responsibilities of the different actors in the region and thus make the strategy effective and relevant. The strategy should also include a timetable.

To follow the realisation of the Baltic Sea Strategy, the Baltic Sea Organisations suggest the introduction of a method similar to the Open Method of Co-ordination such as peer review, which is used in other fields of EU policies. All levels need to be included in the implementation process to ensure the anchoring of the strategy. Local and regional authorities, as well as euroregions and similar CBC structures, have extensive experience with implementation of other EU-strategies and also private actors can play an important role in the implementation process.

CO-ORDINATION with NEIGHBOURING STATES

The Baltic Sea Strategy should be coordinated across state borders local, regional and state authorities as well as political institutions and the civil society (vertical integration). Improved coordination between sector policies such as business, education, labour market as well as infrastructure (horizontal integration) will improve effectivity.

The strategy for the Baltic Sea Region needs to be developed in association with its neighbouring states, as they play an important role in the development of the region and should therefore be included in the process.

In the following, eight important areas of action will be presented in relation to the four main objectives proposed by the Commission.

The areas of action are:

- Energy and climate
- Nature, environment
- Physical infrastructure
- Knowledge based infrastructure and a borderless region within R&D
- Economic and sustainable growth
- Human resources
- Intercultural dialogue and identity building
- Cooperation in the Baltic Sea Region

1. Improving the environmental state of the Baltic Sea Region, especially of the sea

Nature and environment

The health of the Baltic Sea is seriously damaged due to excessive pollution, such as untreated human waste, agricultural fertilizers, toxic materials, and metals, which have resulted in eutrophication of the Baltic Sea. The Baltic Sea's biodiversity is threatened and the pollution is causing severe

damage to the sea, which is an important source of economic, transport and recreational value for the countries along the coast and within its catchment area.

Tourism in the Baltic Sea Region must be based on sustainable principles, as the increasing human activities can harm marine and coastal areas. The Common Fisheries Policy should have a stronger focus on sustainability, and The Baltic Sea Strategy should be directly linked to the EU's Maritime Policy.

Growth opportunities of the region are dependent on a healthy environment. A poor environment will create economic and social problems. The Helsinki Commission (HELCOM) was set up to coordinate both the implementation of the Helsinki convention and related improvements in environmental protection around the Baltic Sea. The strategy should support the Helcom Baltic Sea Action Plan.

Areas of action:

- Initiatives for establishing a structure of BSR coastal zone planning for a healthier water environment with a focus on the large hot spots of pollution on land as well as discharge from small diffuse sources
- Coordinate tourism strategies for the Baltic Sea Region directed to the world tourism market.
- Strengthen effective response to environmental disasters.
- The Baltic Sea Region as a pilot-testing area for some of the sustainability principles formulated in the report from the Tourism Sustainability Group (TSG)

Energy and climate

The access to secure and cost-effective energy is essential for the development of the Baltic Sea Region. It is vital to promote the development of competitive energy markets, renewable and sustainable energy sources, and an infrastructure of energy production and supply that fosters competition. A more integrated regional energy market will also help solve important questions related to energy security.

Greenhouse gases by the energy sector must be considerably reduced over a number of years. The use of renewable energy and other environmentally friendly types of energy must therefore continue to grow.

The Baltic Sea regional authorities play an important role in the solutions to combat climate change as their tasks include public transport, transport infrastructures, energy production and networks, physical planning, energy efficiency and communication with the citizens.

Baltic Sea Region organisations endorsed the idea of joint coordination of activities in the field of energy and climate when they formed a common platform in February 2008. The platform will help the organisations to move in one common direction and avoid duplications in their activities. More information exchange and cooperation is needed in order to speak with one voice when it comes to the European and global challenges in the field of energy and climate change.

Areas of action:

- Increase the investment in research, development and demonstration of new energy-efficient and environmentally friendly technologies across the Baltic Sea Region
- Political focus on the provision of stable energy supplies
- The Baltic Sea as a model region for EU's goals for reducing the overall energy use

2. Making the Baltic Sea Region a more prosperous place by supporting balanced economic development across the Region

Economic and sustainable growth

The Baltic Sea Region is characterised by high growth rates in the new member states coupled with strong economies in the old members. The region has reached a prosperity level of 92% of the EU-25 average, and if it keeps the growth differential of the last ten years, it will reach the European average in 2015. But the region must prepare for increasing global competition and worsening demographics, which could lessen these advantages over time.

The general conditions for growth need to be strengthened. Both in concern of possibilities of trade, business, access to human resources and raw materials as well as the framework for the environment, energy efficiency and infrastructure. The level of trade and investments in the region should be increased through removal of obstacles and the development of supportive measures and conditions for further economic integration.

The single market does still not function sufficiently well in the Baltic Sea region, and therefore a further emphasis on border crossing conditions for goods and people, protection of intellectual property rights, conformity in standards and certification requirements, and the fight against corruption is needed.

Development in the Baltic Sea Region is still far from sustainable, and therefore increased and focused efforts are necessary to halt and reverse regional unsustainable trends, such as the excessive use and demand for energy, as well as the immoderate depletion of natural resources.

A strategy with these circumstances in mind would be able to give additional contribution in realizing the full economic potential of the region and make the Baltic Sea region even more competitive globally.

Areas of action:

- In contact with the private sector initiate and support activities/measures to improve the BSR as an attractive market for international commercial investments
- Harmonisation of procurement rules and other national rules related to implementation of programmes under the cohesion policy
- Complete the Single Market by deleting the last transit barriers between the EU member states in the Baltic Sea Region

Human resources

The Baltic Sea Region is characterised by having a skilled and well trained labour force and a population with a high educational level. The labour force has great potential, and the educational level

plays a key role in this. Good opportunities for lifelong learning makes it possible for the region to be more flexible and for people to sustain and enhance their position in the labour market.

A well functioning internal labour market is a key demand of the Lisbon agenda, but there are still restrictions to the free movement of labour in the Baltic Sea Region. Not all countries in the Region have lifted their restrictions on the people of new member states joining the common internal labour market. It is important to focus on the continued improvement of competences and skills related to the cross-regional strengths in the Baltic Sea Region.

This rising demand for labour and the decline in unemployment rates across the Baltic Sea make it important also to focus on the attraction of foreign labour if the economic growth is to continue. At the same time the Baltic Sea Strategy should also include issues such as integration, equality and demographic change.

The Baltic Sea Region is committed to the Bologna Declaration of 1999 but mutual recognition of vocational education and training skills is also an issue, which the Baltic Sea Strategy should focus further on.

Areas of action:

- There is a need for mapping the migration and supply and demand of skills and human capital in the Baltic Sea Region and therefore statistics or data sources need to be developed
- Joint efforts/investments to increase the supply of skills and human capital
- Further development of a mutual system of recognition of especially vocational education
- Development of common solutions against cross border barriers for a common labour market, based on experiences from existing CBC structures in the Baltic Sea Area
- Improving cross border mobility through procedures of visas issues

3. Making the Baltic Sea Region a more accessible and attractive place for both its inhabitants, for competent labour force and for tourists

Physical infrastructure

An important element in making the Baltic Sea region competitive and ensure economic growth is a coherent transport system as well as an effective and sustainable infrastructure. Accessibility within and between the countries in the region is essential both in relation to economic growth and development as well as the domestic and foreign trade opportunities. Also import/export from Asia has great potential for further development in the region.

The key tasks are better use of existing transport infrastructure (e.g. better logistics, better intermodality) removing certain bottlenecks, better connecting transnational and regional networks, paying more attention to specific elements of BSR transport system such as air and ferry transport and ports. Improving the control function of transports and developing an early warning system against accidents is needed.

The Baltic Sea itself poses challenges and there is a need for development of the ports and the infrastructure in the hinterland to ensure both the long distance international transport and the transport within the region. The opening of the Øresund Bridge in 2000 has led to obvious regional benefits

and the bridge across Fehmarn belt is likely to bring new dynamics to the region not just in relation to the reduction of travel time but also for business and commerce.

The development of a Baltic Sea Strategy should be closely connected to the implementation of the EU's Integrated Maritime Policy. An integrated, inter-sectoral approach to the maritime policy in the Baltic Sea Region is necessary. The region can be promoted as a maritime best practice region in Europe and globally due to not only the unique geographic conditions but also the experiences with joint approaches to the challenges of maritime transport in the Baltic Sea.

At the same time increased traffic means environmental strain. An important part of the development should be an EU strategy that could serve as an impetus for increased bi- and multilateral cooperation in tackling this issue. Environmentally sustainable intermodal transport helps the development of green corridors, facilitate contacts and help the system of cargo freight both at sea, on land and in the air.

There are several Interreg projects and TEN projects, which have dealt or are dealing with the issues of improving the infrastructure in the Baltic Sea Region in a sustainable way. A strategy for the region should therefore build on the experiences from the TEN-networks and other successful projects in the Baltic Sea Region.

Areas of action:

- Support of strategic initiatives and projects aiming at improved cooperation between all modes of transport in competitive and sustainable logistic chains – integrating the TEN-T corridors and the Motorways of the Sea in the Baltic Sea Region by East-West as well as North-South links.
- Integration of the legal and administrative transport conditions in the region
- Development of the physical land and sea infrastructure.
- Measures to intensify the monitoring of ships movement in the Baltic Sea
- Further measures to protect environmental vulnerability

Knowledge based infrastructure and a borderless region within R&D

Not only physical infrastructure is important in creating a competitive Baltic Sea Region, knowledge and IT based infrastructure plays just as important a role. If the region truly wants to be a strong competitive force globally, further investment in the area are needed. This issue is to improve the preconditions for competitive and sustainable transnational flows of goods in seamless logistic chains and network cooperation between all modes of transport

The education and R&D network should therefore be further developed to enable further mobility and knowledge transfer in the Baltic Sea Region. New industries are increasingly knowledge intensive, and it is necessary for the Baltic Sea Region to compete in knowledge, innovation and skills in order to attract new companies and continue the economic development of the region. There is already a developed platform for university cooperation, but the extensive network in the Baltic Sea Region should be increased in order to make the Baltic Sea the most innovative research region in Europe. The Baltic Sea Region could be a perfect frontrunner in the creation of the 5th freedom of the internal market – an internal market for knowledge as proposed by the European Council in March.

The use of technology is increasing in the region. The majority of countries in the region have a higher ratio of PCs, Internet users and telephone lines than the rest of Europe. The region thereby has a strong technological infrastructure, which is important in relation to foreign investments and entrepreneurial development and in the end economic growth.

Knowledge based infrastructure is just as important and can complement the limits of physical infrastructure. The region is currently in the lead when it comes to the spread and use of information and communication technologies, but further investments are necessary if this is to continue. This involves education in IT as well. There needs to be a balanced public/private financing of R&D, and the use of EU research programs should be greater in the region.

Areas of action:

- Continuation of the development of access to broadband all over the region, including the rural areas, perhaps identifying goals for the entire region
- Cooperation in the development of new communication technologies to overcome some of the constraints imposed by distance, physical barriers and inadequate transport links
- Further development of ICT linkages in rural and peripheral areas
- Possibility of synchronising procedures for R&D funding instruments across the borders

Intercultural dialogue and identity building

In order for the Baltic Sea Region to return to its rightful status as a harmonious and cohesive region, it is essential that culture and civil society are addressed. Regional cooperation and intercultural dialogue is a contributing factor to the sustainable development of the Baltic Sea States, and to a better functioning of democratic institutions and the efficient promotion of human rights, including gender equality issues, the rights of the child and the rights of persons belonging to minorities.

Improving the intercultural dialogue is a precondition for an improved social and economic integration, characterised by respect for cultural diversities, improved co-existence and encouraging to an active European citizenship based on openness to the globalised world and on common values.

The intercultural dialogue is an important dimension in areas like that education and lifelong learning, youth cooperation, culture, citizenship, sport, gender equalities, employment, labour market, social inclusion, migration, media policies, democracy, media policies and human rights.

Developing and (re)building the Baltic Sea area's regional identity demands continuous communication and dialogue on all levels between both internal and external partners.

Areas of action:

- More cross-border cooperation between schools, academies and other educational institutions
- Increased youth mobility and exchange activities, including use of the European Voluntary Service for young people
- More focus on cultural diversities and intercultural dialogue in cooperation on migration policies and programmes for labour mobility and entrepreneurial cooperation
- Initiatives to promote the Baltic Sea Region to internal and external partners and regions

4. Making the Baltic Sea Region a safer and more secure place

Cooperation in the Baltic Sea Region

Regional and national cooperation in the Baltic Sea Area is characterised by multilevel and multi-dimensional participation. A variety of actors in many different fields characterise this cooperation. States, regional institutions, local authorities, non-governmental organizations, CBC structures and private firms interact in different fields like politics, economy, culture and environment etc.

The Northern Dimension offers a special platform for cooperation with the members of the Baltic Sea Region, which are not members of the EU, i.e. Norway, Iceland and Russia. This cooperation is vital to the further development of the Baltic Sea Region. The Northern Dimension activities should complement a Baltic Sea Strategy, in order to provide a common approach of all Baltic Sea actors to mutual objectives and challenges. Further cooperation will therefore lead to greater safety and security in the Baltic Sea Region.

Areas of action:

- The organisation of a special event for stakeholders of the non-EU Northern Dimension partners to give input to the development of the Baltic Sea Strategy
- Integration of the Baltic Sea Region can be further strengthened by emphasising and utilising the knowledge and experiences from CBC structures to reduce cross border barriers
- Since the regional and local levels are the practical actors in the implementation of most of the measures followed by the Northern Dimension a “regional dimension” inside the Northern Dimension should be created
- The inclusion of a “maritime strand” in the action plan of the Northern Dimension to tackle common problems of the Baltic Sea and to make the Baltic a maritime model region

These are the eight areas of action that we believe are very important in relation to a Baltic Sea Strategy. However, the organisations behind this position paper will also submit their own position papers with more specific viewpoints.

BSSSC

B7 Baltic Sea Islands Network

Euroregion Baltic

Baltic Development Forum

CPMR - Baltic Sea Commission

UBC – Union of Baltic Cities