

# EUROPEAN UNION STRATEGY FOR THE BALTIC SEA REGION

## *Public consultation*

### 1. INTRODUCTION

The European Council Presidency Conclusions of 14 December 2007 include at paragraph 59: 'Without prejudice to the integrated maritime policy, the European Council invites the Commission to present an EU strategy for the Baltic Sea region at the latest by June 2009. This strategy should inter alia help to address the urgent environmental challenges related to the Baltic Sea. The Northern Dimension framework provides the basis for the external aspects of cooperation in the Baltic Sea region.'

The work is as follows:

- The Directorate-General for Regional Policy is consulting stakeholders, inviting Member States, Regional and Local Authorities, Non-Governmental Organisations, Inter-Governmental Bodies and the private sector in the Baltic Sea Region to provide their ideas. Two main stakeholder conferences and four thematic roundtables are taking place in the Baltic Sea Region between September 2008 and February 2009. The Directorate-General for Regional Policy of the European Commission is also eager to hear and take account of the views of interested members of the public.
- The European Commission will then present the strategy in the form of a Communication to the Council by June 2009. The Communication will include an action plan with a clear timetable and also identify bodies responsible for implementation. In addition, in June 2009 all the Managing Authorities of the Operational Programmes of the Baltic Sea Region will meet in Gotland (Sweden) to link the actions of the strategy to funding available from the European Regional Development Fund.
- From July 2009, the strategy and its action plan will be discussed and adopted under the lead of the Swedish Presidency of the Council. After this the different organisations will begin implementation of the actions, with reviews of the action plan the following years.

**It would therefore be very helpful if you could give us your opinion.** We suggest questions which need to be answered. With your help we can make sure that the new Strategy for the Baltic Sea Region is realistic in its starting point, ambitious in its objectives and responsive to the real needs of inhabitants of the Region and the wider community.

### 2. GENERAL FRAMEWORK

The Baltic Sea Region (BSR) has some specific features:

- (1) Following the recent enlargement of the European Union, it is a Sea which is surrounded by eight EU Member States as well as parts of the Russian Federation;
- (2) It is a region with specific environmental characteristics (brackish, shallow water; forests; cold winters;...) that need particular care and attention;

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- (3) With the implementation of the single market, the economies in the region are increasingly inter-connected;
- (4) Some of the countries in the region are among the most developed in the world with a high quality of life, social and political stability and strong innovation levels due partly to their human capital, while some others are less prosperous but are catching up at a strong pace, although the current financial crisis may cause more difficulties for some areas than others.
- (5) The territorial pattern of the whole area is very imbalanced (low population density and poor accessibility in the North, higher density and accessibility in the South west; weak structure of small and medium size cities in several parts of the area; some metropolitan regions but relatively high distance between cities; sea being at the same time a barrier and a linking element to the cooperation)
- (6) The countries have a long tradition of cooperation on national, regional as well as on local level, e.g. through the Helsinki Convention (HELCOM) since 1974.

To address these issues the European Commission proposes that the Strategy should adopt a long-term, rolling approach, with a focus on results rather than recommendations. It should be transparent, open to critical public appraisal and evolve as existing policies and programmes are renewed. It will take on board input from existing organisations working in the BSR and the wider public. It takes into account much previous work done especially by the European Parliament, by the Committee of the Regions, and within the Northern Dimension framework. It will also include an action plan which will be regularly updated and provide information on actions already undertaken and those currently underway, and future actions set against clear timescales.

The Strategy will build upon four general action-oriented objectives:

- (1) To make the Baltic Sea Region an environmentally sustainable place
- (2) To make the Baltic Sea Region a prosperous place
- (3) To make the Baltic Sea Region an accessible and attractive place
- (4) To make the Baltic Sea Region a safe and secure place

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### **Key questions on the general framework:**

- In order to further exploit the potential of BSR, what are the main topics to develop?
  - economic cooperation? (in what ways / at what levels?)
  - social cooperation? (in what ways / at what levels?)
  - cooperation in other areas?
- Which are the main challenges, and what are the main concerns / obstacles to successfully addressing them?
  - environmental? (which aspects?)
  - safety and security? (which aspects?)
  - other aspects?
- Should the objectives of the EU Strategy for the BSR pursue regional specific targets only by means of EU policies? Or should the Strategy be wider and more ambitious in terms of policy alignment by including all policies, EU or not?
- In terms of (EU) policies, which are more relevant? Should some (EU) policies be targeted as higher priority than others? (e.g. environment / maritime etc.)?
- Within each (EU) policy concerned, what priority actions/projects should be developed or advanced? (e.g. accelerated implementation deadlines for some environment directive targets)?

### **3. THE FOUR OBJECTIVES**

#### **3.1. ‘To make the BSR an environmentally sustainable place’**

The protection of the environment is a major issue in the Baltic Sea region. The abundant resources in terms of vast nature areas, a rich biodiversity and a diverse landscape present many opportunities. However, the environment can also be negatively affected by certain human activities, including the impacts of climate change. Pollution affects the water, soils, air and biodiversity. The Baltic Sea is under severe pressure due to eutrophication, over fishing, hazardous substances and invasive species. In addition, nuclear issues cause specific problems in the fields of waste management and risk prevention.

### **Key questions on ‘To make the BSR an environmentally sustainable place?’**

- What are the main environmental challenges?
- How are they best addressed? What actions are needed and by whom?
- What are the priority actions?
- Are these priorities evident in the work carried out so far?
- In addressing certain concerns can challenges be turned into potential opportunity? (e.g. energy infrastructure links? Sharing good practice?) If so, how?

#### **3.2. ‘To make the BSR a prosperous place’**

The region is characterised by some countries which are very developed and innovative on higher levels of market liberalisation and others less so, although catching up at a

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strong pace. It has leading enterprises in the fields of high technology, services, energy, agriculture, forestry and fisheries. Yet, its regions could benefit more from the single market through increased trade, by closing the development gap and fully integrating their markets. To increase and maintain its competitiveness, especially in the light of the current financial crisis, the Baltic Sea region has to continue moving towards a strongly networked and knowledge-based society by promoting innovation in particular through SMEs, and by fully implementing the EU legislation by the member states. To pursue work on industrial policy including changing unsustainable consumption and production patterns is crucial. Deeper cooperation in the field of energy will contribute to future prosperity.

#### **Key questions on 'To make the BSR a prosperous place?'**

- What are the main challenges for the BSR if it is to remain competitive in the future? How can it overcome problems of the current financial crisis?
- How can the different Baltic Sea markets be encouraged to interact more and thus overcome some of the problems associated with insufficient internal competition?
- Is there potential for the formation of cross-border clusters and if so, what actions are needed to promote such a development?
- How can the level of competition in services be increased?
- Is the implementation of the EU legislation for the internal market functioning as intended?
- What are the main remaining barriers for trade in the region?
- What are the main remaining barriers to mobility - of labour, students and ideas - in the region?
- What are the priority actions?

### **3.3. 'To make the BSR an accessible and attractive place'**

The region is characterised by long distances to main markets in Central Europe and elsewhere. Developing better integrated and more efficient transport, energy and other communication networks, as well as ensuring a better quality of life right across the region, are key aims. Overcoming transport and energy bottlenecks, including in the winter time as well as energy isolation and problems related to security of supply, are crucial for the region. The population base is also central to supporting the long-term development of the Region. It needs to therefore be attractive in terms of provision of high quality and sustainable infrastructure and services (transport, energy, health, education, culture and tourism etc.) to give its citizens incentives to stay and to draw in more investment, tourists and newcomers.

#### **Key questions on 'To make the BSR an accessible and attractive place?'**

- Are the topics mentioned above comprehensive? Do other concerns/perspectives exist?
- Should more attention be paid to creative/alternative solutions, given the large distances/sparse population/peripheral nature of major parts of the region? (If so, which topics? Which ideas?)

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- In addressing certain concerns can challenges be turned into potential opportunity? What are the opportunities for the Region?
- Can better cooperation help realise this potential? (internally? externally? how?)
- What are the priority actions?

#### **3.4. 'To make the BSR a safe and secure place'**

Safety and security is an issue which affects all citizens in the region. While many of the EU initiatives in this field are horizontal in nature and not focussed on any particular region, the strategy could identify issues which are of particular importance to the Baltic Sea Region and issues where the existing cooperation could serve as a model of best practise to the EU at large.

Maintaining and promoting safety and security in the region would necessitate focusing attention e.g. to prevention of organised crime (i.e. human trafficking, illicit drugs, cyber crime, etc.), police cooperation, judicial cooperation in criminal matters, fight against racism and xenophobia, promotion of public health, and crisis management. It also would concern ensuring the safety of economic activities by preventing corruption, protecting the critical infrastructure and improving the management of maritime transport.

#### **Key questions on 'To make the BSR a safe and secure place?'**

- What are the main security concerns for the future? What specific regional measures should the Baltic Sea countries and other relevant stakeholders undertake to effectively respond to these concerns?
- Are the structures that exist today sufficient to meet the safety and security requirements of the future?
- What forums could be most effectively used to deepen safety cooperation in the region?
- What steps could be taken to better inform the citizens of the fruitful cooperation in this sector, so as to increase the general sense of security?
- What are the priority actions?

#### **4. GOVERNANCE ISSUES**

The development and implementation of the EU Strategy for the Baltic Sea Region requires appropriate initiatives to achieve integrated governance, and tools to drive integrated approaches forward. The issue on how the strategy should be implemented and monitored needs to be thoroughly discussed, as well as who the responsible parties should be.

##### **Better identify the actors responsible for action**

A structured and sustainable discussion forum for all key players for the design, implementation and monitoring of policies and projects (including the action plan of the

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EU Strategy for the Baltic Sea Region) should be established. This forum could be based on existing structures with agreed decision-making mechanisms.

#### **Better funding opportunities**

There are currently many funding opportunities for projects in the BSR available from bodies such as the European Commission, Member States, national funds, the financial sector (incl. the EIB, NIB, NEFCO, ERDB etc), and the private sector. Some €5bn is available from EU Cohesion Policy under the three objectives (Convergence / Competitiveness and Employment / European territorial cooperation). Funding opportunities are also available under several other EU instruments such as the 7<sup>th</sup> RTD Framework Programme; the Competitiveness and Innovation Programme; and the LIFE+ Programme. The key question when selecting projects for financing might be: "How would this investment advance the aims of the Strategy?" Another issue is if some investments are hindered by bottle-necks.

#### **Better policy design**

The policies in the BSR are often inter-dependent. Issues such as the environment, the economy and transport cannot be addressed satisfactorily at the national level but are better addressed at the macro-region level. Therefore it is important that policies are coordinated to make sure that they complement each other, and that methods are developed to take account of the environmental concerns. This is a particular challenge as the 'ownership' of such policies is often with different authorities.

One example is the increase of often competing activities on coasts and seas. This is a source of potential conflict that needs to be managed. Maritime spatial planning is useful for developing an integrated maritime policy for the Baltic Sea. The general objective is to create and establish a more rational organisation of the use of marine space, to balance demands for development with the need to protect the environment, and to achieve social, economic and environmental objectives in a transparent and planned way.

The Strategy could consider a mechanism for the development of overarching Maritime Spatial Planning for the Baltic Sea region, based on the EU Maritime Policy Action Plan and on the work of HELCOM. The Commission could assist as appropriate with guidance and examine potential action on EU regulations in support of this.

#### **Better implementation of the existing EU**

EU legislation (acquis) covers for example the 'single market' (free movement of goods, services, persons, capital and knowledge) and environmental protection. In several cases, this legislation is not fully transposed or properly implemented by Member States. In other cases, red tape prevents effective or consistent application of the rules.

The Strategy could push to implement fully the EU legislation.

#### **Better cooperation**

The Baltic Sea Region has a long tradition of cooperation, but the effectiveness of cooperation instruments could still be improved. For example, cooperation between the

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national and the regional or local level (vertical cooperation) may benefit from review. The cooperation between Member States, between Member States and Russia, and the cooperation between stakeholders of the same field (e.g. cooperation between universities, enterprises, ministries etc.) which is characterised as horizontal cooperation, may also benefit from more intensive work together.

#### **Key questions on governance**

- Could the Strategy be implemented without any additional organisation (body)? If not, what type of organisation, existing or new, would be appropriate?
- If funding is to be aligned, how should it be implemented, reviewed and monitored? (By peer review? By more binding agreements?)
- How can better policy design be facilitated? What currently hampers better coordination? How can this be improved?
- If implementing the EU legislation is an issue, how can this be improved? (On voluntary basis? On local/regional basis?) In which fields could this best be tested?
- Who are the key actors concerned?
- How would the priority actions/Key projects identified in the action plan be monitored? (Periodic reports to the EU Council? If yes which periodicity?)