

WELCOME AND OPENING ADDRESSES

Mr Rimantas Taraskevicius

Mayor of the City of Klaipėda

Mr Rolandas Paksas

President of the Republic of Lithuania

Mr Per Bødker Andersen

President of the Union of the Baltic Cities

Mr Tiit Naber

Ambassador-at-Large, Chairman of the Committee of Senior Officials,
Council of the Baltic Sea States

WELCOME ADDRESS

Mr Rimantas Taraskevicius
Mayor of the City of Klaipėda

Your Excellency Mr. President, the Honourable Parliamentarians of the Council of Europe and Delegates of the Union of the Baltic Cities, dear Guests of our city and the Klaipedians, Ladies and Gentlemen,

as the Mayor of Klaipėda and first of all as the citizen of our town, I am extremely pleased to greet so many honourable guests and citizens who have assembled to this hall. The gratifying circumstance is that today our city is given a happy chance to host the representatives of over 20 countries and together share the impressions of the salient day.

This year Klaipėda reaped the fruit of its work throughout a decade and was granted the highest distinction of the Council of Europe. For the achievements in the field of international activities and propagation of European unity ideas today our city will be officially awarded “Europe Prize’2003”. It is not accidental that the day for the award ceremony has been selected to coincide with the General Conference of the Union of the Baltic Cities. The first steps of Klaipėda’s international co-operation are made namely in the Baltic Sea region and related to this organization.

“Europe Prize” is a challenge award. Every year from the plentiful European community only one city is selected. And this year it was Klaipėda.

Last year the winner of the Prize was our twin-city Gdynia. We are tied with close partnership relations and Gdynia has always set us an example model in many spheres. I am convinced in the long run of years this Baltic port-city will remain worthy international recognition. I also believe that all the towns ever bestowed with this award are exceptional. The symbolic award puts even a greater emphasis on the town’s international obligations, its further efforts of cooperation with the twin cities, other partners abroad as well as inside the country.

Today I would like to express sincere thanks to our counterparts in the Union of the Baltic Cities we have been working with for over a decade now, the mayors and the delegates representing our twin cities and, not in the least, Klaipėda organizations who have been successfully involved in international cooperation as well as other citizens, who by their work and creation have contributed to make Klaipėda an open, active and free town of European spirit. The international award obliges the city to justify the expectations related to the engrafting European idea, humane values and tolerance and we are ready to work on.

The 7th General Conference of the UBC dedicated to the issues of business development in the cities in the new Europe is also an illustration of our international obligations. I would like to extend a special warm welcome to the delegates from the continent of Africa, the leaders of Lake Victoria Region Local Associations Cooperation. We expect that the geography of this conference allows a wide and deep experience exchange and should become a new impulse for city-business interactions and public-private cooperation within the cities as well as inside the whole Baltic region of the new Europe. The numerous participation at our conference shows that the Baltic cities are really eager to make the Baltic Sea economic wave high. Let me hope that the discussion and contacts set in Klaipėda will be useful not only to the cities of the Baltic ten, but also to other countries represented at the conference.

International co-operation for the sake of prosperity of all parties, openness to new economic cultures today are the proof of being truly European. Namely in such a co-operation is born the perception that every city with all its work, problems and dreams is responsible for future of the new Europe on the

verge of which we are. Klaipėdians assure you that their town will contribute to construction of common home and open its gates hospitably for all friendly incentives.

Allow me once again to express gratitude to everybody who love their city, believe in its future as the port of their hopes and dreams that come true. Let the elated and industrious mood prevails during the Conference of our Great Baltic Family! Have an industrious and good time.

Thank you very much for coming to Klaipėda and welcome soon back!

WELCOME ADDRESS

Mr Rolandas Paksas
President of the Republic of Lithuania

Distinguished participants of the Conference, dear Ladies and Gentlemen,

First, I want to welcome all of you who have gathered in Klaipėda today to the VII General Conference of the Union of the Baltic Cities. I hope that our seaport city, which is known for an eventful history, long-standing multicultural traditions and warm hospitality, will live up to your expectations.

At this point I want to add that Klaipėda, which is the third largest city in Lithuania, demonstrates remarkable growth today.

I want to take this opportunity to extend my greetings to Klaipėda, our beloved city on the Baltic Sea, which is inseparable from Lithuania and from the Baltic Sea, its stormy waters and quiet sunsets.

I want to welcome the authorities and all inhabitants of Klaipėda, which has won this year the Europe Prize, the high distinction of the Council of Europe. It is indeed a very high accomplishment.

Klaipėda has been skilfully using all possibilities offered by the ongoing transformations in the Baltic Sea region. This is no surprise since the city had realised the advantages of regional co-operation back in the Middle Ages, when it was part of the Hanseatic League, which spirit of trade and free thought made the Baltic region highly attractive.

In the course of decades, the countries around the Baltic Sea have transformed beyond recognition, making the region surprisingly unique. At first glance, the countries in the region pursue different political course and include among them NATO members and non-allied states, the EU countries and the nations that only advance towards membership of the European Community.

However, all states around the Baltic Sea share the goal of making their region a most stable, successful and rapidly developing part of Europe.

Co-operation between the states in the region is increasingly gaining momentum and acquiring new dimensions as all nations share the common human values of freedom and democracy.

In the near future our region will acquire yet one more unique feature. Upon the accession of the three Baltic States and Poland to the European Union, the Baltic Sea will, as experts have put it, become “the internal sea of the Union.”

Nobody doubts that in May next year the European Union will get firmly established in the life of the states of the Baltic region. This will open up a possibility for the emergence of a single economic area in the region, which I believe we should put into practice.

Increasingly deepening relations between the Nordic countries, the Baltic States, Poland and Germany on the one hand, and Russia, especially its north-western region, on the other, provide favourable conditions for the development of trade and economic co-operation.

The Council of the Baltic Sea States will get more weight with eight of eleven of its members joining the European Union on 1 May next year.

In this context, Russia's role within the Council will acquire new aspects, providing for the expansion of the EU-Russia dialogue. The Council of the Baltic Sea States may become a forum for the development of a dialogue between the European Union and the Russian Federation.

I look to the future with optimism. However, we should not live in the fond hope and realise that new threats are replacing old dangers.

Terrorism, trans-national crime, illegal migration, contraband, corruption, trafficking in human beings and narcotic substances, proliferation of weapons of mass destruction and environmental pollution pose threats that the countries in the region can combat successfully only through common effort.

I am also concerned about other issues: differences in the economic situation and the standards of living may result in new dividing lines between the countries of the region.

I have said on different occasions that the enlargement of the European Union may not become only a political project that fails to ensure the integration of the new members into the common infrastructure area of the Union.

I think you will agree with me that we cannot discuss the cohesion of the Baltic Sea region until all of its parts are connected by modern energy and transport infrastructure.

We have to create the most favourable conditions for the implementation of these projects. It is gratifying that our goal to interconnect the energy and transport networks in our region with the Western European systems is becoming increasingly understood.

I believe that soon our infrastructure projects will be approved as the top priority of the European Union's Trans-European Transport and Energy Networks.

I am sincerely pleased that the Union of the Baltic Cities has also turned its attention to the development of infrastructure in the region. I have been informed that the Union actively supports the development of city transport and transport corridors in the entire region as well as the development of Baltic motorways.

This is indeed a wise approach. It is enough to look at the map to become convinced that all the cities and towns comprising the Union of the Baltic Cities will further exist as separate unconnected dots unless we join them via transport and energy.

In such a case, how could we discuss transmitting the experience of regional co-operation and the European Union financial support to the less developed regions and self-government bodies? And this is not a rhetorical question.

Several weeks ago I attended in Rome the opening of the Intergovernmental Conference that deals with the Draft Constitutional Treaty of the European Union. Also, we discussed extensively ways to ensure an effective functioning of the European Union as well as ways to co-ordinate the activities of the EU institutions and ensure that the voice of each and every member state is heard.

These issues are extremely important. However, I must admit that we allocated little attention to the building of a responsible civic society in the Union itself.

How should we implement this goal? My answer is very simple: we should implement it through the development of regional and local self-government.

Cities and regions play a key role in ensuring that decisions in the European Union are adopted as closely as possible to its citizens. Cities and regions can implement the Union policy and legislation as well as deal with the financial issues most efficiently.

There is no doubt that the future of Europe is built on the principles of democracy, freedom, justice and solidarity and respect for the fundamental human rights.

However, such Europe also requires transparent and democratic administration and close co-operation among all authorities at a different level: local, regional, national and European.

We must ensure this in order to achieve our goal: meet the expectations of the people and give an adequate response to the challenges of the 21st century.

I have no doubt that your organisation, the Union of the Baltic Cities, plays a key role in this process.

Ladies and Gentlemen,

It is my firm belief that the Baltic Sea region will become an area of trust, well being and co-operation.

At the start of my address I referred to the Hanseatic experience. I am convinced that in the contemporary world we can also find ways to step up our contacts and co-operation for the benefit of all nations.

I wish the best of success to this Conference.

OPENING ADDRESS

Mr Per Bødker Andersen President of the Union of the Baltic Cities

Excellencies, Dear guests, UBC Friends and last but certainly not least - dear members of our UBC ten countries and maybe more to come, more than a hundred cities – and certainly more to come guests from public and private interests from all over Europe around 300 participants.

I am happy and proud to welcome you all to our General Conference in Klaipėda.

I guess that we all know the immense work it takes to prepare a conference like this. Therefore also our best thanks to the City of Klaipėda – addressed to the Mayor, but also to the many people engaged in the preparations to make this another memorable reunion of friends around the Baltic Sea.

And that is where we are: in a friendly city with a long history, in beautiful surroundings, and we shall all be looking forward to sightseeing all, you have to offer. Thank you all!

The Baltic Sea Region is now experiencing one of the greatest and most important phases of its whole history. We must admit that the history of our region to a very great extent has been steered by wars, the last one being the cold war that ended more than ten years ago. Now we face that almost all countries of our region will enter the European Union next year by their free will and after decision by the citizens in referendums. In a few years we will have a region with free movement of capital, goods and labour, with a uniform legislative basis in most areas and, hopefully, a little later, the same monetary system all around the Baltic Sea.

If we furthermore add a stable political situation, a skilled workforce, a high educational level, and a deep culture of co-operation, then we have the entire basis for a bright future for our region and for its citizens.

Our Baltic Sea Region is already by many considered a very promising region in Europe and in the world. The economic development has been outstanding. The Baltic Wave of Business development is raising our level and the whole of Europe benefits from it as well. That is the reason why the theme “The Baltic Sea Wave - Business Development in the New Europe” has been chosen for this the 7th UBC General Conference.

UBC is one of the main actors in the co-operation in our region. Most business activities take place in cities, where we work and live. Thus cities are focal points for development, and our role, as city leaders, city organisers and city administrators, is to promote a development which is to the benefit of our citizens. We know that a healthy and solid business environment is of the highest importance, both for the citizens and for the tax base for the municipalities, so that we can provide the citizens with the services needed.

This General Conference will also give us new platforms and tools to work with. The UBC Board has proposed the General Conference to adopt a new UBC Strategy and a new Baltic Agenda 21 plan. Both documents are highly important to our future activities. They are not only a collection of nice words. With them we will be able to take further steps in our work for a better Baltic Sea Region.

Tomorrow we will also adopt the resolution on the EU Constitutional Treaty.

The UBC welcomes the recognition in the Draft Constitutional Treaty of the rights of the Member States to organize regional and local government in accordance with their respective constitutions.

Participation of regional and local government within the Member States in the preparation and decision-making of EU matters must be safeguarded primarily through measures on the national level.

The UBC emphasises that local authorities represent the level closest to the citizens. Local and regional authorities are the best-placed actors to ensure that everyday realities and citizens' aspirations are reflected in EU-level decisions. Governance, regardless of the territorial level in question, necessarily involves consultations, especially at the local level.

The Constitutional Treaty should ensure that the voice of regional and local authorities is adequately channelled into the European institutions. The channels and modalities of local and regional authorities to influence the preparation of EU legislation should be improved in the Constitutional Treaty. The Treaty should furnish modalities for regular consultation of local and regional authorities and of organisations representing them.

The UBC proposes that the Constitutional Treaty should include provisions for an early consultation procedure in the phase prior to the drawing-up of new policies likely to have an impact on the regional and local authorities or to affect their powers.

We have prepared an interesting program. Today you will have the possibility to listen to interesting key-note speeches and to participate in interesting workshops. And I have noticed with satisfaction, that many of you will attend the Commission on Business Development meeting tomorrow.

In between, it is my sincere hope that you will use the time for meeting old friends and making new contacts with colleagues from all countries in the Baltic Sea Region. Personal contacts are even more important for our future mutual work.

We have great traditions giving pieces of good advice and exchanging views on local matters among the member cities. The best expertise from our civil servants is available – and for free - through the participation in our committees and networks. Therefore I can also recommend member cities to participate actively in the important work of the commissions. Thank you for your engagement in the daily work there.

Before I declare the conference open I would like to thank Mr Antanas Valionis, Minister of Foreign Affairs of Lithuania who has sent his greetings and wishes of success to our conference. I was informed by our hosts that you can find the text of Mr Valionis greeting letter among the documents in the conference lobby.

I hope for a fruitful and rewarding General Conference, and with these words I declare the General Conference open.

ADDRESS OF CBSS

Mr Tiit Naber
Ambassador-at-Large, Chairman of the Committee of Senior Officials
Council of the Baltic Sea State

Mr. President, Distinguished Mayors, Ladies and Gentlemen:

A few hundred years ago, in the northern part of Germany, there used to be a popular saying - *Stadtluft macht frei*. Or, in plain English: *City air makes you free*. This old proverb was based on the common wisdom – and legal reality - that the medieval city was a place of refuge from the often-cruel restrictions and demands of the feudal lords of the manor. The golden age of the nation-state had not yet begun and the mighty Hanseatic city-states ruled the commercial, cultural and political life of our Baltic Sea region.

A cynic might say today, knowing the sorry state of many of our cities after a half-century of planned mismanagement, that: sure, city air makes you free, but it can also make you pretty sick! But I would answer that in many of our cities that suffered badly from the heavy industry and pollution typical for the planned economy, the environmental situation has by now, after a decade of real freedom, improved markedly. We *can* breathe easier now. In large part that improvement was because of fundamentally uneconomical enterprise was subjected to the laws of the market. Now the challenge will be, in order to allow our citizens to live in a free and clean and prosperous environment, that we all keep in mind not only the laws of the market but also the laws of nature. The UBC is a world-leader in this respect as a partner in work for sustainable development being organised by the Agenda 21 for the Baltic Sea region.

Today, Klaipėda celebrates being awarded the Europe Prize for 2003. On behalf of the Estonian CBSS Presidency, let me congratulate you for that! This is historic justice being done: to paraphrase a former president of my country, “Klaipėda never left Europe – Europe left Klaipėda.” Barely a decade has passed since Klaipėda and her sister cities around the Baltic could once again freely associate and, yes, really feel that “the city air makes you free.” Let me salute the fact that the Union of the Baltic Cities was one of the first networks for cooperation to arise like a phoenix from the ashes of the divided Europe, from the suddenly reopened seaways and coastlines of the Baltic. The organisation that I have the honour to represent today was a relative latecomer to the scene – true visionaries like Anders Engström of Kalmar and many others like him around the Baltic Sea had already started the hard work of building dynamic subnational networks like the UBC – when Hans-Dietrich Genscher and Uffe Ellemann-Jensen decided to call together their colleagues from around the Baltic Sea to a conference in Copenhagen in 1992 to found the Council Of The Baltic Sea States, the CBSS.

Representing the main intergovernmental forum for regional cooperation of the Northern Dimension area, I am keen to encourage the success of our cities, our counties, our regions and oblasts, our islands and countries. We are all in this together.

The theme of this year’s general conference is “The Baltic Sea Wave – Business Development in the New Europe.” Despite the doldrums on the southern shores of the Baltic, our region still remains today one of the most dynamic growth zones of Europe. The wave of development and transformation that started a decade ago will not be automatically sustained by the enlargement of the EU. There is a lot more we can do to ensure that the conditions for investment and trade in our region are the best we can offer. The formal acceptance of the *acquis communautaire* ensured our entry to the EU – but we still need to ensure their full and uniform implementation if people and goods are to flow freely over our common borders. The efficiency of our borders is an essential prerequisite for stimulating trade and investment in our region and it is an issue that the CBSS has worked on intensively and at various levels practically since our organisation was founded.

In a couple of weeks from now, in Riga, the Baltic Sea Customs Conference will meet for its 5th and perhaps also *last* time. With the enlargement of the EU, most of our member states will also become full members of the European single market. With this in mind, and with the keen realisation that EU funding for their organisation is about to disappear, some of our customs people want to end this form of regional cooperation. We still have a long way to travel before the new external borders of the EU in our region are working sufficiently well that they will no longer act as major barriers to increased trade and investment. Maybe it is so that the BSCC is no longer the most appropriate instrument to achieve this goal – in that case we have to find or to invent a new tool. In any case, the job is not finished yet and we need to take care of it.

The question being raised about the future of the BSCC is even being raised in some quarters regarding other CBSS structures – indeed, some doubts are even heard about the need for the organisation as a whole after the EU enlargement. I think it is good to be sceptical about international bureaucracy and especially to be wary of unhelpful overlaps and wasteful duplication of efforts. That is why the Estonian Presidency of the CBSS has been keen to use the five-year review clause regarding the only bit of bureaucracy we have created – the permanent international secretariat in Stockholm – as one way to review the whole structure of intergovernmental cooperation that has developed under the CBSS umbrella since 1992. We have also, together with our member states and the European Commission, started an open-ended discussion on what EU enlargement will mean for our structures and activities, both in the short term and the medium term. The first step was to call together the heads of our working groups dealing with economic issues and see where whether there would be synergies created by merging some of our groups and identifying in what fields we should focus to ensure the maximum of value-added from activities complementing the EU.

We have also tried to prove that the CBSS remains a flexible and light organisation that can be quickly adapted to changed circumstances and needs. On proof of this was the acceptance of an advice from our foreign ministry political directors to avoid duplication of high-level meetings. Thus, starting this year, the foreign ministers and heads of government will meet in alternating years. Another reform that was done in our CSO was to intensify information exchange and perhaps eventually facilitate decision-making by virtual IT means.

Although the CBSS is an organisation without a heavy bureaucracy, we do have an ambition and a responsibility to act as a focal point for regional cooperation in the Baltic Sea area. This goes first of all for the intergovernmental level – although the CBSS is still led by the foreign ministers, it has, since the Kolding heads of government summit of 2000 officially covered all cooperation initiated by the field ministers of the group of CBSS countries. This means that the CSO, which I lead, is charged with monitoring and facilitating the work of 20 working bodies and processes.

In the work to elaborate regional common positions on the EU's Northern Dimension, the CBSS has also served as a focal point for several other major organisations for Baltic Sea regional cooperation. Indeed, later today I will have the honour of hosting the 3rd annual coordination meeting of heads of Baltic Sea regional organisations. I think we can look back with pride over the last few years and the real impact we had working closely together with our partner organisations like the UBC and the BSSSC on the elaboration of the new ND Action Plan for 2004-2006, which was endorsed yesterday by the European Council in Brussels. Perhaps even more significant in the medium and long term is the direct influence our constant complaining about the interoperability problems of the EU financing instruments - which were supposed to work together for the old ND AP – had in Brussels. The result is a radical rethink, the New Neighbourhood Initiative or Proximity Instrument – a real simplification of the application procedures and a tangible reduction of the bureaucratic obstacles to stimulating cross-border and subregional cooperation. Now is not the time to rest on our laurels, however. Now we have to redouble our efforts to cooperate to make our voices heard in Brussels and elsewhere to ensure that the New Neighbourhood programs now being elaborated will be implemented in our Baltic Sea region in a way that fully reflects the priorities we determine together with our constituents. To maximise our chances for success, we need to work together and keep the Baltic Wave on a roll.

On behalf of the Estonian CBSS Presidency, let me wish the 7th General Conference of the UBC all success in its deliberations.

Thank you for your attention.