

2nd Executive Board meeting, Riga, 28 February - 1 March 1992
REPORT FROM THE SECOND MEETING OF THE EXECUTIVE BOARD
OF THE UNION OF THE BALTIC CITIES
RIGA, 28 FEBRUARY - 1 MARCH 1992

INTRODUCTION

The Second Meeting of the Executive Board of the Union of the Baltic Cities was held on 28 February - 1 March 1992, in the premises of the City Hall in Riga on the invitation of the host city. The Meeting was attended by representatives from the Baltic Cities as well as invited persons.

The meeting was opened by the President of the Union, Mr Anders Engström.

Agenda Item 1.

Election of a participant who together with the President will check the minutes.

The Meeting adopted the agenda

Mr Andris Teikmanis was elected to check the minutes together with the President.

Agenda Item 2.

Matters related to the Commissions.

Mr Anders Engström invited representatives of the Cities taking a leading role in the Commissions to provide the Meeting with information about the current status of work of the following Commissions:

- Commission of Transportation

Mr Nalivayko from Kaliningrad reported results of the work of the Commission of Transportation and suggestions concerning communication development in the region.

The President, taking part in discussion, underlined importance of considering appropriate steps aiming at enabling development to be equal. It was decided then the Commission of Transportation would prepare proposals to be presented by the President in the name of the Union at the Baltic Sea Conference of Ministers of Transport to be held on 16 and 17 March in Szczecin, Poland.

- Commission of Environmental Protection

Mr Mikko Jokinen from Turku informed about some ideas concerning future work of the Commission and preparation of documents for the Second Conference of the Union. It was

suggested that before the Conference experts from Arhus and Turku will arrange the meeting in order to prepare basic documents.

Ms Hjördis Höglund informed about the actual state of implementation of the Healthy Cities project in Sundsväl.

Mr Andris Teikmanis pointed out the need for better exchange of information between the cities about initiatives in order to avoid their duplication. In this respect UBC Newsletter should play growingly an important role.

The Meeting agreed that the reporting format attached to, and distributed through the Newsletter should be used as a way to collect information about the important questions from the cities.

Mr Robert Lach informed about the possibility of establishing so-called an electronic mail between the member cities based on PC computers and veil functioning telex connections.

- Commission of Culture

Absence of the Lead Cities Lübeck and Rostock made unable to discuss matters concerning cultural cooperation within the Union.

- Commission of Telecommunication

Mr Edvins Lancis from Riga put forward the following proposals and informed about the following activities:

in the field of telecommunication:

- to set up unified decision of the Internacional Gateway (for e.g. NMT System), to help in the activities of Estonia, Latvia and Lithuania;
- if it is possible to obtain a financial assistance, it would be very appreciated at the first stage;
- expertise all decisions of expanding and modernization of infrastructure of telecommunication network on the Cerel of the International Gateway.

In the field of economy:

- consulting aid in procedure of conversion of the state property to private;
- legal aspects of privatisation (transition from centrally planed economy to free market economy);
- experience of restructrization and commercialization prior to sale;
- experience of voluation procedure;
- improving the transportation and systems of delivery between member cities of the Union of the Baltic Cities (business links);

- possibilities to get the long term loans from bank systems for the most important problems of financing;

- establishing the free economics regions (with minimum customs duty in those regions).

Mr Anders Engström underlined in his comment the necessity of changes in general and in terms of telecommunication and communication in particular. When expressing his thanks to the Commissions for their work, he underlined the role the Union should play in this respect. A year ago it was very hard to reach Gdańsk from Kalmar by phone, now first dialling is giving connection. Union should influence the World Bank and other organizations to speed up necessary processess.

It was decided that number of the cities involved in the activities of Commissions should be enlarged.

After consideration of this Agenda Item Mr.Andris Gutmanis, Deputy Minister of Economic Reforms, characterized the situation in Latvia and her relations with Russia.

Latvias situation in economy. The deep crisis in economy is to a great extent connected with crisis in energetics. It started in at the begining of this year.

82% of Latvia's foregin trade is with Russia and only 7 % with Western countries. Mr. A. Gutmains compared Latvia's economy to a man with one weak leg and the other very strong. Unfortunately circulation of blood has stopped in this strong leg. The relations with Russia are normal only at the level of leaders of the states.

Here agreements have been achieved which should normalize the economic relations. The relations on the lower level are characterized by the sentence of minister who is in charge of economic ties with members of the Commonwealth of Independent States: "It is enough for me to do some manipulations, and the Baltic states will be back in the Union". The situation is begining to change really during the last days, when Latvia entertain has suspended yhe supply of monopoly goods, such as electric devices for automobiles to Russia, and there is a stopage risk for automobile industry in Russia. In the latest negotiations of Thursday (25.02.92) Russia's Prime Minister Y.Gaidar has apologized to the Prime Minister of Latvia I. Godmanis for misunderstandings, hence one can expect that the situation will be changed on the lower level of power in Russia.

Mr A. Gutmanis noted as positive a fact, that the economy proces in Latvia proceed very rapidly. There is a hope, that Russia will soon decide for the liberation of prices and that will be a precondition for opening the way to the market economy. Wide unemployment may be expected within military industry.

Agenda Item 3

Matters related to the Conference in Kalmar.

Mr Sture Nachtweij, informed about the current status in preparation of the Conference and about the following agreements:

- Conference fee will be 400 USD;

- Hotel will cost 300 USD;

- Union will cover cost of stay of two participants from the Member Cities from Baltic States, Russia and small Polish cities, respectively;

- mass media should cover their expenses by themselves as well as observers,

After discussion, it was decided that the next General Conference should be organized by (Kaliningrad).

Agenda Item 4

Presentation by the Eurocities and European Municipalities and Regions.

This Agenda Item was not considered because of absence of the CCEMR representatives.

Agenda Item 5

Other reports from the Member Cities:

Mr Anders Engström informed the Meeting about training courses concerning environmental protection, arranged for students from central and east european countries. Invitation for courses lasting 40 weeks will be distributed soon.

Mr Viatcheslav Nalivayko informed that during the Conference of the Union of Russian Cities it had been decided on association with the UBC on an observer status basis.

Mr Sture Nachtweij informed about the Union of the Baltic Ports and necessity of establishing formal contacts.

Mr Mikko Jokinen informed about the current status of the Healthy Cities Project and within this, project on drugs. Course on drinking water problems will be arranged, among others, which time will be decided later on.

Mr Arnolds Ubelis introduced document prepared by Rigas Secretary.

Mr Robert Lach informed the meeting about proposal to start training courses in form of discussion and exchange of information between the lecturers and participants about decision making process in terms of market economy on the city level.

Mr Anders Engström pointed out importance of such a platform of cooperation and information exchange suggesting the form of education center of the Union, located in Gdańsk in Secretariat premises.

Mr Andris Teikmanis supposed to include in the program lectures and courses which will be interesting for the both sides in the West and in the East. At the same time he underlined the great need for such an education center.

Mr Viatcheslav Nalivayko proposed to establish such a centrum in Kaliningrad.

After short discussion it was decided to start activity, as it was proposed by Gdańsk, keeping in mind possibility of future development of this initiative to other cities dealing with different subjects.

Agenda Item 6

Report from the Secretary

Mr Piotr Krzyżanowski, informed the Meeting about current activity of the Secretariat concerning:

- printing of the Newsletter No. 1,
- establishing the Union Data Base including basic information about the Union members.

What is concerning the financial matters of the Secretariat work, he pointed out that only eight cities had paid their fees.

Here Mr Anders Engström reminded remaining part of members of their responsibility concerning the financial contribution.

Agenda Item 7

Other Business

Mr Anders Engström introduced to the Meeting, a letter addressed to the Conference of the Ministers of Foreign Affairs of the Baltic States obtaining full acceptance to the context,

Mr Viatcheslav Nalivayko introduced papers concerning:

- Cultural Festival in Kaliningrad,
- economic affairs

Meeting requested Kaliningrad authority to send invitation as soon as possible.

Mr Piotr Krzyżanowski introduced the letter from "Denvia", the Danish Environmental Association, concerning proposal on environmentally sound development management in former centrally planned economies.