

PLENARY SESSION ADDRESSES

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Mr Per Sigurd Sørensen
Mayor of Kristiansand

Good morning,

First of all I want to welcome you all to Kristiansand. And to the opening of the 10th General Conference of the Union of the Baltic Cities.

I am proud that Kristiansand this year is hosting this conference. First of all because of the importance of the conference, and the value of the issues to be discussed. And secondly – and to be honest, a side-effect all mayors appreciate:

It gives us the best opportunity to let so many first-time visitors see, learn, and experience this wonderful, blossoming and sunny city. As this actually is. Seen with my – subjective – eyes.

So, I feel responsible to not let you leave Kristiansand without having a thorough knowledge of our 369 years of history.

So let me start with the early beginning:

Founded in 1641. A place with no inhabitants. A place with nothing but sand, forest – and sea. No people living here. There was nothing but a decision by the King to establish a city.

10 years of tax-relief was what should attract people to this place – to settle and to establish a city – and develop it to what we see today.

The basis, and reason for establishing a city out of nothing was – forestry, wood, sailing ships, and closeness to the modern and developed Europe as it was in the 16-century.

And they succeeded. 6 farmers were paid to settle immediately in the year 1641. One year later the number was 31 – and a few months ago, we welcomed citizen number 80.000.

Still a small city in the global picture – but the 5th largest city in Norway.

So being a city where shipping and forestry have been a basic industry throughout most of our history - it is now transformed into the most technological oriented industry.

Here are no more farmers or ship owners, - but we have world's largest producer of the most high-tech equipment for offshore industry, shipping industry, metal industry – world wide.

And as a result of this – we have the most outstanding University, and research institutions.

This gives the city all opportunities. A population with so much qualifications, so many qualified engineers and researchers gives opportunities. Give spin-off effects.

And one is energy. Research and development of how to use the nature to create energy.

To capture the wind, the sun, the water – and transform this into power. Renewable, environmental friendly. Here we find the human and technological resources spending all their effort for the global environmental threat.

So from using the wind to bring the sail-ships forward in ancient years – we now use the wind to bring the globe forward in a sustainable way. So we proudly can hand over the globe to next generations.

So – in this context – I am sure we can contribute – on a global basis - to one of the major challenges we all face.

Yesterday we opened the UBC Youth conference. At the opening I told the delegates, that even if the Nordic and Baltic countries are close to neighbours - there are still significant differences between us. Of historical and cultural reasons.

We will never speak the same language, and our cultural differences will remain. But we have lots of the same challenges, or maybe more important - the same possibilities and opportunities.

What we unfortunately often realize - is what connect people and countries, are crises. The financial crisis has had all focus over the last year. And governments all over the world have taken action and pushed money into the financial systems to keep them away from entire collapse.

And the climate crisis - the global warming – is there above us. All of us! And cannot be solved today by simple political decisions in one country.

These two crises are a good picture of the fact that we cannot stand alone. We cannot solve our problems behind our own borders. We are together. We all share the responsibility for the globe. And we have no choice: we have to act together and we have to interact.

We all have visions. For our city. For our country. And for our region – the Baltic Sea Region. We want to create a society giving our citizens a life of quality. Of security. For themselves, and their dearest - their family:

We have to give our citizens security. Economic, social, environmental.

We all agree on that. But what does this imply?

Financial security, social security, health care, clean air, clean water. Or to put it in one simple statement: Freedom from poverty, from sickness, from fear.

Our mission as politicians must be securing a high quality of life for our citizens.

In the modern and developed Europe this should be a simple game. But it is not. Even in my country. Living in one of richest countries in the world. Thanks to the gifts we are given from the mother Earth. We have groups living under conditions far from what any of us would accept.

And in the global and open world we are living in, - we, - as I said – have no choice: we have to act together. And we have to interact.

So I look forward to this conference, to listen to the key note speakers, to discussions in the workshops. Ending up in a strategy for the UBC Work for the coming years.

And last – but not least: never forget that conferences are networking as much as discussions.

So never under-estimate the value of the mingling and social events during these days!

So, once again: welcome to Kristiansand, I do hope you will have some wonderful days here, that fruitful and forward-looking discussions will fill us with inspiration and ideas. For the work we have ahead of us, - for the benefit of our cities. And our citizens.

Thank you!

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

Dear UBC Friends,

Welcome to the tenth jubilee General Conference of the Union of the Baltic Cities in Kristiansand! For the tenth time the mayors and city executives, representatives of governments and international institutions and many actors active in the Baltic Sea region and Europe gather to discuss issues important for our citizens.

The theme of our General Conference is “Baltic cities for economic and climate solutions – a developed Baltic Sea Strategy”. It combines three important issues we shall discuss today: implementation of new EU Strategy for the Baltic Sea Region; the impact global of economic slowdown on our cities; the climate change problem also affecting our region.

Recently the main focus of the UBC interest has been on the EU Strategy for the Baltic Sea Region. UBC welcomed the EU initiative expecting realistic policy, ambitious in its objectives and responsive to the needs of inhabitants of the region. However, the real test for the EU Strategy will be its implementation.

UBC is convinced that cities shall play a crucial role in the process of creation and implementation of the Strategy. Their particular strength is the closeness to the inhabitants. The cities can perform as a vital link with regard to the European Union’s aim to be closer to its citizens. Understanding the problems of the urban areas is a foundation of the Baltic Sea governance. UBC is of the opinion that the cities can play an important role also in enhancing accountability and transparency of the Strategy. Union of the Baltic Cities wants to be active in the field of implementation of the EU Strategy. Together with other Baltic Sea actors the UBC is ready to take a responsibility having an excellent experience in networking and partnerships. The initiative is in the region and cities.

The speeches to be delivered today will present different perspectives and points of view painting the broad picture of the process of the Strategy implementation. Moreover, the four thematic workshops corresponding to the main objectives of the EU Strategy will be organised during the conference. The UBC sees the value of the approach of the Commission to focus the strategy work on four main themes: To improve the environmental state of the Baltic Sea Region; To make the Baltic Sea Region a more prosperous place by supporting balanced economic development across the Region; To make the Baltic Sea Region a more accessible and attractive place and; To make the Baltic Sea Region a safer and more secure place.

The global economic slowdown will not make the implementation of the EU Strategy easier. We have to postpone the ambitious plans to develop the most competitive and innovative sustainable region in Europe and in the world. The solutions for recovery vary from city to city, and country to country. The UBC should use its potential to deepen economic integration and improve the business environment. We are still able to create a basis for economic growth and success of the Baltic Sea region also in the future. The Union and its cities are a great resource of innovative solutions which can be transferred to other states and communities. Partnerships between public administrations, exchanging of best practices are the effective and affordable methods of providing technical assistance and expertise. Sustainable development of our cities, their focus on more environmental-friendly energy and reduced emissions can create a model to be spread worldwide.

Two years ago at the 9th General Conference in Pärnu we discussed the question of how to prevent the climate change and all consequences it implicates. We said that having climate change and energy

policies of the European Union with all their ambitious targets, it was time for local authorities to consider their role in this process. We stressed the climate protection needs not only intergovernmental settlements, but also contribution of municipalities and the cities' inhabitants. We asked ourselves what exactly cities can do to prevent or reduce the consequences of the climate change. I think these questions are still actual today.

Let me repeat my words from the invitation "Now it is more important than ever to meet and help each other to fight the emerging economic crisis and at the same time to meet the challenge of the climate change".

Ladies and gentleman, as a President of UBC, I would like to wish you fruitful debates and a great time in the lovely city of Kristiansand!

Per Bødker Andersen
President of UBC

Mr Hallgeir Aalbu
**Director General, Ministry of Local Government and Regional
Development, Kingdom of Norway**

Dear UBC,

Thank you for your kind invitation. It is a great pleasure for me to address UBC members as well as other participants, and to welcome you all to Norway.

Norway is in many fields almost a member of the European Union. We are part of the Schengen Agreement, we have the same state aid and competition rules, we are part of the single market and we have a free European labour market - just to mention some key elements.

Norway is also active in the Baltic Sea cooperation. First of all, I will mention the substantial financial contributions we make from Norway for a more coherent development of the Baltic Sea Region through the EEA financial mechanism. Our contribution is almost 1271 mill. € in the years 2004-2009 for the EU cohesion countries in total, of which 695 mill. € go to Poland, Lithuania, Latvia and Estonia. As a comparison, this 1,3 billion € annually equal the Norwegian the domestic regional policy budget in the same period. We are now negotiating the next financial period and the Norwegian contribution is going to increase beyond the current level.

Also, Norway is a full member of the relevant Interreg A and B programmes, as well as ESPON and URBACT and contributes to these programmes as if it was a member state. We also spend substantial resources through the Nordic Council of Ministers. The general aim is to promote convergence, coherence and competitiveness in the Baltic Sea Region and the Nordic countries.

What about the urban cooperation?

Urban issues are on the rise both at a national level and in the larger European context. We have perspective studies like the ESDP, the Leipzig Charter and VASAB. We can see it in the URBACT, ESPON and Interreg programmes. We have also a significant effort in Europe to make urban statistics available through the Urban Audit of which Norway is a full member. We have had, moreover, several

projects focusing on urban structures and polycentric development. And the reason for this is quite simple - most people in Europe live in the cities. It is difficult to see any kind of regional development without the cities. We are used to look at the cities as motors for development of the regions. It is therefore necessary for the cities to link up very tightly with their hinterlands.

What we can see, however, is that the Norwegian cities have not been particularly active in a UBC context. The cities of Bergen and Kristiansand are the only Norwegian members of the UBC. The question is why. The answer might be found in the urban structure of the Baltic Sea Region, where Norway is different from the rest of the BSR countries. Norwegian cities are few, small and have poor accessibility as compared with our neighbours. The cities do therefore find less potential in cooperation between themselves. It is also a fact that the city regions are developing quite well, with relatively limited structural challenges even in the current economic situation. Norwegian regional policies have traditionally a focus on the periphery. The main drivers in the regional policies are by tradition the regional councils, not the cities. Taken together, this provides an explanation for the limited Norwegian membership in the UBC.

I have to mention two interesting new policy developments. First of all, the VASAB Long-Term Perspective which will be presented at a ministerial meeting later this autumn. The Perspective will focus on urban networking and urban-rural relations, accessibility and the management of the Baltic Sea.

Also, there is the EU Strategy for the Baltic Sea Region. This is basically an initiative to get countries to do what they already have signed up to do. It is about the development of the Baltic Sea itself and economic structures around it. We basically know what have to be done and we have institutions to do it, but too little have been achieved. This is therefore a very interesting attempt to gain new momentum in BSR cooperation. Norway is not part of the EU Strategy, which we can see as an exception from the general rule of Norwegian participation. In this case we are treated as third country together with Russia and some others. Our link is through the Northern Dimension. Norway will nevertheless participate in relevant projects.

In conclusion, there is a strong Norwegian commitment to BSR cooperation. We have a slightly different domestic policy agenda – but are nevertheless active in project cooperation in the European region we are part of. Norway will therefore follow and support the new VASAB Long Term Perspective as well as the EU Strategy for the Baltic Sea Region.

Thank you.

Ambassador Kornelija Jurgaitiene

**Member of Council of the Baltic Sea States Committee of Senior Officials,
Republic of Lithuania**

Your Excellencies, Ladies and Gentleman,

I am very honoured to address this X Union of Baltic Cities General Conference. I do so on behalf of the Chairman of the Council of the Baltic Sea States, Lithuanian Foreign Minister Mr Vygaudas Usackas, and in my capacity as a representative of the Lithuanian Presidency to the CBSS Committee of Senior Officials.

I would like to thank the President of UBC, Mr Per Bødker Andersen for the kind invitation and possibility to give this short address to the distinguished audience, and at the same time congratulate the whole organization of the UBC – our important Strategic Partner – for your work, which we in the CBSS appreciate very highly. For some centuries back the saying went that ‘God made the country, and man made the town’. But indeed, it is fair to say that our work at the intergovernmental level of Baltic Sea Region cooperation would stop short and in many cases most probably remain just empty statements should we not have this network of transnational actors, such as the cities, to really make the difference in developing our region.

I am also happy to congratulate the Mayor of Kristiansand, Mr Per Sigurd Sørensen, for inviting us to this beautiful town, which so remarkably combines the conservation of rich historical heritage and wonderful nature with contemporary urban life and well-known high-tech business activities.

Ladies and gentlemen!

The theme of the conference, the EU Strategy for the Baltic Sea Region, is indeed a very topical one. It is topical also for the CBSS, and I want to say some words about it from our organization’s point of view. While the Strategy is explicitly a strategy of the European Union, its territorial range of activities as well as priority areas are close to those of the CBSS, and synergies can be expected. Given this, the CBSS has followed closely the process from the very beginning, and some of our structures have to some extent participated in its development.

However, the CBSS did not initiate a formal joint contribution to the Strategy in its developmental phase, but left the issue to individual CBSS Members States. Today, the exact role of the CBSS in the forthcoming implementation of the Strategy has not yet been decided upon. There is a clear need to do that but this discussion will be taken up by the Committee of Senior officials after the Strategy is formally adopted by the European Council.

The CBSS position here should be seen in connection with its own reform process, which started about two years ago and which is still to be fully implemented. Let me say a few words about that and then come back to our possible role in the Baltic Sea Region Strategy within this context.

The very essence of the CBSS reform is naturally that the eleven CBSS governments and the European Commission as our full members, recognise and reconfirm the need for regional cooperation and the existence of an organisation such as the CBSS as a political forum in the first place, even in the conditions where most of the CBSS Member States have become EU Members, and others, namely Iceland, Norway and Russia, have their own well-developed arrangements with the European Union. While there have been discussions some years ago about the usefulness of intergovernmental regional cooperation in our region, indeed, after the enlargements of the EU the trend seems to be that regional cooperation is becoming even more important. In fact, this concerns not only intergovernmental cooperation but all regional transnational cooperation, such as the very well established Baltic Sea Region cooperation between the regions, municipalities, cities, universities and research institutes, non-governmental organisations and the private sector.

The ongoing process towards the Baltic Sea Region Strategy, and the similar processes elsewhere in the EU, testify that it is increasingly the European macro-regions – to use the EU vocabulary – that are seen as the arenas of further integration by concretely defining and implementing common goals and already agreed-upon policies.

This development should not be understood so that now it is upon the EU to coordinate and facilitate all the regional activities in the Baltic Sea area, although it has developed many tools and forums for dealing with regional cooperation, such as the Northern Dimension and its Partnerships, European Neighbourhood and Partnership Instrument, and the extensive funding programmes that formerly used to be called INTERREG programmes, such as the current Baltic Sea Programme 2007-2013. On the

contrary, this new wave of regionalisation that the EU Strategy for the Baltic Sea Region initiates is supposed to be rooted in the activities of the existing regional institutional structures.

Moreover, we need organisations where all the countries in the Baltic Sea Region can work together on equal footing, being full members. From our consultations with other actors during the past years - be they intergovernmental, governmental, non-governmental, academic or in the private sector - it has become clear that the CBSS is perceived as one of the leading organizations facilitating cooperation in our region. It is important for the CBSS to retain this role and develop it further.

We have to adapt to the new challenges, though. While the CBSS remains a forum for political dialogue and confidence building – for which it was established in 1992 – at more concrete level the future work in the CBSS will increasingly be performed either in expert groups with a clearly defined mandate and timeframe, or through projects, which are expected to ensure more purposeful actions and efficient results. That is, our focus is clearly on more concrete and operational cooperation. This entails some changes in the work of the CBSS and its Secretariat as well in developing our practical relations to the variety of specialized networks that work within or under the umbrella of the CBSS, or in our relations to our Strategic Partners such as the UBC.

In general, to facilitate this more concrete level of cooperation, an important aspect of the CBSS reform is that while previously each Presidency defined the focus areas for each year, today, in addition to the Presidency's priorities, the CBSS has defined five long-term priorities. Within these priority areas we feel that we may play an important regional role, make a difference – or at least our share of it. While you may have heard them many times, let me once more repeat them. They are: 1) the environment, 2) economic development, notably competitiveness and innovation, 3) energy, 4) education and culture, and finally 5) civil security and the human dimension.

Ladies and gentlemen. If you then compare these CBSS long-term priorities to the four general goals of the EU Strategy for the Baltic Sea Region – that is, improving the environment, prosperity, accessibility and attractiveness, and safety and security, those issues that have been chosen to structure also this conference's discussions today – you can see that the goals of the CBSS and the Strategy are very much mutually supportive.

We therefore need to find the best way to create synergy between the implementation of the Strategy and the CBSS structures working within these priorities.

As you know, the Strategy will have several governance and implementation levels. While the highest political coordination will take place within the Union's own political structures, a prominent consultative role will apparently be played by the so-called High-Level Working Group of Senior Officials that is outlined in the Strategy proposals as one of the probable governance bodies. At this point it is not quite clear whether organizations such as the CBSS should somehow be connected to this consultative level or participate in its work. Perhaps we hear more about it in the speeches of the Commission representatives today?

There will also be Annual Forums to discuss and develop the Strategy, similar to the big stakeholder conferences in the Strategy's preparation phase. The CBSS certainly will contribute in one way or another in the Annual Forums, though also in this question there has not been any detailed discussion between the CBSS and the Commission yet.

But naturally the most concrete level of the Strategy implementation lies within the 15 priority areas defined in the Strategy's Action Plan, each having an already nominated Lead Country or Lead Partner and, after the Strategy will be formally approved, also the respective priority area steering group. Even more concretely, much of the activities associated with the Strategy will take place in those currently about 80 flagship projects that have so far been identified in the Strategy's Action Plan.

At this level, the CBSS indeed will participate or already participates indirectly or directly in the implementation of the Strategy. Given the environmental emphasis of the Strategy, the biggest role

from our CBSS structures falls perhaps to the Baltic 21, which focuses on multiple issues related to sustainable development, such as environment and renewable energy. It is perhaps worth noting that while the Baltic 21 Secretariat has already a long time been located in the auspices of the CBSS Secretariat, in June 2009 the 15th CBSS Ministerial Session decided to integrate Baltic 21 into the CBSS as an Expert Group as of 1 January 2010. Moreover, the CBSS Secretariat is involved in some of the flagship projects, and, furthermore, especially the different law enforcement structures that work under the umbrella of the CBSS or are at least closely related to it, such as the Baltic Sea Region Border Control Cooperation, the Baltic Sea Task Force on Organized Crime, and the CBSS Working Group on Customs and Border-Crossing Aspects, are mentioned as implementing organizations in the safety and security part of the Strategy's Action plan.

So, while the more strategic role of the CBSS vis-à-vis the Strategy still remains to be discussed and decided upon, the above notions illustrate that we are already participating in many Strategy's concrete activities. And we are certainly willing to contribute to the implementation of the Strategy, utilizing our organization's specific structures and networks as well as unique country constellation, whenever this will bring added value.

I am sure that the conference theme, its discussions on the four major goals of the Strategy, presumably will focus exactly on the issues of governance and concrete implementation, and surely will produce many good ideas and conclusions also for us. And I promise that we will carefully note these results of this UBC conference at the CBSS. Yet I am sure this will not be the last event when we will discuss these issues. The work is just ahead and I think that we all share the famous Winston Churchill notion that 'However beautiful the strategy, you should occasionally look at the results'.

Ladies and gentlemen!

Once more, I would like to wish the best success for the conference and to our important Strategic Partner, the UBC, and I am looking forward to the interesting day here in Kristiansand.

Thank you for your attention!

Mrs Maria Åsenius

State Secretary to Minister for EU Affairs, Kingdom of Sweden, Presidency
of the European Council

Ladies and Gentlemen,

It is with great pleasure I act as a special envoy on the Baltic Sea strategy, on behalf the Swedish government.

I find at least three reasons to be enthusiastic about this strategy:

First of all it has a smart approach - a broad and integrated approach, which recognises that different policy areas influence each other. For example if our agricultural policy changes so that less nutrients are washed into the sea, the water quality improves, and this in turn may attract more tourists to the region, which maybe calls for more hotels, or improved transport routes and maybe more education on how to make tourists happy etc.

One can put together countless, interwoven policy chains like this one!

Secondly, we get to use a new governance method that has not been tried before. This is an exciting way to work. Different countries will take responsibility for different priority areas. Member states, or regional organisations, will also take the lead for different flagship projects. By working in this fashion-taking on responsibilities and jointly setting deadlines for implementation of projects - we put a pressure on ourselves to deliver.

I have to underline that in order to make a success out of this strategy it is crucially important that the countries responsible for implementation feel ownership and are dedicated to getting the work done. The Commission cannot take us to Court if we don't - it is all based on our political will to do more than the minimum together.

The Commission will of course also play an important role, in monitoring progress, in coordinating available EU funds, and also external funding from for example the Nordic Investment Bank and the European Investment Bank. I am also very happy that the Commission envisages yearly consultation forums for stakeholders. I am sure David Sweet from the European Commission will elaborate more on the institutional set-up when he takes the floor in a little while.

Thirdly, what I really like about this strategy is that it has such magnificently important goals - these goals can be said to cover four pillars. I will briefly talk about each pillar.

1. We want to make one of the most polluted seas in the world into one of the cleanest. The Baltic sea is a shallow, brackish, inland sea, with slow water exchange (30 years). Every year we face algal blooms. And oxygen-deficient sea-beds steadily become more widespread. Today 42 000 square km of the sea bed is dead. This equals an area the size of Denmark, and is a result of eutrophication, pollution and ecological imbalances.

There is some good news: the cod is back in some parts of the sea, but we have to make sure that the cod finds more widespread habitats, so that we can continue to enjoy this delicious species on our dinner tables.

2. We want this region to be a motor for economic growth and dynamism. In my vision, this is the place where the internal market will function better than anywhere else. This is the part of Europe where the new Lisbon strategy for growth and jobs will be implemented in the most efficient way. This is the place where we will manage to pool resources, be complementary to each other and make 1 + 1 add up to 3!

Most of the countries around the sea are small, open economies, dependant on exports. What is important now is to integrate the region better so as to strengthen the competitiveness of the whole region. We all stand to gain from this.

Especially innovation and clustering benefit from cooperation across borders. We are too small and risk spreading ourselves too thinly if we do not engage in more regional pooling of resources.

3. We want this region to be even more accessible and attractive to work and live in and to visit. Many parts of this region are difficult to access. The infrastructure does not correspond to today's needs, neither as regards transports nor energy networks.

4. We want this region to be safe and secure. Traffic on the Baltic Sea has doubled in the last ten years. Some 90 per cent of the trade within the region is done by ship. Today, at least 2 000 ships are sailing the Baltic Sea every day. In broad terms this is a result of increased interaction between the countries of the region, which is very positive. At the same time increased traffic poses new risks for the environment – lots of oil and gas and shipped across the sea. It also presents challenges for the maritime

supervision and for emergency preparedness organisations. (Cannot afford a “Prestige” or a “Full city” accident!)

(Under the heading “safety and security” we also take measures to step up our cooperation in the fight against cross-border crime.)

So, those are three good reasons to be enthusiastic about this strategy: the integrated approach, the new governance method and the very important aims of the entire exercise.

I find it quite appealing that this strategy is both visionary and concrete. It combines grand goals with very concrete, down to earth flagship projects that can be implemented in a relatively short term.

Finally, what gives me great pleasure is that this strategy helps in overcoming the old division East-West. The iron curtain cut right through the sea.

So, the cold war divided us. Now the sea can be a unifier again.

It is really high time for an integrated Baltic Sea strategy. Twenty years after the fall of the iron curtain, five years after the fifth enlargement that opened the doors for Estonia, Latvia, Lithuania and Poland, we need to adapt to new realities and make use of the opportunities created by the fact that eight out of nine states around the Baltic Sea now are functioning democracies, market economies and also members of the European Union. The Baltic Sea has practically become an EU inland sea. This enables to work in a new way.

The Swedish government is strongly in favour of the Baltic Sea strategy and happy to assume the leadership needed during our Presidency to initiate the long-term work that the EU Baltic Sea Strategy will entail.

But we cannot take credit for coming up with the idea. The idea of a special strategy for the Baltic Sea had already been raised by an inter-group in the European Parliament as early as in 2005. We are now seeing the results produced by the determined efforts of three institutions- the European Parliament, the European Commission and the Council. These three institutions have all – in different ways – contributed to our having come this far.

Our ambition is to adopt the strategy at the European Council in October. This will enable us, immediately afterwards, that is still during our presidency to begin the actual implementation of the strategy in various working groups and within the areas of responsibility of specific ministers.

Most of the work will, however, not require further decisions at Council level, but can be carried out in a decentralized fashion in the EUMS, through existing structures, existing authorities and agencies.

Sweden’s Prime Minister and our Minister for European Affairs convened a ministerial conference in Stockholm a couple of weeks ago. The theme of this conference was macro-regional policy in general, using the Strategy for the Baltic Sea Region as an example.

Other countries are keen to learn from our experience so far. And it is already clear that a similar initiative will be taken at EU level for the Danube region.

Macro-regional strategies are of interest also to countries that do not happen to belong to any of these macro-regions. E.g. it may be useful for a Portuguese investor, who wants to do business in the Baltic Sea region, to learn that here you do not need to keep track of eight different ways of implementing the services directive, for instance, it has been implemented in a uniform way. At least I hope we’ll achieve that. It is a shame that trade barriers, even of they are unintentional, are created by different approaches to implementing certain directives in the various EUMS.

In general terms a more integrated, dynamic market with an abundance of skilled labour and advanced research should be of interest also to outside investors, from third countries. If this region can become more of a motor for growth it is to the benefit of the entire Union.

Speaking of third countries, it is clear that many of the challenges we face only can be met in a constructive cooperation with external partners of the Union. Although the Baltic Sea strategy is an EU internal strategy – not an external policy instrument - I envisage that we will invite countries in the vicinity to cooperate on projects of common interest. Many challenges and aspirations also engage our neighbouring partners, both Russia but perhaps even more so, Norway, as a member of EFTA and the EEA and therefore subject to many of the legal acts regarding the internal market.

The Northern Dimension, is a well established framework for cooperation in the wider region, and it provides the basis for the external aspects of our cooperation. We will continue to develop our partnership in the region as we have done through - for example - the highly successful Northern Dimension Environmental Partnership (NDEP).

This is how Stockholm will look like at the end of the Swedish Presidency - everything is calm and peaceful, and we'll have some snow on the ground. But rest assured - our efforts will not freeze then! We will continue our long-term work to make this region an even better place in which to work and live, and to visit. The challenges are quite daunting. We won't be able to come to grips with dead sea beds and unemployment overnight. I am nevertheless convinced that the Baltic Sea Strategy will become a very important instrument in the future in the fight for a cleaner Baltic Sea and a competitive Baltic Sea region.

Thank you for your attention.

Councillor Kay Twitchen

**Member of the Committee of the Regions, rapporteur on Climate Change,
on behalf of Luc Van den Brande, President of the Committee of the
Regions**

Your Excellencies,
Ladies and Gentlemen,

Thank you very much for your kind invitation to the Conference of the Baltic Cities. It is with great pleasure that I have accepted your invitation, not only to come to talk about the activities of the Committee of the Regions in this field, but also to take back information and impressions from this conference. As the EU's assembly for cities and regions, the CoR is following with great interest the cities' involvement in the implementation and shaping of the Baltic Sea strategy.

A lot has been said and will be said about the crucial role cities are playing in this strategy. The closeness of cities to the citizens and the importance for providing services are only two convincing arguments why the Baltic Sea strategy cannot be successful without the cities.

There are many reasons why we all should welcome such a strategy. Nevertheless, I would like to point out that we should not see the strategy as a gift of the European Union, neither as a completely new invention of a sub-national, inter-regional form of cooperation. Human history is full of examples

where social and/or political entities decided to cooperate and to implement joint strategies, in order to overcome difficulties or to create new opportunities for people. The European Union is one of the most recent and most successful examples of how this can be achieved, despite all its difficulties.

In recent years and decades, it has become obvious in many parts of the world and especially in Europe that numerous challenges citizens are facing cannot be met in the traditional political and hierarchical structures. This stretches from public transport, over the provision of water and electricity, to combating environmental pollution and disaster prevention. Many regions, cities and towns in Europe's border regions already have one or the other agreement with neighbouring political bodies. This is a pure necessity and it is a proof for confident and independent cities within a peaceful European Union offering many opportunities, both individually but also for governments.

After the introduction of the EGTC – the European Grouping for Territorial Cooperation, with which the European Union established a legal framework for cooperation between entities of different countries, the European Commission has now proposed a strategy for the Baltic Sea Region. We all know that it's not the beginning of cooperation in this part of the world. However, never before have different levels of government tried to implement such an ambitious strategy, which will require a multi-level-governance approach "par excellence".

The CoR has just recently adopted an own-initiative opinion on the Baltic Sea Strategy and will also comment on the European Commission's proposal for the strategy, thereby closely monitoring the developments, the benefits and shortcomings of it.

The new Baltic Sea Strategy opens up a challenging path for local and regional authorities. We believe that there has emerged something of a new paradigm in EU regional policy. We see today a move from redistributive policy to one that plays a key allocative role through long-term investments in programmes and projects essential to Europe's future, not to the past divides. The Committee fully support this approach, and we have established some specific instruments, such as the Baltic Sea Interregional Group. Our aim is to support and develop a comprehensive Regional or Sub-national Dimension of the Baltic Sea Strategy.

For the Committee of the Regions, the Baltic Sea Strategy shall be clearly oriented to the future, and seeks to mobilise underexploited resources in pursuit of new opportunities rather than seeking to compensate for the problems of the past. I would like to stress that the Committee of the Regions has long realised the special importance of relations between local and regional authorities in the EU and all Baltic Sea countries. Cooperation at the local and regional level across the borders of Europe is a key vector for building good relations between peoples as well as a major contributing factor to stability, sustainable economic growth and social development. It is an opportune moment to look forward and to examine the extent of cooperation already in place and to support particularly our cooperation with the Russian Federation.

As I just mentioned, the Committee of the Regions has adopted in April an own-initiative opinion on the Baltic Sea Strategy. For a number of reasons the Baltic Sea Region is particularly well suited as a pilot for the introduction of an internal EU strategy for a macro-region.

We propose that the implementation of the Baltic Sea Strategy would be supported by a Baltic Sea Forum which could meet once a year. The forum would bring together a broad range of stakeholders, chosen in accordance with the same principles applied for the stakeholder conference held in connection with drawing up the Baltic Sea Strategy, to discuss the orientation of the strategy and the implementation of the action plans.

Furthermore, the Committee of the Regions supports, together with all partners and stakeholders, the sub-national dimension of the renewed Northern Dimension Policy. We believe that there is a large scope of responsibilities that could be shared with local and regional authorities, particularly in the area

of their remits, such as social and economic development, innovation and creativity, culture and people-to-people contacts.

I would like to remind you that the Committee of the Regions is preparing a seminar on the Northern Dimension Policy and the Baltic Sea Strategy that will be organised in conjunction with the Commission for External Relations of the CoR (RELEX) on 26-27 November 2009 in Helsingborg. This event will tackle the development of Regional Dimension of the Baltic Sea Strategy and the Northern Dimension Policy and we hope that several high level speakers will attend the seminar.

I believe that the Committee of the Regions can continue to be a platform where local and regional actors of the Northern Europe may exchange their experiences and meet together to develop new projects. With this in mind we support the excellent work and initiatives of all the associations and networks. We would be pleased to welcome our partners in some of the EU regions' flagship events such as the Committee of the Regions' Open Days or our meeting and seminar that will be organised during the Swedish Presidency on 26-27 November in Helsingborg.

Thank you for your attention.

Mr David Sweet

European Commission DG Regional Policy, adviser to Director General
Dirk Ahner

Dear President, Mayors, Councillors, Ambassadors, very distinguished guests,

Thank you for this invitation.

I would like to thank the UBC and all the member cities for the very strong support for the whole process of preparations of the Strategy for the Baltic Sea region. It has been a real revelation to us, the European Commission, just how much interest, positive interest and contributions we have been able to count on from organizations like this.

The first part I am going to run through very fast because you have heard it before. We need to know the reasons for being here.

There was a problem, or rather a network of inter related problems:

- severe ecological danger
- uneven economic development
- insufficient energy transmission and supply networks, gaps in transport links
- shortcomings in maritime safety and security

The fields of actions you know already:

- Environment: to improve the environmental state of the Baltic Sea Region, the largest brackish water system in the world
- Economy: to make the Baltic Sea Region more prosperous by better networking, better shared ideas, breaking down barriers and better economic development

- Energy and transport: to make the region more accessible and attractive, for its inhabitants, for its labour force and for tourists
- Safety and Security: to prevent accidents in the Region, reduce dangers and work together to solve crimes and sort out problems

And there was a need for action. Why should the EU be involved? I think the most important thing is that EU is now involved in a very wide range of policy fields. It does not mean the EU does everything. But you can do very little without taking into account EU policies, directives and regulations and impact on your neighbours. So, the EU seems to be a level on which we should work. There is a need for coordination of lots of stakeholders and countries. I sometimes say, that is what we do and we are doing it effectively, we are used to work with a lot of people from different countries and different levels. We are independent, we are not from one of these countries, and very importantly, we are not involved with one of the different sectors, we are involved with all of them.

We have the regional development programmes and in the end we provide quite a lot of money to help this work.

We were asked to produce the European Strategy for the Baltic Sea Region. What is in the strategy? Very briefly, it consists of the communication of the commission and action plan and some ancillary documents.

The Communication is the Commission document setting out perspective on strategy. This is a Commission document, agreed by all the services, and hence something of a 'lowest common denominator'. It provides the starting point for Member States to take their own responsibilities and move to action. It does not ask for new powers or new funds.

Action Plan is list of actions and projects that can be implemented in the context of the strategy.

The action plan is in many ways the core of the Strategy. Again, it is a consensus-based document discussed extensively in workshops, bilateral sessions, Commission working groups.

The actions and projects are not necessarily completely novel or original: the important thing is to identify concrete actions that can make a real difference and strengthen the basis for ongoing cooperation.

It's important to appreciate that these are not, mainly, actions to be undertaken, or even necessarily funded, by the Commission: all partners and stakeholders must take their responsibilities.

But it is not about the documents. The documents are the starting point.

We already have lots of analyses. Scientific and interests groups have been analysing the problems of the region for years. We have a lot of stakeholders and potential partners. There is a very high density of organizations working across the BSR. The challenge is not to increase the number but to help them work better together. The problem is not a lack of investments or funds, it is a lack of coordination and knowledge on how to use these funds or how to use them better. So, we are not proposing new additional funding from EU sources, we are proposing a better way of coordinating of what has been done and a way of combining these with funds from outside or different sources, such as Nordic Investment Bank or European Investment Bank.

And a very important thing and something we shall remember every day is that we need to move from words to action.

How is it going to happen? It is a bit innovative in a way how it is going to work. We have a high level group which includes all member states to look at the strategy and future macro regional strategies and to advise the Commission. We also have a review process - an Annual Forum and periodic review - the first in 2011 - when the Commission will report to the European Council.

Every Priority Area has a coordinator, normally a national ministry or agency.

Every project has, or will have, a project leader: one of the partners that will be involved in implementing the action.

These two key positions will ensure that the entire action plan is monitored and facilitated without increasing the powers or responsibilities of the Commission or creating heavy institutional procedures.

Now more about the flagship projects. Initiatives should be ready to start. Partners from several countries will be working together. Each project should contribute directly to the Priority Area – Lead Agency to liaise, funding should be from existing sources. Just because the project is in a list of flagship projects does not mean it has an access to a special box of money. It has to fight for the money like any other project in the region. We hope that being a flagship projects within the Baltic Sea Strategy will give it a plus, an advantage, but it has to be a good project.

Everything depends on the political will in the future.

I want to underline again that UBC has been extremely constructive. There were many helpful suggestions from UBC and individual cities. Many of the cities are already signed up. Even if not yet signed up, the cities will be a key part. You have the habits of working with multiple partners that we need to make this strategy success. The established links can accelerate the cooperation, especially outside EU. You can help us develop direct links with cities in Norway, Belarus, Russia and even in other places if they are useful. The cities can lead and participate in flagship projects.

We believe the Strategy can be a way of doing two things that need to be done: integrating policies across the wide range of fields and delivering the cross-border cooperation policies that are so hard to set up in many cases. We think we can work on these lines but we need your help.

Thank you very much!

Mr Miquel Rosselló

Member of the Executive Committee of the Consell Insular of Mallorca,
Arco Latino

Distinguished Authorities, Ladies and Gentlemen:

It is a pleasure to be in this beautiful city of Kristiansaad as a representative of the Arco Latino Association. We sincerely thank the Union of the Baltic Cities for their invitation to this X General Conference.

In the first place, I would like to excuse our President Francina Armengol for not being able to be here today. An extraordinary session of the Balearic Islands Parliament has been called in this dates and, as she is also a deputy, her presence there is absolutely essential.

President Armengol has asked me as a member of the Executive Committee of the Consell Insular of Mallorca and as responsible of the relations of the Consell de Mallorca in Arco Latino, to transmit her grieve for not being present today. At the same time, she wants me to express her firm decision to make possible a cooperation increase between this two organizations by working on common ground and interchanging experiences.

Arco Latino is an association of second level organizations that belongs to NUTS III, which includes the western Mediterranean Spanish provincial councils and insular councils, French departments and Italian provinces. Arco Latino currently has 68 associated administrations that have a consolidated trajectory of common cooperation. Arco Latino's members represent more than 46 million people and more than 8,000 municipalities, this means the 10% of the municipalities and the 10% of the population of the European Union. The association focuses in economic, social and territorial cohesion and in cooperation with the Mediterranean area. The potential of this platform for political cooperation enables Arco Latino to be heard especially by Europe and to ensure the inclusion of the Mediterranean and local standpoint into their policy making.

Arco Latino's main objectives are:

- Define an integrated development and planning strategy for the Arco Latino area, including and mobilizing the socioeconomic actors from the bottom to the top
- Establish a regular, dynamic and flexible agreement focused on the most important fields of regional development
- Cooperate in common projects and initiatives
- Defend the regional interests and needs in front of the EC and national institutions
- Create a space of cooperation with the South Mediterranean countries.

At the General Assembly celebrated last February in Turin, a new Administrative Board was elected: Consell de Mallorca and her President Francina Armengol were appointed to preside the association. There was also a reorientation of the Thematic Commissions focused on the strategic axis of Arco Latino: economic, social and territorial cohesion and west Mediterranean area cooperation.

At the same Assembly, among others, two priorities were determined exactly for our mandate: to create a new Arco Latino Strategic Plan for the period from 2010 to 2015 and to design an extension strategy of Arco Latino in the whole of the Mediterranean area.

In relation to the first priority we are certain about the questions we have to answer. Among others, we would like to share with you the following: How does Arco Latino must act to recover the role of local organizations in the present reality of the European Union? What answers do we give from the local ground to the new requirements of our global village? How can we respond from the local ground to mitigate and fight the effects of the global economic crisis? How do we face up the necessary dialogue between the two Mediterranean shores? What can we learn and with what can we contribute to improve the relationships with other similar European organizations?

We understand our presence as Arco Latino in this Conference of Baltic cities as something more than a diplomatic and cordial relationship with a friend organization that has similar objectives. We see it as an opportunity to study in depth the strategic relationship between the two associations. We believe it is necessary to establish closer common links of cooperation to improve the information transfer and the relations between our regular structures of government and local work. To study the possible cooperation in common interest projects, which are included in the strategic guidelines designed by the European Union.

The Baltic and Mediterranean Sea basins are object of specific attention for the European Union. The two seas are geographically closed and have numerous states in their coasts and islands. Seas with a high economical activity, great marine traffic, high population movement and high risks of environmental fragility.

We know we have the possibility of cooperating in common issues, such as intercultural dialogue, migrations and citizens rights' development; sea coast protection, maritime transport development; civil defence policies, accidents and marine catastrophes prevention; policies designed to balance the known "insularity costs"; educational programs development and interchanges; information society reinforcement; strengthening of sustainable tourism and international cooperation between corporations, specially SMEs, to favour the creation of new markets and to improve the competitiveness of this corporations.

On the issue of North-South cooperation in Europe, our two associations are in perfect conditions to understand and to cooperate together. It is another of our priorities for this mandate the role Arco Latino can play in the strengthening of Euro-Mediterranean strategy.

The creation of the Mediterranean Union opens a new global view about the performances in the Mediterranean basin. This agreement, despite the obvious political difficulties that the situation in the Middle East generates, permits the creation of a mechanism of dialogue and cooperation in an equal political level between all the states of the Mediterranean Sea.

Dialogue and local cooperation have a space in this Euro-Mediterranean strategy with the creation of ARLEM (Euro-Mediterranean Regional and Local Assembly) where Arco Latino will have a seat with full rights.

The Mediterranean basin has to be considered as an objective of integral performance of the European Union. Among the Mediterranean countries that belong to the European Union (PMUE) and the Mediterranean Partner Countries (PPM) there are wealth average differences in a proportion of 10 to 1 in GDP. In 1950 the PMUE population doubled the PPM population. It is foreseen that in 2025 it could happen the opposite.

The Mediterranean Sea holds 30% of the world marine traffic and it is foreseen that it will double the traffic of present charters in 2020. It also obligatory pass for the great part of the energy supply necessary for the European countries.

Between the North and the South Mediterranean coast there is an economical, populational and social fault, so stressed and in such a close geographical space that there are serious risks of a social earthquakes, political destabilization, culture clash and xenophobia increase if there is not an intelligent performance, democratic conviction and perseverance.

The European Union has different performance guidelines in programs EURO-MED. It also has cross-border cooperation lines that contain neighbourhood and cooperation policies that permit a bigger participation of the local and intermediate organizations in the development and design of these policies.

Also in this area, despite the different realities of politic statements, Arco Latino and the Union of Baltic Cities could interchange experiences and working methodologies.

But policies are of no use if the people and the social collectives are not the actual participants of the same. The great strength of the local corporations is their capacity of proximity. Today in our cities and towns, in a great extent, you learn to live with multiculturality. Nowadays our local corporations have to learn to combine language defence and own culture with the opening to other cultures and traditions that come from immigration. Besides, they have to provide the possibility to these new citizens of integrating normally in the democratic and cultural life of their city of reception.

The European Union that practices internally a democratic multicultural coexistence will have the moral and political strength to influence in its foreign relations. The good practices in some of our cities and towns are the proof that these good intentions are possible. Also, direct relations between cities and towns of the European Union and countries of its environment open a big amount of doors and dialogues, which are sometimes closed in higher ambits. Besides, in this specific area, we are sure we can find paths of cooperation between Arco Latino and the Union of Baltic Cities.

Certainly, the Arco Latino Permanent Secretariat coordinated by the Diputació de Barcelona and the Union of Baltic Cities Permanent Secretariat located in the city of Gdansk in Poland, could establish a relation of issues in which these two associations could cooperate so they can after decide, in their respective government organs, if its possible to have a stable axis of cooperation and a higher level of concretion in their combined activities.

Ladies and gentlemen; it is an honour and a great responsibility for the Consell de Mallorca to participate in this event in the name of Arco Latino. We know that Mallorca has an easy welcome in Europe. We are very proud of our land, our success and our contribution to the international community. But we also know we have committed errors and that we can help others, identifying and pointing out its effects, to avoid them.

Today Mallorca is a little example of the European reality. A ten per cent of its population are citizens born in the European Union and a fifteen per cent are citizens born in countries outside the European Community. Besides having Spanish as the official language of the Spanish state, we have Catalan as co-official language of the Balearic Islands from year 1982, which is spoken by the majority of the population. We also have to learn to coexist better with multiculturalism so one of these days it becomes a true intercultural space.

After years of implementing a mass tourism model -we are visited by more than 10 million tourists- we want to rethink globally about the environmental impact this has supposed, specially in the coastal areas. We need a reconversion of the situation, with all the economic and social problems it implies. But now, we start to have a collective consciousness that will make us walk into another economic model. We have to make an effort to transform the economic crisis into an opportunity to fasten a change towards a more efficient, socially just and environmentally sustainable economic model.

We are also conscious that this solution research does not depend only of ourselves, but depends on knowing how to do our adjustments in consonance with the geographical area of our environment and in the frame of a global world.

Our experience in Arco Latino shows us that an association that belongs to the European ambit strengthens in proportion to when its members find an added value to their daily policies. It shows also that we have to make an effort to find good government methods and internal communication. We also have to learn to work agreements and always use dialogue. And do just how the European construction demonstrates: in the end the big projects are always build up with little steps.

We value our presence here as one of these little steps that surely can encourage great future projects.

Thank you very much for your kind invitation and I wish you success in your projects.

Miquel Rosselló

Member of the Executive Committee of the Consell Insular of Mallorca

Ms Jannike Arnesen
Kristiansand Youth Council representative

Hello everybody! My name is Jannike, I am 17 years old, and I live here in Kristiansand.

I was supposed to hold this speech together with a nice Estonian boy, Robert. Unfortunately he could not join us.

It is an honour for me to stay here talking about youth issues in the Baltic Sea region.

We are the future and we are living in a time with a lot of challenges.

In a short perspective we have a global financial crises. In a longer term we have to deal with one of the most difficult questions ever – pollution and global warming.

What we have done here and are going to do during this conference, is very important.

To learn each other to know and to talk about a lot of different questions – big or small – is a first step for a common understanding of our future. I will therefore thank those people and organizations supporting meeting like this so we have the financial strength to make such a first step.

In the eighties we had the fall of the Wall that was dividing Europe into two blocks.

After this there has been a lot of initiatives to build a new strong Europe focusing on other questions than money and trying to strengthen the military forces.

This is important. We can and we have showed during these days that we, the youth – can cooperate.

I therefore hope for the future that we can continue building our strength by having meetings like this and I am sure that we will solve many of our problems together in the Baltic Sea Region.

This gives hope for the future when we look to the biggest and most challenging issue – global warming.

My hope for this conference is therefore that we will continue building understand and respect for each other and that this in the future will strengthen all our efforts to make the Baltic region a better place to live.

I would also like to ask you, please sit down and have a chat with the youngsters you'll meet for lunch today.

They are all lovely, smart people.

Thank you four your attention.

Mr Svein Grandum
R&D Manager, Product Development, Elkem Solar

Excellencies, distinguished participants,

It is an honour to address this audience representing the business community in Kristiansand.

Elkem has a long history, both locally and globally. We have contributed to the development of the industrialised Norway. The foundation of Elkem was done by Sam Eyde. He contributed to the first generation of energy technology utilizing power from the waterfalls. This created a smelting industry in Norway. Today Elkem is strengthening Norway's position as an energy nation, producing ultra-pure silicon for solar cells. This new renewable energy is Norway's 3rd generation, following the 2nd generation of oil and gas.

The solar influx is 10 000 higher than the global demand. The increasing global energy demand requires energy alternatives, e.g. solar power.

It is very important to find technologies which can convert this huge resource of energy into usable energy. Scenarios for the contributions of the different energy sources varies. We look brightly into the role solar energy will play in the future. If you see where we are today, we are not in a visible area on the graph when it comes to the portion of solar energy vs. the global energy demand. But if we find technologies and solutions which can be compared with alternatives in terms of costs, solar power would become competitive.

Elkem is fully owned by the large Norwegian company Orkla. Recently, the first plant producing ultra pure silicon to be used in solar cells has been opened in Kristiansand. The plant of this kind is the first in the world, using 75% less energy than conventional alternatives.

Elkem Solar would like to contribute to the reduction of costs of solar power to make it a future feasible solution by producing ultra pure silicon with equal product quality but using less energy. There have been many discussions on the energy payback time value, on how many years we need to produce power from the solar panels in order to pay back the energy spent to make it. This depends on the location, but in many areas today, this value is between 1 and 2 years. Another very important issue is the location of where the solar grade silicon is produced. If you produce solar grade silicon using power based on coal compared to power based on renewables, the impact on the CO2 emissions will be considerable.

In conclusion, Elkem Solar has industrialised a low cost solar grade silicon process using 75% less energy than conventional alternatives. It is an important step forward to bring down cost for solar power and to improve the environment impact of power production.

Based on recording

Mr George Heartwell
Mayor of Grand Rapids, Michigan, Chairman of Great Lakes and St.
Lawrence Cities Initiative

Good afternoon. It is a great privilege for me to address the Union of Baltic Cities as the Chairman of your sister organization in the United States, the Great Lakes and St. Lawrence Cities Initiative and as the Mayor of one of our Great Lakes cities, Grand Rapids, MI. I am joined today by Mr. David Ullrich, the Executive Director of our organization. It was our honour to receive Mayor Urve Tiidus of Kuressaare, Estonia and Vice President of the Union of Baltic Cities at our annual conference in Quebec, Canada in June. We trust that this reciprocal exchange will begin a long and productive partnership between our organizations. There is much that we can share – much we can learn from one another – as we work to preserve the environmental, economic and social/cultural assets of the Baltic Sea region and the Great Lakes basin.

Although I will focus on the Great Lakes today, the St. Lawrence is a vital artery from the heart of the Great Lakes that carries ships, boats, fish and people up and down its waters, and provides a wonderful setting for the many people who live along its shores.

The St. Lawrence is 3,000 km in length and is fed by over 300 tributaries. Much of its natural shoreline is densely forested and is home to numerous plant and animal species. While the St Lawrence is the major source of drinking water for the cities and rural communities along its banks, it is a major artery for transportation of raw materials and finished goods, carrying over 40 million metric tons of cargo in 2008.

Now let me tell you about our Great Lakes.

Seen from space the Great Lakes form a prominent feature on the border regions of the United States and Canada. This enormous, fresh-water ocean contains 20% of the surface fresh water of the world. Covering 94,000 square miles (244,000 km²) the five lakes contain six quadrillion gallons (23,000 km³) of water. If the water of the Great Lakes could be evenly distributed across the lower 48 United States its depth would be 3 meters. The coastline of the five Great Lakes is over 17,500 km; about the distance from Chicago to Perth, Australia. You can begin to understand how massive this fresh-water resource is... and how important it is to Canada and the United States.

Our Great Lakes are five in number:

- Ontario: the first of the Great Lakes that ocean-going freighters enter on their voyage inland from the Atlantic Ocean.
- Erie: the lake that was virtually dead because of chemical pollution and phosphorus-fed algae blooms. Today it has been reclaimed and has become the top-rated sports-fishing lake of the Great Lakes.
- Huron: its harbours and bays provide protection for pleasure boating. Lake Huron's Georgian Bay is so large that it is often referred to as the "Sixth Great Lake."
- Michigan: the jewel of the Great Lakes, Lake Michigan stretches from Chicago to the Mackinaw Bridge. The sandy beaches of its east coast and the rocky promontories of its west coast make Lake Michigan a tourist paradise.
- Superior: Deep and powerful, Lake Superior contains 53% of the water of the Great Lakes Basin. Ocean-going ships travel from Duluth in the west to the locks at Sault Ste. Marie at its eastern end. Many a ship has been wrecked in the storms on Superior, most recently the ore freighter Edmund Fitzgerald that was lost in a November storm in 1975.

The Great Lakes play a prominent role in our regional economy. Shipping, recreation and tourism, drinking water, and commercial fishing are all critical to our economic health. Taken as a whole the Great Lakes and St. Lawrence region generates economic activity of 4.6 trillion USD. If we were a nation unto ourselves the Great Lakes and St. Lawrence region would have the second largest economy of all nations of the world.

But our Great Lakes are threatened. This economic engine, this recreational jewel, this source of drinking water for over 33 million people, is at risk.

Industrial pollution and municipal sewage overflows have compromised the quality of the water. For generations we thoughtlessly allowed manufacturers to pour pollutants untreated into rivers which flow into one or another of the Great Lakes. Further – and much to the shame of cities – we allowed discharge of untreated or partially treated sewage into the watershed when high rain events overwhelmed combined sewage systems. While improved regulatory oversight has lessened this threat, industrial and municipal pollution remain a challenge to water quality.

Invasive species, carried in the ballast water of ocean-going ships or migrating from the ocean through the Seaway since its opening in 1959 have decimated native species and introduced new environmental hazards. Pictured here is the zebra mussel which entered the Great Lakes from the Black and Caspian Seas in 1988. Cities such as mine, which draw our drinking water from the Great Lakes, incur significant cost in keeping intake pipes free of zebra mussels which build up inside those pipes and restrict water flow. Perhaps even more devastating, the mussel has changed the aqua-culture of the lakes, straining natural algae from the water and thus affecting the food chain. Recent studies have shown that these invasive secrete enormous quantities of phosphorus that are feeding the growth of toxic blue-green algae that is fouling beaches and poisoning wildlife.

Climate change threatens the world in so many ways. More frequent and more catastrophic storm events are causing hardship to human life and destruction of property along coastal areas. Climate change is threatening animal species that have thrived for tens of thousands of years and are now decimated in a lifetime. In our Great Lakes, perhaps the most visible impact of climate change is the lowered water levels that result from increased evaporation from the surface of the lakes. Not only are these lower levels affecting recreational use of the lakes but, as water levels drop, costly dredging is required to keep shipping lanes and harbours open. Many of our most important ports – with trade to all points of the globe – are becoming too shallow to support ocean-going vessels. Dredging risks disturbing substances which have collected in sediment on the lake bottom. Heavy metals and toxic chemicals, once disturbed through dredging, damage the fragile eco-structure of the lakes.

As well, arid regions of the United States are considering diverting water from the Great Lakes to meet their own needs for drinking water and irrigation. For the past three decades the United States has seen a trend of population movement toward the southern regions of the country. Water shortage in growing cities like Atlanta, GA, Las Vegas, NV, Phoenix, AZ, and Los Angeles, CA, is nearing a crisis state. People have disagreed and even fought over water rights from as far back as the biblical times of Abraham and King Abimelech. As the hot, dry, southern regions of the United States run out of water, they look north to the abundance of fresh water in the Great Lakes. Difficult times lie ahead as we sort out the rights of access to Great Lakes water.

These are the challenges we live with, as we attempt to protect and preserve the waters of the Great Lakes.

In 2004 Mayor Richard Daley of Chicago and Mayor Dave Miller of Toronto founded the Great Lakes Cities Initiative. In 2005 the organization was expanded to include the cities of the St. Lawrence River. Today we have 66 member cities in Canada and the United States.

The purpose of the Cities Initiative (as we call it) is to bring the power of local government to bear on issues of water quality and water quantity in the Great Lakes and the St. Lawrence River. On the screen

you see our current vision statement. I hope it is clear that the Cities Initiative has much in common with the Union of Baltic Cities. We are stewards of two magnificent natural resources: the Baltic Sea and the Great Lakes. We depend on those resources for our livelihoods, for our recreation and tourism, for commerce and transportation, and – in the case of the Great Lakes – for our drinking water. Our role in preserving these two bodies of water is an essential one.

Our efforts over the past several years have resulted in many gains for the Great Lakes. British Petroleum proposed an environmentally-unsound expansion of a refinery in southern Lake Michigan; it was stopped. Beach-quality studies have been conducted and best-practices are being shared among our members resulting in fewer health-related beach closings. Our organization was principally responsible for US Coast Guard withdrawing a plan for live-fire training on gunboats in the Great Lakes. Cities Initiative members have taken a water conservation pledge and are reducing overall water use in their communities by 15% by the year 2015. We were instrumental in the passage of a Great Lakes Compact in the US and a Canada-Ontario Agreement in Canada. We have recently promoted the revision of a century-old agreement between Canada and the US – the Great Lakes Water Quality Agreement – and we were pleased when U.S. Secretary of State Hillary Clinton and Canadian Minister of Foreign Affairs Lawrence Cannon met to announce the process for its re-drafting. We have begun work on an initiative to remove pharmaceuticals and person Care product pollutants from our waters. And, recently, we celebrated a victory as President Obama announced a \$475M investment in the Great Lakes, a first instalment on a \$5B pledge.

If you want to get something done swiftly and well, give the job to a Mayor. National governments move slowly and the gains of one administration can be all too quickly brushed aside by the following administration. Even state or provincial governments are cumbersome, laden with bureaucracy and torn by partisan bickering. Cities are where things happen! Mayors, as leaders of their cities, are the agents of change, the brokers of hope, the visionaries who imagine a better community and then assemble the people and the resources to make that vision become reality.

I address you as a Mayor speaking to Mayors. The future is in our hands. We cannot wait for national government to solve the problems we face. We must seize this moment. We must act on behalf of these magnificent bodies of water: the Baltic Sea and the Great Lakes.

The time is short. The challenges we face are urgent. If we fail to act – or if our actions are too timid – we will be judged harshly by our grandchildren's children. But if we act, with courage and with confidence, using science and politics, employing reason and passion then this will mark the day when the waters of the world began their healing; and we will be named by the generations that follow as the healers of the waters.

Join me in this endeavour... for there is no more important work before us than this.