

## KEYNOTE SPEECHES

**Mr Dariusz Rosati**

Minister of Foreign Affairs of Republic of Poland

**Mr Pierre Schori**

Minister for International Development Cooperation of Sweden

**Mrs Monika Wulf-Mathies**

Commissioner for Regional Policies, European Commission

**Mr Dan Nielsen**

Chairman of the Committee of Senior Officials of CBSS

**Mr Olof Salmen**

President of the Nordic Council

**Mr Knud Andersen**

Speaker of the Baltic Sea States Subregional Cooperation

**Mr Hannu Tapiola**

President of CPMR Baltic Sea Commission

**Mr Wolf-Rudiger Janzen**

President of Baltic Sea Chambers of Commerce Association

**Mr Dariusz Rosati**  
Minister of Foreign Affairs of the Republic of Poland

Mr Chairman! Excellencies! Ladies and Gentlemen!

In my first words I would like to express my satisfaction with hosting you, members of the Union of the Baltic Cities in Gdansk which celebrates this year the 1000th anniversary. Using this opportunity I wish you interesting discussion and promising exchange of your experience.

Poland attaches a great importance to the cooperation in this region and especially between Baltic cities. As an example of this approach is the fact that UBC was founded in 1991 in Gdansk among others on Polish initiative. In our opinion the Union of the Baltic Cities is one of the most active organisation in the network of Baltic Sea institutions. We believe that today the Union has so much capacities to act as good and efficient as its great predecessor - the Hanse which was the first great regional organisation in Baltic Sea region. The participation in the Hanse was a source of the faster development and growing prosperity for its members and for the whole Baltic region.

One of the great moment in Baltic Sea cooperation was the adoption last year in Kalmar the Action Programmes for the Baltic Sea States Cooperation by the Council of the Baltic Sea States. This was an important step towards further implementation of the decisions to broaden integration in the region. During the Sixth Ministerial Session in Riga (2-3 July 1997), the Ministers of CBSS countries confirmed their attachment to the realisation of these programmes and expressed the need of continued follow-up. The support given to the process by governments and a number of regional bodies will further consolidate the development of Baltic Sea cooperation. For many institutions, organisations, cities and government agencies they have become an important guideline for their activities, especially with respect to international cooperation in the Baltic Sea region. Poland welcomed this step. In great part those programmes concern the same area of activities that of the Union of the Baltic Cities, i. e. environment, transport, education, spatial planning, subregional cooperation.

We are particularly glad with the very warm acceptance of the Action Programmes by all the major Baltic Sea regional organisations and institutions including the Union of the Baltic Cities. Your widespread involvement in this process is one of the key conditions for achieving regional solidarity in this part of Europe. The government of Poland attaches great importance to the subregional dimension of cooperation and will continue to gives support to the international activities of local authorities such as members of the UBC.

The other element that has visibly influenced regional cooperation is the growing involvement of the European Union in this region. The Visby meeting of the Heads of Government and the Ministerial Session in Riga have introduced an important element to regional cooperation - an indication that all countries in the Baltic region are in favour of developing this region as part of an integrated Europe. During the last year significant progress was achieved in this respect, among others by the activities of the European Union. This work was a contribution towards greater involvement of the Union, as well as towards better coordination of the existing programs and activities - within and outside of the EU framework. In this regard the UBC programme which aim is to prepare these cities for future functioning in the European Union is of the great importance.

As cooperation in the Baltic Sea region is progressing very well, we see the need to contribute to coordination of the various actions, projects and initiatives taking place. This year has seen an intensive discussion on this issue and concrete measures have been taken by various bodies

Mr Chairman, Ladies and Gentlemen,

I am particularly pleased, that following the decision taken by the CBSS in Kalmar to establish the Prize of the City of Gdańsk for Outstanding Achievements in the Development of Cooperation in the Baltic Region, the proposal to award this Prize to two outstanding personalities in the region - the Prime Ministers Ingvar Carlsson and Tadeusz Mazowiecki, was warmly welcomed in Riga. Their initiative and coorganisation of the first meeting of the Heads of Government of the Baltic Sea states in September 1990 in Ronneby (Sweden) represented a very important step towards developing Baltic Sea cooperation. This meeting gave a very strong impetus to further multilateral political contacts and cooperation, which resulted in a multitude of initiatives, including establishment of CBSS in March 1992.

To conclude my statement I would like to stress that the role of the Union of the Baltic Cities in the process of strengthening integration, democracy and economic cooperation in this part of Europe is very important.

**Mr Pierre Schori**  
Minister for International Development Cooperation, Sweden

The time is not long past when the Baltic Sea was a sea of separation. Today we feel that we have come far from the icy period of the Cold War. And we have learned one thing: what is unlikely today need not necessarily seem improbable tomorrow or the day after.

One should never say never in the new Europe.

We all have our images and landmarks from those fantastic moments of European history of 1989. Today I would like to mention an important landmark, which I think is not so well known outside this country.

I am thinking of a long telephone conversation, more than an hour, between Michail Gorbatchev and the then Polish Prime minister Rakowski, in August 1989.

After that probably heated discussion, also non-communists, that is members of Solidarnosc, were invited to take part in the Polish cabinet.

It was until then unheard of. That coalition government, however, did not last long. In September 1989 Mr Mazowiecki formed his non-communist government. Certainly, these developments in Poland were of great importance and showed the way for other people in Central and Eastern Europe in their struggle for freedom.

The following year Prime Minister Mazowiecki, together with his Swedish colleague Ingvar Carlsson, took a joint initiative to arrange in Ronneby in Sweden a conference on the environment of the Baltic Sea. An initiative which earned this year's "Baltic Prize".

That was an historic conference and it was a starting point for a process of ever greater co-operation and integration around the Baltic Sea.

We also remember it because it was maybe the first international conference where the representatives of the Baltic states were allowed to sit at the table behind their own flags. It was symbolism of great dignity.

We see great opportunities for cooperation around the Baltic Sea. Baltic Sea Cooperation is an excellent example of how concrete everyday measures can promote peace and development in our surrounding neighbourhood. It also creates another link between Russia and the EU. Olof Palme would have called it common security in practice.

Since the need for a regular, however informal exchange of views between the governments across the Baltic Sea was soon to be felt, the Council of the Baltic Sea States - CBSS - was founded in 1992. This cooperation reached a higher level last year at the Visby summit. Sweden is happy to offer facilities in Stockholm for a secretariat of the CBSS. I hope a decision can be taken under this year's dynamic Danish chairmanship of the council.

Mr Chairman,

Sweden is proud to be associated with the Polish people's energetic, determined and courageous struggle for democratic and economic development.

The latest example of our cooperation is yesterday's agreement to implement a debt for environment swap which will involve a contribution of 50 million Swedish crowns with the purpose to finance environmental protection in Poland.

The conference in Ronneby dealt with the environment. Much has been done in that field during the nineties, several so called "hot spots" have been eliminated, but much remains to be done in and around the Baltic Sea. The blooming algae last summer reminded us of that. I am glad to see that one of the working groups at this conference will discuss Agenda 21, the first regional Agenda 21 in the world.

The environment of the Baltic Sea is another good argument for letting both Latvia and Lithuania, together with Poland and Estonia start the negotiations for EU membership. As you know, the European Union demands high standards when it comes to environment protection.

Mr Chairman,

Military security is an important life insurance for nations. But we must complement it with what I would call *sustainable security*. We are creating sustainable security through growing and increasingly intensive multilateral and bilateral cooperation in all areas. All the nations around the Baltic Sea must participate wholeheartedly in this cooperation. The EU and the USA must take part as well. In this way, the security of the Baltic Sea Region will be interwoven with the emerging European security structure.

The enlargement of the EU is part of the historical vision of a Europe in peace and progress. By becoming a member of the EU, Sweden dramatically increased our country's security. It is in my view the most important factor for security in our country. Irrespective of what we think about the bureaucracy and its large-scale, the EU has a higher and inescapable value. It is the civil anchor of peace in the new millennium.

Sweden is now stepping up its efforts to support Estonia, Latvia, Lithuania and Poland in their preparations for future membership of the EU. At the Swedish Ministry for Foreign Affairs, a special post with its own budget has been set up for this purpose.

We are currently working to help all of the Baltic states to introduce modern and effective refugee legislation. This issue has direct bearing on our ambitions to abolish visa requirements between our countries and to make the Baltic Sea Region a region of openness and security. Progress has been made so that we are close to achieving this.

With the same Polish economic progress also ahead, it might certainly not need financial support from abroad after another couple of years. Rather - Poland will in the future be one of the most important players in Europe, and a major donor country on the international scene.

That is what solidarity is all about, give and receive. The Swedish labour movement is still aware of the support given from Poland to the Swedish trade unions during the general strike in Sweden in 1909. Therefore their early and substantial solidarity with their Polish colleagues in Solidarnosc was logical and natural.

We make plans, we put up goals for our activities, and we hope it will all be fulfilled. Through force major, however, we sometimes have to reschedule our plans.

The Polish people, as well as the German and the Czech peoples, had to do it last summer, after the terrible flood.

The Swedish government was able to assist on short notice. Instant catastrophe aid was given to Poland, but also more sustainable support to restore water supply and sewage systems. Evacuation buildings were transported from Sweden. A joint Swedish-Polish business commission was established to see what could be done on a commercial basis to remedy the situation and to improve things further.

Mr Chairman,

Half a century ago Winston Churchill made his famous statement "From Stettin in the Baltic to Trieste in the Adriatic an iron curtain has descended".

It took us fifty years to overcome that unnatural and immoral division of our continent.

We should now say: from The Baltic Sea to the Black Sea, to the Mediterranean and the Adriatic we are now able to bring down walls, level divides and build bridges between peoples, nations and regions.

This is the conference of the Union of the Baltic cities. The role of cities and citizens in building relations between countries, especially neighbouring countries is crucial.

I am talking about people to people contacts, about promoting together the culture of democracy and culture as such.

More than 175 Swedish local authority districts co-operate with their twin towns around the Baltic, 50 of them have sister cities in Poland. They are concerned with everything from environmental matters to local democracy and municipal administration.

Next year the Nordic countries are planning a nation wide introduction of Nordic culture in Poland. It will also be done in Gdansk - this very old cultural city. Its cultural , but certainly also commercial life is a good reason for us to open a Swedish consulate general here in Gdansk - later this year. By the way, I was told that more than 30 students start to study Swedish here at the university every year.

Finally, talking about cities and culture, I wish you all welcome to Stockholm next year, the Capital of Culture for 1998!

**Mrs Monika Wulf-Mathies**  
Commissioner for Regional Policies, European Commission

Mr Chairman, Mr President, Ministers, Ladies and Gentlemen

I am very pleased to participate in the IV Annual Conference of the Union of Baltic Cities. Having more than 200 Mayors and Delegates present shows the great interest there is in cooperation within the Baltic Sea region.

Cooperation amongst Baltic Cities, Chambers of Commerce, Trade Unions, Universities and NGOs is not only important for the regional development of the Baltic Sea area, successful Baltic Sea cooperation is also of great importance for European Integration.

Let us look back for a short moment:

**A little more than fifty years ago** we witnessed war and destruction throughout Europe.

West European integration helped to rebuild a prosperous and peaceful society in parts of Europe.

**Ten years ago** Europe was still divided, the iron curtain marked a confrontation line which blocked cooperation and economic development between West European and Central and East European regions.

**Today** we have an excellent, even historical opportunity.

For the first time peace and prosperity, freedom, democracy and solidarity for all Europeans may be realised: if we are able to take the necessary decisions, to overcome transition problems and to strengthen the European Union as a model of society based on economic performance and solidarity.

The **European Summit in Amsterdam** has opened the way for launching the Enlargement process which is of fundamental interest for the development of the Baltic sea region.

Some might have hoped for more spectacular and decisive action to launch the enlargement process. For example: tougher decisions on institutional reform taken **in advance of** enlargement. Nevertheless, the accession process was set in motion on schedule.

I feel that despite certain disappointments there are grounds for cautious optimism. By confirming the commitment to European Monetary Union and the stability pact, backed by an employment policy, the Amsterdam summit, gave a clear go-ahead for further European integration.

The establishment of a legal basis for employment policy, the incorporation of the social protocol into the Treaty, clarification of the Union's position on equal rights, freedom of association, and anti-discrimination in all areas have strengthened the social character of the Union and have placed the European social model on an equal footing with competition and the single market as cornerstones of the Union.

Employment and social stability are the fundamental preconditions for acceptance of the Union by its citizens in the long term. It is also a positive signal for the countries of central and eastern Europe, which still have a long way to go in the painful process of structural adjustment.

The new rights of the Union to penalise Member States for "serious and persistent" breaches of human rights will increase our credibility in this area. Consequently, respect for human rights is now a condition under the Treaty for the acceptance of **applications** for accession.

The **Agenda 2000** which the Commission presented in July 1997, after the Amsterdam Summit, outlines the necessary steps and decisions which have to be taken after the Monetary Union is safe on track.

It covers:

- the future financing of the European Union until the year 2006
- the reform of agricultural- and structural policy, and
- an assessment of the ten applications from central and eastern European countries for membership.

The Commission proposed to the Council to start negotiations with 5 central and eastern European countries: the Czech Republic, Estonia, Hungary, Poland, and Slovenia, and also with Cyprus following the political commitment already undertaken at the Corfu Summit.

Some criticised this differentiated approach. But differentiating does not mean unfairly discriminating. It means realistically assessing each country's accession prospects.

I think this is the only way to avoid making excessive demands on the accession countries on the one hand and dashing hopes on the other.

The Commission's assessment is based on objective criteria.

- We analysed the current situation in respect of human rights, democracy, minority rights and the stability of institutions.
- We judged the prospects for economic stability, competitiveness and the applicants' ability to implement the necessary European legislation (Acquis communautaire).
- The Commission also proposed a pre-accession strategy to help all applicant countries to improve the conditions for their entry into the Union. There will be no closed shop. Every country will progress on its own merits.

It is proposed that for the period 2000 to 2006 a total of 21 billion ECU be used for pre-accession assistance.

It is now up to the Heads of State at the next European Summit in Luxembourg, in December 1997, to endorse the "**Santer Package**".

But, to make enlargement a success it will not be enough to agree the political, legal and financial framework.

The experience of almost 40 years of West-European integration shows that we need ministerial decisions. But to give European Integration a solid basis **we need the people**, we need concrete actions improving the economic and social situation of our citizens, increasing cultural exchanges and deepening our common understanding.

The Baltic Sea region, with more than seventy organisations active in all areas of cooperation, may be a good example for such a bottom-up approach which creates stability and prosperity through practical cooperation.

I would like to pay a special tribute to the work of the Union of Baltic Cities (UBC) as one of the oldest and most effective networks of Baltic cooperation.

I was especially pleased when I learned that the UBC is also making efforts to improve the participation of women in its work by creating a **UBC Women Network**.

I would also like to mention the front-runner role of the Baltic Sea Chambers of Commerce, being active since 1992. And last but not least, I was pleased to learn that Trade Unions established regular contacts and held already their second Annual Congress on Baltic Sea Co-operation two weeks ago in Wismar.

In order to create sustainable development, to strengthen democracy and stability, to enhance economic cooperation and regional development we need the involvement of local and regional

actors, the social partners and NGOs. Baltic Sea cooperation can build bridges between the EU member states and the non-member states:

To those who want to join the EU and to those who want to stay outside at present.

To those who are sitting in the waiting room.

And all those who will remain political partners in the international community.

Baltic Sea cooperation could serve as an instrument in the pre-accession period for the forthcoming member states.

As an instrument to implement the cooperation agreement with Russia.

And to involve Norway, in whatever way the Norwegians want to be involved.

As I said: This is a region of particular importance to the EU.

One of the advantages of Baltic cooperation for the Union is that it provides a sense of common purpose among different partners. The Baltic is an excellent model for regional co-operation as it constitutes a well-defined region where people of different cultures and languages are working together on the basis of mutual respect and tolerance; a region where historic ties of former commercial cooperation in the framework of "Hanse" are being rapidly rebuilt.

The Commission wants to promote and support this cooperation through a **Baltic Sea Region Initiative**, approved by the European Council in June 1996.

This Action Programme covers

- democracy and civil society
- trade, investment and economic cooperation
- infrastructure and related services
- energy and nuclear safety
- protection of the environment
- and regional development, including cross border development and the improvement of border crossings.

To implement this Action Programme the European Union has several instruments at hand which are known to you and in which UBC members already participate. The most important of these are PHARE, TACIS and INTERREG and ECOS-OUVERTURE.

With the **Small Project Facility** Training and advice for city- and regional administrations has been supported. And in response to Mr. Engström's remarks, let me say: "The peanuts have been well used".

The main focus of existing cross border projects is investment, infrastructure, environmental protection, economic development and training.

The **Via Baltica** is another example of the kind of cooperation we are promoting. This road corridor from Helsinki to Warsaw, via Tallinn, Riga and Kaunas is a priority among the Trans European Networks. During the next five years, a number of urgent improvements to this road network are planned at a total cost of 145 MECU.

With the **INTERREG II-C** programme, we proposed a new instrument to support interregional cooperation and joint action on spatial development. The Operational Programme for the Baltic Sea Region (BSR), which has been presented to the Commission for approval, will provide an outstanding example of integration of EU and NON-EU representatives at national and regional levels in decision making and project selection in such areas as:

- the creation and support of city networks
- sustainable urban development
- integrated urban-rural development strategies
- Improvement of communication-, transport- and energy-networks
- Coastal management and environment protection

It will be up to the local and regional actors to devise and present suitable projects. I want to encourage regional and local authorities, business organisations, trade unions and NGOs to participate actively in this cooperation, to make European programmes people-to-people initiatives.

I know that this is not always easy. Sometimes national administrations of member states are reluctant, sometimes legal provisions hinder the participation of local and private actors.

Nevertheless, I am convinced that it will improve the quality of projects if we try to maximise local- and regional participation.

The fact that the main secretariat for the implementation of the INTERREG II-C Programme will be established in the city of Rostock - a Member of the UBC - should be of help to you all.

The European Commission has also published a communication on urban development which is intended to improve city cooperation and to launch a broad debate on the future of European Cities.

Coordination between different instruments and between participating organisations is very important for success.

The **Baltic Coordination Committee (BCC)**, therefore includes representatives from the four EU-Member States, the EU-Commission, the Phare Countries bordering the Baltic sea as well as representatives from Russia.

The procedures are sometimes complex and burdensome. We are trying to simplify and streamline the different financial instruments. But what we don't want to change is the **broad participation from the people** on the ground. I am, therefore, very pleased that we were able to obtain the agreement from the member states to include in future regional representatives and to establish programme implementation units in Estonia, Latvia and Lithuania.

Successful coordination becomes even more important as we intend to increase financial support from the Structural Funds for interregional cooperation substantially in the next planning period.

Ladies and Gentlemen,

After 1945 many survivors of war and exile returned as convinced Europeans.

**No more war** - with this intent they worked for European integration.

We should honour this heritage by building up a **prosperous social and democratic Europe** as the **guarantee for peace and freedom**.

Baltic sea cooperation can play a major role in achieving this goal.

**Mr Dan Nielsen**

Council of the Baltic Sea States  
Chairman of the Committee of Senior Officials

Mr Chairman, Ladies and Gentlemen,

It is a pleasure for me - in my capacity of chairman of the Committee of Senior Officials of the Council of Baltic Sea States - to address the IV General Conference of the Union of Baltic Cities. The initiative to launch the CBSS was taken by the German and Danish Ministers of Foreign Affairs at a meeting in Rostock in October 1991. It was formally launched at a Ministerial Conference in Copenhagen in March 1992.

Cooperation has developed progressively, not least during the Swedish presidency in 1996 with the adoption of the Visby declaration and the Kalmar Action programmes.

Denmark holds the presidency as of July 1st for one year. I will shortly comment on the programme of work of the presidency.

Do we - as Denmark - have a concept for the Baltic Sea Region? Yes.

Our concept is three-fold:

- We have a growth concept centred on intensification of economic relations across the Baltic Sea.
- We have an integration concept centred on Estonian, Latvian, Lithuanian, and Polish membership of the EU as early as possible.
- And we have a security concept centred on the gradual enlargement of NATO and expanded non-military security of regional cooperation.

The growth concept:

The Baltic Sea has been revitalised as being the link for the economic, political, and cultural relations between the countries surrounding it. The area has now the potential to become one of the regional growth centres in Europe, where your cities play a major role.

The transition to market economy in Poland and the Baltic states opens new possibilities for partnerships in business. We see more and more western companies taking advantage of the well trained low cost labour force in the countries in transition by placing production here. Production creates jobs. Jobs creates demand for imports. The benefit is mutual.

Russia is in an economic context an important but underestimated partner. Imagine a growth scenario in Russia. When that will happen we will all need to invest in transport infrastructure. Present infrastructure is not able to handle the increased trade. If we want sustainable growth huge investments in environment will be needed. Sustainable growth more efficient use of energy resources. Again investments. Growth in Russia lead to growth in other parts of the region.

The integration concept:

Estonia, Latvia, Lithuania and Poland are preparing for membership of the EU. Denmark is actively supporting their applications as well as their preparations. We consider the Baltic countries as important partners and players in future European structures.

EU membership will have tremendous effects on the economies and societies of these countries - and on their stability and security. Enlargement of the EU is important to the candidate countries as well as to the entire region. The fact that Russia supports Baltic membership of EU bears evidence to this.

Already the process leading to enlargement has advantageous effects. The Copenhagen criteria for membership of EU: democracy and functioning market economy. Perspective of membership serves as a guide in internal processes of economic, political, and administrative reforms.

Furthermore EU has made it clear that it will not import conflicts. Candidate countries are therefore encouraged to stabilise relations with neighbouring countries. The positive effect is manifest in the Baltic countries' awareness of the benefits of good relations with Russia.

The European Council in Luxembourg decides in December how to proceed with the enlargement process. It is important that the enlargement of EU does not create new dividing lines in Europe. This is especially important in the Baltic Sea region. Denmark is in favour of simultaneous opening of negotiations with all candidate countries.

The security concept:

**Politically**, the countries around the Baltic Sea are co-operating ever closer in regional as well as international forum. A development that will continue.

Denmark presently is in charge of the presidency of the Organisation of Security and Cooperation in Europe (OSCE) and the Council of Baltic Sea States (CBSS). Both organisations are based on the concept of non-military security. The concept plays an important part in the Baltic region.

Denmark supports the integration of Estonia, Latvia, Lithuania, and Poland into the European security structures. We work extensively with them bilaterally and multilateral in peacekeeping and in Partnership for Peace (PfP). Denmark fully supports the NATO decision on enlargement and the prospect of future Baltic membership of NATO.

Seen from Copenhagen, the future of the Baltic Sea and the states surrounding it looks promising. I foresee a region in which peace and prosperity is stable and common.

**Mr Olof Salmén**  
President of the Nordic Council

### **New avenues in Baltic-Nordic cooperation**

Your excellencies, dear colleagues and friends,

I am very pleased to have been asked to address the fourth general conference of the Union of the Baltic Cities. Let me compliment the Union of the Baltic Cities on its contributions to cooperation in the Baltic Sea Region. We must never forget that regional, transborder cooperation cannot and should not be the preserve of central governments. The role of the cities should be highlighted, and the Union should be commended for having created a forum which makes this possible.

It is only fitting that that this conference takes place in Gdansk, a city of great - and indeed growing - importance in the region. Gdansk will be remembered as the city where the European transformation started. On behalf of the Nordic Council I wish to congratulate the city on its 1000th anniversary.

Extending cooperation across the Baltic Sea has been a common Nordic goal for a number of years. The end of the Cold War has had a direct and positive impact also in the Nordic countries, as it has enabled us to follow more ambitious policies in the Baltic-Nordic region. At the same time the internal market and other EU developments have become increasingly important to all European countries. Intra-Nordic cooperation has been reorganised to meet the challenges posed by these structural changes in European politics. Today, the Nordic Council bases its work on three pillars. Three standing committees have been set up, mirroring the agenda of each pillar.

The first pillar is defined by what is usually called traditional Nordic cooperation. In our Intra-Nordic cooperation we wish to concentrate more consciously on subject areas where Nordic efforts can make a difference. The second pillar is primarily concerned with cooperation with the European Union (EU). All Nordic countries have strong ties to the European Union, either as members or as participants in the European Economic Area (EEA). There is a growing need for Nordic coordination in Brussels. Quite clearly, Nordic values stand a better chance of influencing EU programmes if the Nordic countries act in concert. The third pillar is cooperation with our adjacent areas. The adjacent areas include the three Baltic states of Estonia, Latvia, and Lithuania, as well as Northwest Russia and the Arctic Area and the Barents Sea. Poland is also important in this context, being placed at the cross-roads of northern and central Europe.

The adjacent areas are close to the Nordic countries in more than a geographic sense. Our duty is to seize the moment and build a cooperation that will make it impossible to reverse the many beneficial developments we have seen since the Soviet Union collapsed in 1991. What, then, can the Nordic Council do to strengthen cooperation with the adjacent areas? Allow me to start my answer by pointing out that the Nordic Council is a parliamentary body, comprising 87 parliamentarians from the five Nordic countries of Denmark, Sweden, Finland, Iceland, and Norway. The three autonomous territories of Åland, the Faroe Islands and Greenland are also represented, underlining the open and flexible nature of Nordic cooperation. I come from Åland myself, and I can readily testify to the significance of strong regional cooperation based on democratic principles.

The Nordic Council is a platform for direct dialogue between members of government and parliamentarians. Cooperation is inter-governmental and based on the consensus principle. Yet nobody would deny that parliamentarians have substantial influence. Parliamentarians can question the actions not only of their own ministers but also those of ministers of neighbouring countries. They may demand action from the Nordic Council of Ministers or individual Nordic governments. Of course, governments are answerable to the Council for their follow-up. The Nordic Council is also in a position to influence the budget of the Nordic Council of Ministers.

First of all, therefore, the Nordic Council can help the adjacent areas by using the special political instruments that it possesses. The Council can and will put pressure on the Nordic Council of Ministers to expand Nordic-Baltic cooperation in such areas as the environment, economic development and social protection. Secondly, we believe the Nordic model of parliamentary cooperation can be of interest when discussing new cooperative structures in the Baltic Sea Region. The evolution of Nordic cooperation can provide useful pointers to the future for the countries in transition.

Happily, parliamentary cooperation in our region is thriving. The Nordic Council has established close links with the Baltic Assembly and the Parliamentary Conference of the Council of the Baltic Sea States (CBSS). We have developed a scholarship programme for parliamentarians from the

adjacent areas in recognition of the importance of personal contacts. The Nordic Council is committed to deepening parliamentary cooperation.

As you all are aware, security policy has been out of bounds for the Nordic Council. This too has been changing. Last month the Nordic Council, for the very first time, held a conference specifically devoted to security. The conference - which, it may be noted, took place in Finland – addressed the new security situation in northern Europe, focusing on the need to apply a broader understanding of security than was customary in the Cold War era. The implications of the plans for NATO enlargement were also discussed. I believe the conference was a great success. In my view, the Nordic Council can play a useful, supplementary role in the debate on the future architecture of Europe.

I am confident that the Union of the Baltic Cities has a bright future. Our region needs organisations that stimulate cooperation at the local and civic level. The Union of the Baltic Cities has an impressive agenda: It covers trade, culture, environment and various other topics. A broad agenda is exactly what is needed in this era of new possibilities. The Union of the Baltic Cities can serve as an inspiration to us all as we search for new ways to solve common problems and pursue common goals. The Nordic Council will be happy to extend its dialogue with the organisation and the many distinguished participants at this conference.

**Mr Knud Andersen**  
Speaker of Baltic Sea States Subregional Cooperation

### **Subregional Cooperation: Building a Baltic Sea Area of Regions**

Ladies and gentlemen,

Thank you for inviting me to the fourth General Conference of the Union of Baltic Cities in Gdansk. It is a pleasure for me to address the General Conference as the formal representative of the BSSSC - the Subregional Cooperation.

My name is Knud Andersen and I am the County Mayor of Bornholm. I am also a board member of the Association of County Councils in Denmark and I am the president of the Danish delegation to the Committee of the Regions. I will take over as speaker of the BSSSC in October, 1997, at our annual conference in Gdansk.

Today I would like to talk about how we can together build a Baltic Sea area of regions.

#### **Introduction**

The significance of regions is increasing in Europe. They now form an important part of European politics. As people are coming closer together in Europe, it has become equally important for people to strengthen their regional identity. We can see this in the resurgence of regional languages. An active regional policy in Europe helps to guarantee people their regional identity in the face of progress towards a more integrated Europe.

The Baltic Sea area is a conglomeration of regions where the "old East" meets the "old West". EU member states; not-yet member states; a state that voted "no"; and a state that will remain outside of

the Union - all of them are practising good neighbourliness. The idea of a Baltic Sea network is; stability through cooperation that can assist in maintaining peace and developing our competitiveness in the market place.

### **Competition between macro regions**

The macro-region around the Baltic Sea needs to develop its infrastructure for us to better meet the competitive challenges of the future. Out infrastructure for transport, for labour, for private investment, for public funds. This indicates that Baltic Sea co-operation is more than a sentimental recollection of the old days. It is more than a contribution to the necessary transformation process in the former COMECON states.

### **Region building**

Baltic Sea cooperation is "region-building". This will influence the future for all of us in an enlarged Europe. The area is not only characterised by a significant common cultural heritage and traditionally close relationships. It is also marked by the fact that littoral states of the Baltic Sea, are only just beginning to mobilise the enormous economic potential for development in the region; to revive our rich cultural heritage, which will give this area new dynamism. The cooperation around the Baltic Sea, which has been developing during the past few years, proves that we are better understanding this challenge; and are improving our readiness to meet it.

It is people who are building bridges across borders. Provinces and districts, administrative units, ameter, län, fylker, wojewoder, länder and oblasts need to evolve and develop. They are of utmost importance in the process of forging these links. They are indispensable for healthy cooperation in the Baltic Sea region.

### **New members of the EU**

In July, as you are all no doubt aware, the Commission of the European Union published its Opinions on the progress of those countries seeking membership to the European Union.

The Commission also made its suggestions as to which countries the EU should begin negotiations for membership of the EU. It is still Denmark's opinion that we should begin negotiations with all countries at the same time. The rate of progress and timing of membership depending on the individual countries ability to cope with the process and obligations of membership.

What is important is that we, as individual regions, assist in the process of helping all the countries around the Baltic that wish to become members of the EU. That is, those whom the Commission has suggested begin negotiations **and** those working towards the goal of starting membership negotiations. Here the regions have an indispensable role to play.

### **Support from the European Union**

The European Union has acknowledged the Baltic Sea as a priority area in Europe with its Baltic Sea Region Initiative. This has been supported by several new programme initiatives. The European Union has put a lot of effort in supporting inter-regional co-operation in the Baltic Sea area on all levels. Interreg II C - Baltic Sea Region; Phare Baltic Project Facility; Tacis Small Project Facility; Tempus (Phare and Tacis); ECOS-Ouverture; Phare Partnership Programme; Tacis City Twinning Programme; and others; are programmes that make it possible for the regions to strengthen the people-to-people approach; and to enlarge co-operation in a wide range of fields within the Baltic Sea area.

### **Interreg II C**

Interreg II C is financed under the European Union's Structural Funds and can thus not support non-member states. The European Commission has finally realised that to make the Interreg II C - Baltic Sea Region programme a success, it is necessary to include non-member states in the projects.

However; that requires special financial support to the Phare and the Tacis countries. The European Commission has decided to dedicate a part of the Phare Funds to Interreg projects.

This is an improvement. But the formal procedures require that projects with participation of regions on both sides of the Baltic Sea must hand in two separate applications. One for Interreg II C, and one for Phare or Tacis.

More flexibility and less bureaucratic administration is needed, if the Commission wants Interreg II C - Baltic Sea Region to become a success. The regions have an advisory role in this process and must use their influence where possible.

We must combine the bottom-up approach of the Structural Funds with the top-down approach of the Phare and Tacis programmes, if we want all our previous efforts and ideas, to be converted into more comprehensive development programmes for the Baltic Sea area.

### **The Kalmar Action Programmes**

The Council of Baltic Sea States' work, as laid down in its Action Programmes, is a good strategy for developing the Baltic Sea area. We - the Subregional Cooperation - strongly support it. And the subregional authorities have competencies, expertise, initiatives and activities in these fields. The cities equally have expertise in their special fields.

In my opinion it is a pre-condition for growth and prosperity in the region, that the national and the regional and the local levels pool their efforts.

The Subregional Cooperation has taken up the challenge to contribute to the implementation of the Kalmar Action Programmes on the subregional level.

The Subregional Cooperation has worked out its own proposal for implementation of the Kalmar Action Programmes.

In particular, we contribute with two sets of activities,

- We foster particular cooperation projects within prioritised fields, and
- we have set up three thematic working groups which are related to the priority themes of the Kalmar Action Programmes.

The working groups serve as think-tanks, expert panels and discussion partners at national and international level wherever the subregions' expertise is needed. The working groups are natural focus points; and cooperation partners at the subregional level for other forums and organisations. I find it most important that the working groups and other specialist forums work closely together to benefit from each other's knowledge.

The working groups deal with:

- Institution building and human relations,
- Economic development and cooperation,
- and Nature protection and the environment.

As you recognise, the themes of the working groups are closely related - and almost identical - to the prioritised action fields in the Kalmar Action Programmes. We find it essential that the different levels work together in the development of the Baltic Sea area.

All three working groups met for the first time in August, and the first reports are very promising. I am sure that they will produce indispensable results with the support of the BSSSC secretariat; and the Association of Local Authorities in Norway and Sweden.

### **UBC and BSSSC**

UBC and the Subregional Cooperation (BSSSC) have complimentary and supportive ideas and activities. These will contribute to the positive democratic and economic development of the region for the benefit of all people living in the Baltic Sea area.

Therefore, there are strong reasons for the close collaboration between UBC and the Subregional Cooperation (BSSSC). With its connection to the CBSS and its direct access to the state level; the BSSSC is the legitimate policy arena for all regions and local authorities in a wider Baltic Sea area context.

UBC, specialising in the interests of cities, towns and local authorities, gives important contributions to this process. I am sure that the UBC will be an important partner in carrying out the action programs of the Subregional Co-operation (BSSSC) within fields related to cities and towns. It might be to develop urban networks on the basis of strategic alliances; to support co-operation between cities on themes of mutual interest; to promote a network of port-cities; or to exchange experiences on how to support sustainable urban development.

There must be connection and coordination between all the different cooperation initiatives at the EU level; at the national level; at the regional level and at the local level. This must happen across the programmes.

The Subregional Cooperation (BSSSC) is a common political platform for local and regional authorities around the Baltic Sea. It is an ideal partner for the national and international level to communicate with the subregional level.

The Subregional Cooperation (BSSSC) will act as an umbrella for the different actors in the Baltic Sea area, where all activities contribute to a common strategy that will assist in avoiding duplication of work. This will be based on each others experiences.

The established close collaboration between our two organisations is exemplary. Exchange of information and contacts between the secretariats work well on a basis of trust. Moreover, I am glad that there is an exchange of representatives at the annual meetings of our organisations. I am pleased with the excellent cooperation between our two organisations, and I am looking forward to welcoming a representative of the Union of Baltic Cities at our next conference in October.

I might add that we have also chosen to let this wonderful city of Gdansk host our conference.

**Mr Hannu Tapiola**  
Chairman of Baltic Sea Commission of CPMR

Ladies and Gentlemen,

In developing the Baltic Sea region the coastal areas are in a key position. At the moment about two thirds of the coastline of the Baltic Sea are EU-areas. As EU expands, the Baltic within long will be an internal sea.

A democratic local and regional administration is a prerequisite for a peaceful future in the Baltic Sea. The Conference of Peripheral Maritime Regions of Europe, the Baltic Sea commission of which I represent, in its own operations emphasises democracy and influence coming from below. In many

countries the central administration of the government thinks it knows everything, and thus it does not listen to the regions enough. In other words, power gets easily centralised. This is a problem also in countries with a democratic tradition.

CPMR was founded in 1973. It consists of 110 member areas in 17 different countries. The member-areas cover about 40 per cent of Europe's surface and the population therein amounts to clearly over one hundred million people.

CPMR endeavours to become a dynamic force of the maritime regions of Europe. The office of the organisation is situated in Rennes in France. The cooperation with EU is a close one ; so, for instance, many members of the CPMR board of directors are members of the EU regional committees also.

CPMR has organised its activities through five committees. They are the commissions for the Mediterranean, The North Sea, the Baltic Sea and a commission representing islands. The commissions act rather independently. They have at their disposal the support of the whole organisation and its good connections. CPMR convenes to a general assembly once a year. To the general assembly every member-region is entitled to send a representative. On the board of directors of the organisation there is one seat for every country. In addition, the chairmen of the regional committees belong to the board of directors of the organisation.

The representatives of the various parts of Europe meet at the board-meetings and the general assembly of CPMR. This offers opportunities for mutual contacts. So, for instance, at the board-meeting in July this year in La Toja in Galizia, Spain, the cooperation between the Baltic Sea commission and the Mediterranean commission was up for discussion. From both regions there is an organisation initiative of the European Union commission. As far as the foreign policy of the EU goes, the regions have got a similar position. On the other hand it is the question of EU's west-east relationship and its south-north relationship. Both regions are interested in an expansion of the European Union. As far as the Baltic Sea goes, the expansion of EU is especially important, because only so the Baltic Sea will form a whole. One can say that the Baltic Sea region is still suffering from the division into two parts during the cold war and the problems which this created.

The board of CPMR decided to form a work-group of the representatives of the Baltic Sea and Mediterranean commissions to find out how the EU programmes and funds would support these regions in the best way possible. The discussion will continue at the general assembly in La Rochelle, France, in October. The cooperation between the Baltic Sea region and the Mediterranean region can be very important, because it can facilitate the finding of compromises which are necessary in order to promote the expansion of EU.

The Baltic Sea commission of CPMR is a relatively new institution. The decision to set up the commission was made by the general assembly held in Donegal, Ireland, in 1995. The matter had been prepared by the North Sea commission. The proposal was made by some Finnish areas and by Bornholm, Gotland and Schleswig-Holstein. The Baltic Sea areas for the first time met at a seminar held in Kotka, Finland, in the spring of 1996, with participants from 32 areas in seven different countries. The seminar adopted a declaration stressing the importance of maintaining peace and balance in the Baltic Sea region. It was considered that cooperation between states is not enough; there is need for a network of democratically governed areas and their citizens. The charter of the CPMR Baltic Sea commission was adopted a year ago in Stockholm, where the secretariat of the organisation is situated also. The Stockholm county Council kindly offered to finance the activities of the secretariat during its first two-year period.

There is a total of 59 areas in the Baltic Sea region. 21 areas paying membership fee have joined the CPMR Baltic Sea commission; in addition twelve areas participate as observers. More than half of the areas have joined, which, in such a short time, seems a good achievement. The members come from the Baltic Sea countries except Germany.

The board of the CPMR Baltic Sea commission held a meeting in Riga a week ago. The meeting discussed the strategy of the commission, the first drafts of which are now ready. The intention is to

have the strategy adopted by the general assembly next year. The strategy requires environmental protection and improvement of the infrastructure which suffered from the division into two parts during the cold war. The high level of education and the good network of schools is considered to be the strength of the Baltic Sea region.

In the Baltic Sea region there are to be found a great number of various organisations. One can ask whether there are too many of them and whether different organisations are doing the same type of work. However, there is no harm in getting more and more different bodies to make an effort in favour of the Baltic Sea. My home-town Kotka, the mayor of which I am, is a member of the Union of Baltic Sea Cities also. The board of directors of the UBC held a meeting in Kotka in 1996. The city of Kotka is a member of the Kymenlaakso County Council.

I am chairman of the board of directors of that council also. Thus I greet you as a representative of the area, but in my capacity as mayor I also participate in the meeting. In my opinion it is self-evident that the Union of Baltic Sea Cities and the Baltic Sea commission of CPMR work for the same purposes. The areas and the cities live in a close relationship with each other. The administrations of both are elected in a democratic way. Of course even inland cities can belong to the Union of Baltic Sea Cities. However, we have the sea in common and I believe that our objectives are very much the same. Thus we can wish each other success in acting side by side in good cooperation.

**Mr Wolf-Rüdiger Janzen**

President of Baltic Sea Chambers of Commerce Association

Dear Mayor, Chairman, Ministers, Commissioner, Presidents,

Thank you, Chairman, for given me the chance to address to the most impressive gathering of mayors and representatives of Baltic Sea Cities I ever have been invited to. This great attendance of the 4th Conference of the Union of the Baltic Cities will not only highlight the Gdansk Millennium celebrations but also stands for the readiness of the cities to pave the way for an even closer adjustment of local and regional decisions for the benefit of the whole Baltic Sea Region.

There is no denying the fact that today the importance of a fine-tuned regional focus in politics has to go alongside with the challenges of world-wide competition. The business world upholds the saying of *'every business is local'*, but at the same time has to operate under the *'gun of globalization'*. Approaching the 21st century for us means to further build up the competitive edge of Northern Europe. There are serious threats for those who are unable or unwilling to adjust. And although we have to be patient because success takes time to appear, we, the cities as well as the local and regional Chambers of Commerce and Industry, are demanded to keep the wheel turning by our own doing. *'Change'* is and has to be our business. That is why this conference is a must and a good opportunity for mutual exchange of ideas and experience.

Strong business links are among the pre-conditions of a flourishing neighbourhood in our region. And this is only to achieve at by joint efforts of politics, local authorities and the Chambers of Commerce joining forces and going the same direction at the same pace - with each of the partners committing to his special field of operation and capability. In doing so, it takes no wonder that experts both from inside and outside our region cannot help to notice a good piece of progress in the Baltic Sea region

gained so far. Even if visions were too highflying in the beginning 90, we - sensibly - could not expect to arrive at a status quo of today like this: a favourable business climate in the region which is better than compared to world-wide developments, improving strong relations between the Nordic countries and the European Union on the one hand and the countries in transition and the European Union on the other hand, growing figures of intra-Baltic Sea trade, visa regimes gradually loosening up and so forth.

Due to its close ties to local and national policy stockholders, the Chambers of Commerce and Industry in our region - under the umbrella of the Baltic Sea Chambers of Commerce Association BCCA - have developed to be the unique partner for business, dealing with all the demands arising from new opportunities in a developing region. We inform about new business legislation in the Baltic Sea littoral states and give advice as to special EU based projects. We offer platforms for mutual encounters of businessmen, as for example with the annual Hansa Business Days and help companies to prepare for presentations on trade fairs and exhibitions.

Our recent baby has been named BASIN, i.e. the Baltic Sea Business Information Network. With support from the European Commission, we have finalised our pilot scheme of a data network around the Baltic Sea. This decentralised electronic databank allows for the exchange of business offers and demands, the exchange of information on latest foreign trade legislation and also data on trade fairs in the region.

With this unique device, Chambers of Commerce operate a specially designed network for the purpose of keeping companies up to date with their information requirements and hence minimise their transaction costs in a world of business where change as such seems to be the only reliable feature. Of course, there are many other efforts to use the world-wide-web as a means of searching for information. But, as a matter of fact, this Chambers' system is the only one offering a certain level of approved credibility: Every piece of information entering the system is being pre-checked by the Chambers' organisation. In doing so, the system dismisses of the abundance of redundant pieces of information that very often used to prevent electronic data networks from being efficient and cost-effective. And I should not forget to inform you that a proportion of the BASIN-data is offered to the public via Internet. This open part, by the way, will also be the integral part of the services offers of the Baltic Sea Alliance which has been mainly pushed ahead by the Union of the Baltic Cities with the Baltic Sea States Subregional Cooperation and the BCCA as partners in the steering group. This is just one example of our good relationship.

Moreover, BCCA collects data on existing trade barriers in the region - for the simple and only purpose of transporting these findings to the political decision makers. Time and again we give reports to the Council of the Baltic Sea States CBSS and inform about bottlenecks to trade. It is this BCCA's understanding and self-obligation: to open its network for the concerns of the businessmen in order to allow them to keep the wheel turning. And this, a turning wheel of successful business, is the basis also for the Cities in the Baltic Sea region to get their jobs done - which is just a big set of obligations in different fields of human life.

BCCA can assure you to continue its work. As for example, we have invited the Economic Working Group of the CBSS to Kiel for October 6/7. We will take that opportunity to deepen our relationship and inform them about new actions taken - among them our business climate report which is meant as a summary of businessmen's opinion about future turnover and profit developments in the region.

This new activity is partly due to extended jobs that have been imposed to the Chambers in their function as members of the Baltic Sea Business Advisory Council BAC. This Council, encompassing delegates from business and trade of each the Baltic Sea countries, has been founded on the initiative of the CBSS in spring this year and is expected to assume certain jobs brought up on its own or by the CBSS. The majority of members of the Baltic Business Advisory Council is from the regional Chambers of Commerce and we are proud to have been entitled this function. Among others, we are

going to work out a paper on the business situation in the region to be presented to the next summit of heads of government, the time of which has not been scheduled yet but may be organised in the beginning of next year. In any case, the BCCA will create an open discussion in the forefield of the drafting of this paper and tries to get involved also the opinions and experiences of the members of the Union of the Baltic Cities into it.

I am convinced that this conference already will give birth to important aspects of development of the region and deliver some proposals worthwhile to further investigate in.