

## The EU Strategy for the Baltic Sea Region: Norwegian comments.

1. Norway welcomes the EU decision to prepare a strategy for the Baltic Sea Region. The growing importance of the region is recognised also by Norway, which is already involved in the social and economic development of the region, i.a. through its contributions to the European Economic Area financing arrangements and European Territorial Co-operation. Through the EEA Financial Mechanism Norway contributes about 95% of the total funding of 672 million euro between 2004 and 2009. In addition, Norway has its own financial mechanism for the same period in the amount of 567 million euro. About half of these contributions are earmarked for Poland, Estonia, Latvia and Lithuania. A continuation of grant arrangements, after 2009, are at present being discussed with the European Commission. These funds can be an important supplement in implementing the Action Plan under the EU Strategy. Norway has also been an active member of the Council of Baltic Sea States (CBSS) since its establishment in 1992, and is one of the four partners of the Northern Dimension.

One of the overarching aims of the Strategy is to seek to fulfil the 2004 EU enlargement, with an emphasis on tackling economic, social, transport, security and environmental concerns. The 2004 enlargement was equally an enlargement of the European Economic Area, to which Norway is a party. Thus, Norway has a number of common interests with the EU in the region. We agree that the action-oriented objectives of the strategy are highly relevant. It is also a Norwegian concern that the region be an environmentally sustainable, prosperous, easily accessible, attractive, safe and secure place.

2. The EU strategy should be regarded as a part of the Northern European cooperation grid, which encompasses a vast geographic area and a great number of institutions in the private as well as the public sector. Such arrangements as the Northern Dimension (the EU, the Russian Federation, Norway and Iceland), the Barents Euro-Arctic Cooperation, the Council of the Baltic Sea States (CBSS), the Arctic Council and the Nordic Council of Ministers, are important elements in the European partnership and cooperation structure, contributing to various aspects of European political and economic development. The EU strategy should aim at establishing a solid platform for interaction with these structures, creating synergies and avoiding duplication.

Since the renewed Northern Dimension policy was launched in November 2006 it has developed substantially and gained momentum. There has been a growing interest towards it from local and regional authorities, international financial institutions, the business community at large, NGOs and the civil society. At the same time the Northern Dimension should be an expression of the EU-Russia Four Common Spaces with full participation of Norway and Iceland in the Northern Dimension area. More could be done to make this a reality. The new Northern Dimension has developed further the two already existing partnerships, the environmental partnership (NDEP) and the partnership on health and social well being (NDPHS). A decision has been made to establish a new partnership on infrastructure and logistics to be effective as of January 2010. This will offer a good opportunity to link the Baltic region closer to the more northern parts of the ND area. In addition, a new partnership on culture is under consideration. The Northern European regional councils along with the planned and existing partnerships cover most central areas for the fulfilment of the action-oriented objectives of the EU Strategy. This picture should therefore be reflected in the Strategy.

3. To fulfil the objective of making the Baltic Sea Region a prosperous place a further development of the internal single market is crucial. Norway will make its contribution to this, as a member of this market through the EEA Agreement. Still existing obstacles to trade in the region must be removed and we are all responsible for it that no new hurdles be built. By developing the internal market we will better succeed in making the region competitive in its meeting with globalisation and its challenges. The region has made some remarkable economic progress over the last years. However, there is still a strong need for more direct investments. Continued economic development is needed, and flexibility and mobility in the labour market are important instruments. At the same time the social dimension, both in the labour market and for the population in the region at large, must be an integrated part of the economic development. Economic and social progress must go hand in hand. The EEA financing mechanisms is one central instrument for Norway to contribute to achieving this. Concrete projects under this arrangement could therefore be considered combined with projects under the Strategy.

4. One of the objectives of the Strategy is to make the region an environmentally sustainable place. Environment including the great challenges in the Baltic Sea, climate change and energy can hardly be separated in the region. There is already close cooperation in the region in these areas, through the Baltic 21 under the Council of the Baltic Sea States, the Helsinki Commission (HELCOM) with its environmental Action Plan for the Baltic Sea and the Baltic Sea Region Energy Cooperation (BASREC). This cooperation should be further developed and reflected in the Strategy. Norway welcomes the European

Commission's Second Strategic Energy Review focusing among other things on infrastructure needs and diversification of energy supplies, energy efficiency and EU's indigenous energy resources. The Strategic Energy Review is a good starting point for a renewed and constructive energy debate, and Norway participates as an observer in the recently established High Level Group to develop the Commission's initiative of a Baltic Interconnection Action Plan. Norway shares the views on clear, stable and transparent rules as important factors for a well functioning energy market. This is also linked to the more overriding issue of mutual interest in security of supply and security of demand. Norway is fully integrated in the internal energy market and enhances the EU energy security through its considerable contribution of oil and gas supplies. It is important to identify key missing gas and electricity infrastructures necessary for effective interconnection of the Baltic Sea region with the rest of the EU/EEA. Investments in large infrastructure projects are quite comprehensive and it is important that such efforts include instruments sufficient to materialise projects of this magnitude.

5. We welcome the close link between the Strategy and the EU maritime policy with its Marine Strategy. Shipping and related maritime and marine activities are important parts of the Norwegian economy, and Norway has been actively contributing in the process of developing the EU integrated maritime policy, including its marine strategy. Norway is also an active member of the International Maritime Organisation, IMO. IMO rules and regulations are the basis for the maritime development of any region, including the Baltic Sea Region. On regional level, Norway is part of the Copenhagen agreement together with Denmark, Finland, Sweden and Iceland about cooperation concerning pollution control of the sea after contamination by oil or other harmful substances. Norway has as well an agreement with HELCOM concerning exchange of ship traffic data (AIS-data). These regional agreements are important elements in the development of maritime safety and preparedness in the event of acute marine pollution in the region, and should be reflected in the Strategy. Norway will also mention that we participate in the task force for development of Motorways of the sea in the Baltic Sea Region. The establishment of Motorways of the sea is an important element in the development of sea transport as a safe, effective and environmentally friendly mode of transport.

6. Safety and security are important for the citizens of the region. The region cannot be a safe and secure place without emphasis on issues like preventing trafficking and fighting international organised crime. Also in these areas the region over the last years has developed some important mechanisms. The heads of government of the CBSS have established a task force on organised crime. The CBSS has in place a task force on trafficking and is carrying out important

work for children at risk and victims of trafficking. This existing work should be reflected in the Strategy and synergies developed. Maintaining safety and security in the region necessitates close cooperation in the fields of law enforcement, judicial cooperation and crime prevention.

7. The aims of any integrated strategy for the further development of the Baltic Sea Region can hardly be fulfilled without a close cooperation between the national, regional and local levels. The region has long traditions in cross-border cooperation, trans-national cooperation, interregional cooperation and cooperation between municipalities. The region has developed several institutional set-ups for regional and local cooperation, including between cities, first of all through the Baltic Sea States Sub-Regional Cooperation (BSSSC). This ongoing work should be made a part of the Strategy.

Also the national parliaments in the region have increasingly shown interest in supporting their governments in the work of developing the region. The importance of this parliamentary dimension should not be underestimated. The Baltic Sea Parliamentary Conference in its annual conferences adopts a resolution on issues relevant for the region and national parliaments should be considered, along with regional and local governments, to be most central stakeholders.

8. The Russian Federation is a central Baltic Sea country and its participation in fulfilling any strategy for the region is crucial for its success. A mechanism to incorporate Russian views, to the extent that they do not conflict with EU interests, into the strategy and its implementation, would seem to strengthen the strategy.

9. Norway is interested in engaging in discussions with the EU on all aspects of the Baltic Sea Strategy. Norway is prepared to contribute to the implementation of the strategy in areas of mutual interest. In this respect the establishment of a mechanism for the exchange of views in connection with the strategy would be welcome.