



Resolution 1766 (2010)¹

Final version

Fostering the socio-economic potential of the Baltic Sea region

Parliamentary Assembly

1. The Baltic Sea region, bringing together eight European Union member states (Denmark, Sweden, Finland, Estonia, Latvia, Lithuania, Poland and Germany), the Russian Federation and some of their close partners, has established itself as a distinct and very dynamic European area. Aware of their cultural proximity, common resources, shared political concerns and economic interdependence, the states of the Baltic Sea region have sought to develop co-operation structures since the 1950s when the Nordic Council was created. However, their operational co-operation was hindered for decades by the East-West division which exacerbated social and economic differences in the region.

2. The 1990s opened a new era of co-operation with the spread of the market economy and democracy to the south-eastern part of the region. A variety of regional structures emerged, forming a solid basis for fostering socio-economic development and stability in the region. They include the Baltic Sea Parliamentary Conference (set up in 1991), the Council of the Baltic Sea States (set up in 1992), the Baltic Sea Chambers of Commerce Association (set up in 1992), the Baltic Sea States Sub-regional Co-operation (set up in 1993), the Union of the Baltic Cities (set up in 1991), the Baltic Sea Commission of the Conference of Peripheral Maritime Regions of Europe (set up in 1996) and the Baltic Sea Seven Islands Co-operation Network (B7, set up in 1989). Organisations for environmental co-operation, planning and sustainable development in the Baltic Sea region, such as HELCOM (Helsinki Commission – Baltic Marine Environment Protection Commission), the intergovernmental network VASAB (Vision and Strategies around the Baltic Sea) and Baltic 21, have longstanding experience in the issues of environment and sustainable development in the region.

3. These complementary co-operation schemes have stimulated particularly fruitful regional exchanges concerning environmental problems, educational issues and economic challenges. It is essential that these sub-regional networks continue working in concert towards further sustainable development of the region, not least in the light of the economic and financial turmoil which has strongly affected public finances and development prospects across the region. Rising unemployment, a dramatic fall in investment and shortcomings in financial regulation are revealing national vulnerabilities in the changing global context while offering a new opportunity to rethink strategic development orientations.

4. The Parliamentary Assembly welcomes the launching of the European Union Strategy for the Baltic Sea region in 2009 and appreciates the importance of making good use of the European Union funding earmarked for projects in favour of environmental sustainability, enhanced competitiveness through small and medium-sized enterprises and innovation, improved interconnections for communications, transport and energy sectors and better risk prevention strategies over the 2007-2013 period. The Assembly believes that the national parliaments and regional parliamentary assemblies of the Baltic Sea region should play a central role in preparing relevant projects and overseeing their implementation.

5. The Assembly views a close and constructive dialogue with the Russian Federation as a core element of co-operation in the Baltic Sea region and a means of advancing co-operation between the European Union and the Russian Federation in a broader context. It recalls the special circumstances pertaining to the situation of the Kaliningrad enclave and reiterates its readiness to assist the furthering of regional integration

1. *Assembly debate* on 8 October 2010 (36th Sitting) (see [Doc. 12264](#), report of the Committee on Economic Affairs and Development, rapporteur: Mr Kaikkonen; and [Doc. 12348](#), opinion of the Committee on the Environment, Agriculture and Local and Regional Affairs, rapporteur: Mr Lotman). *Text adopted by the Assembly* on 8 October 2010 (36th Sitting).



through support for the unimpeded movement of people and goods. Moreover, the Baltic Sea region countries should consider engaging more actively in supporting grassroots entrepreneurship and democracy projects in neighbouring Belarus.

6. The Assembly is convinced that efforts to increase energy security and to pursue a “greener” development path offer much room for pragmatic collaboration in the Baltic Sea region and vast opportunities for enhancing competitiveness. The cost-benefit rationale of the Russian-German undertaking to build the Nord Stream gas pipeline on the Baltic seabed is debatable and the consultations leading to this grand project proved insufficient. The building of the pipeline implies major environmental risks due to the fact that after the Second World War large quantities of chemical munitions were dumped on the bed of the Baltic Sea and significant quantities of various dangerous chemicals were used in agriculture and industry. The risks of disturbing the sediments thus include the release of hazardous substances. The countries of the Baltic Sea region should now show more solidarity in working out joint participation mechanisms for the realisation of projects not only in the field of energy, but also transport and innovation. Co-operation in these matters should go beyond bilateral agreements and be driven by the shared interests of all the countries in the Baltic Sea region.

7. The fishery industry in the Baltic Sea is of utmost importance to local economies. Problems due to overfishing and pollution should therefore be an issue of concern for political decision makers. Ignoring environmental concerns because of socio-economic considerations is an unsustainable approach and leads in effect to the undermining in the long term of these very socio-economic interests.

8. Threats to the sea from eutrophication resulting from pollution by nitrogen and phosphorus coming from agricultural and municipal sources are also an issue of major concern for environmentalists. A reform of the European Union Common Agricultural Policy is needed, as well as further improvement of the treatment of waste water and a halt to the use of washing powders containing phosphate.

9. Germany, which is at the heart of the European Monetary Union, and Denmark, Finland and Sweden, which are leading European Union countries in terms of global competitiveness underpinned by innovation and high-quality public institutions, possess a wealth of experience that should be shared more widely in the Baltic Sea region and beyond. The Assembly believes that it could serve as a relay for the lessons that can be drawn in this context to the benefit of other countries and regions across Greater Europe.

10. The Assembly is convinced that the Baltic Sea region, endowed with high economic, social and political potential, builds its prosperity on an open co-operation model that could nurture interaction with other sub-regional co-operation schemes such as the Union for the Mediterranean and the Northern Dimension policy, both European Union initiatives, and the Organization of the Black Sea Economic Co-operation. Towards this end, more joint activities could be envisaged in the short term with a view to generating joint projects in the medium term, notably as regards energy supply and labour mobility.

11. The Assembly underscores the importance of managing the Baltic Sea region in an integrated way. Strengthened transfrontier co-operation, political co-ordination, adequate funding and cross-sector partnerships between governments, parliaments, local and regional authorities, the private sector and civil society, will form the axis of development and secure a more prosperous future for all stakeholders in the Baltic Sea region.

12. The Assembly therefore calls on member governments of the Baltic Sea region to:

12.1. work actively for a closer political and economic partnership at all levels of governance in the Baltic Sea region, and promote continued confidence building and genuine participatory democracy in the region and its neighbourhood;

12.2. give priority to multilateral agreements which will allow the complex development challenges common to the countries of the region to be tackled in a spirit of solidarity and mutual understanding;

12.3. consider laying the foundations of a unique regional structure that would enable a smoother and more efficient co-ordination of multilateral co-operation initiatives, foster the sense of unity and provide for high-ranking representation through a “Mr/Ms Baltic”;

12.4. ensure that European funds for priority projects in the Baltic Sea region receive adequate additional input at national level;

12.5. facilitate the economic co-operation and trade between countries of the region by reducing trade barriers and improving mobility of labour and goods;

- 12.6. support innovative co-operation projects, such as the Baltic Sea Action Group, a body in which public, private and civil society organisations combine their resources and contributions in order to save the Baltic Sea;
 - 12.7. take into consideration issues related to the environment in the Baltic Sea region.
13. The Assembly underlines its support for the European Union Strategy for the Baltic Sea Region and urges the European Union to:
- 13.1. involve the Russian Federation not only in projects in the environmental and maritime fields but also in most of the programmes and projects that will be conducted under the Strategy for the Baltic Sea Region;
 - 13.2. consider allocating additional funding to the social programmes to be implemented under the Strategy for the Baltic Sea Region, especially taking into account the erosion of public finances as a result of the economic recession afflicting in particular the eastern part of the region;
 - 13.3. foster the implementation of research and development projects involving countries of the Baltic Sea region under European research programmes;
 - 13.4. ensure that new nuclear power plant projects in the Kaliningrad region and Belarus near the European Union border are implemented in accordance with international nuclear safety and environmental protection standards and conventions. Final decisions regarding nuclear projects should be made after completion of an international process of environmental impact assessment and reasonable concerns of neighbouring countries should be respected;
 - 13.5. reform its Common Agricultural Policy in order to ensure a better protection of the environment, *inter alia*, by maximum reduction in the use of fertilisers and pesticides;
 - 13.6. promote integrated management and spatial planning of marine and coastal areas so as to avoid conflicts between various environmental and socio-economic interests, and, *inter alia*, find the best possible sites for proposed wind parks where these would not come into conflict with the need to protect nature.