

**IDEAS FOR THE BALTIC SEA REGION STRATEGY**

Considering the new realities in the region, which show the Baltic Sea almost as an EU inland sea, it has now become more feasible to find solutions to numerous environmental and economic challenges inside the region, which in turn would advance the goals of the European Union as a whole. The planned Baltic Sea region strategy could create a coherent framework to implement existing programs and projects and for the promotion of further integration. This would help point out the most difficult problems inhibiting the development of the region by creating a comprehensive picture of priority topics and guidelines. It would support the EU cohesion policy, as the challenges in the Baltic Sea region are huge. Strengthening cooperation will make the region and thereby the EU as a whole more competitive.

To achieve this goal, concreteness and action-oriented planning and implementation mechanisms are needed. As there is no lack of regional cooperation initiatives, examples of which are Interreg programs and Helcom, the Baltic Sea region strategy should aim to make them work more efficiently and avoid overlapping. Therefore the Commission should have the central position in shaping, implementation and monitoring of the strategy's progress with the member states assisting in every aspect.

The strategy should consist of setting out guidelines to implement the EU legislation more effectively and to achieve a more strategic use of the available instruments and programmes. The availability of the financing possibilities and the engagement of regional and international financing institutions are issues that should also be considered.

Given the existing obstacles in the Baltic Sea region it could be a good example and a testing ground in the EU's endeavour towards a well functioning internal market. In the case of regional success, best practices could be followed elsewhere. Therefore the Baltic Sea region strategy should be ambitious, instead of being a simple reorganisation and consolidation of current policies in the region. The full liberalisation of services sector could be an example of an ambitious but achievable strategic aim for the region.

Several areas and policies need EU's attention and action, including social and cultural issues, internal security. The strategy should be flexible and therefore remain open to changes in the EU and on the global arena, which might shift the priorities. At the moment Estonia would focus on three policy areas where the added value of a visionary and well-coordinated EU approach seem to us most pronounced: spatial integration of the region, maritime environment and navigation, and knowledge-based society.

**Spatial integration**

Regional and sub-regional disparities in the Baltic Sea region are still considerable. This hinders achieving the full potential of the EU's internal market. The very pillars of the EU's economic integration, the 4 freedoms of movement (goods, capital, people and services) are still working imperfectly.

- The crucial area of cooperation to be included in the strategy would be the creation of a better connection between the east coast of the Baltic Sea with the

*western one, most of all in terms of connecting electricity grids and improving energy infrastructure (TEN-E network), that with the purpose of creating a well-functioning internal energy market.*

- The strategy should aim not only to improve the existing (TEN-T) cooperation in infrastructure but also create new means in addition to the existing instruments of cooperation in the transportation sector. A well integrated east-west and also north-south routes in the area are a necessity for the internal market. It is all the more important as the region forms also a corridor to huge trade and transit flows in and out of the EU.
- Creation of a good railroad connection operating according to the European standards would make way for new opportunities in moving people and goods.
- Culture has a large part in creating and sustaining competitiveness. As a growing economic sphere, creative economy is rising in its importance. Making business operations easier in this regard could be one of the targets to be included in the Baltic Sea strategy.
- We also stress the importance of free movement of labour and a possibility to provide cross-border services. In the same context, one has to take into account the available social guarantees.
- In relation with free movement of people it is essential that security, police cooperation and related issues be involved in the strategy. This also facilitates the use of full potential of economic possibilities and infrastructure improvements.

### **Maritime environment and navigation**

Environmental situation of the Baltic Sea continues to be a prevalent issue in the region for the foreseeable future. An effective common approach would benefit all Baltic Sea countries.

- Considering the environmentally fragile state of the Baltic Sea, its fine ecological balance and the threat of eutrophication, control needs to be established over the anthropogenic factors causing it. Creation of a Baltic Sea standard is necessary. That means criteria should be found to evaluate the conditions of maritime environment. This also applies to measures and support to achieve an improvement in environmental conditions.
- Deriving from the environmental state of the Baltic Sea, it is important to stress the need to coordinate and harmonize actions foreseen or regulated by the HELCOM Baltic Sea action plan and EU marine directive. Regional conventions like HELCOM provide a clear link between small regions and single states in coping with the marine environment related aspects. Innovative solutions must be sought for, taking into account the Water Framework and Maritime Strategy directives.
- Increased transportation volumes add to the accident risk, difficult ice conditions during the winter necessitate a better usage of existing ice-breaking resources. The issue of a better pollution control should be included. The Baltic Sea coastal states should aim for cooperation and adjust their maritime strategies in line with the EU maritime strategy.
- Tankers carrying oil and chemical produce are a source of elevated threat; discussion can be encouraged on the question of their mandatory escort in

territorial waters. Information exchange in transport, energy, and communications could be further improved and maritime surveillance system developed in this regard.

- Although cooperation in food safety and agriculture is relatively good in its present form Estonia considers important measures to bring down the level of nutrients from the agriculture causing eutrophication.
- Again, cultural aspects closely linked with the maritime environment, should be addressed in the strategy. Sustaining and mapping the underwater heritage, necessitates common steps in preserving cultural heritage. In comparison with the environmental protection it has so far been managed inadequately.

### **Knowledge-based society**

Research and development is an area that would certainly gain from a regional approach. Baltic Sea strategy could have its input in coordinating regional activities and developing policies. In a more narrow sense it could direct funding instruments in research.

- According to the European Council conclusions from March 2008, a fifth freedom was added to the four freedoms of the European Union, meaning barriers to free movement of knowledge should be removed. We wish to achieve supportive environment for research and development. Crucial research infrastructure for the region should be created, ideally in a coordinated way. We also consider important the development of European Strategy Forum on Research Infrastructures (ESFRI).
- Although the BONUS program is active and efficient, further coordination is still necessary. An important issue regarding research and development is promoting cooperation between private businesses.
- To enable the use of laboratories in neighbouring countries flexibly, creation of a network of accredited laboratories in Baltic Sea countries is one possible area of cooperation.

It is important to emphasise that all regional organisations and cooperation platforms in the Baltic Sea area have their special role and value added to the strategy, their activities should not be duplicated but empowered by the strategy. The Northern Dimension provides well for the external aspects in cooperation with the littoral states outside the EU.