

SAAB Annual Civil Security Seminar: "A safe and secure Baltic Sea - creating a maritime surveillance network for the region, and beyond"

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"The Baltic Sea Strategy: a new way of working together in Europe"

Ladies and Gentlemen,

I am delighted to be granted the opportunity to address you about the Baltic Sea Strategy, as this is a project that I have been involved with very closely ever since its inception. It is a very ambitious programme that is unique in the history of European regional policy initiatives. It is also the first time that the EU has developed a strategy that will be implemented on a macroregional level and, as such, may serve as an example for the future.

The most important aim of the Baltic Sea Strategy is to promote a more balanced development of the region. The Baltic Sea area is a macro region, with shared opportunities and challenges that justify a common approach. Already in 2006, the European Parliament urged the Commission to come up with a proposal for an EU Baltic Sea Strategy in its resolution on a Baltic Sea Region Strategy for the Northern Dimension. This resolution highlighted a number of challenges that the countries in the Baltic Sea area are faced with. I would like to emphasise some of the arguments that are more relevant today than ever:

- The Baltic Sea region has almost become an internal sea of the European Union; 9 countries border the sea, 8 EU Member States and

Russia. To understand what this means, it is more than enough to say that almost one third of the population of the EU-27 (29.6 % in 2008, Eurostat) lives in the macroregion, and that also almost one third of the Union's GDP is produced here (28,84 % in 2006, Eurostat).

- The Baltic Sea region has a potential for development and prosperity. There is a high level of interdependence among the economies of the countries in the region. However, there are substantial economic differences among them too, with the per capita GDP (in PPS) varying from 55.6 % to 121.4 % of the EU-27 average¹.
- The Baltic Sea is heavily polluted which constitutes a threat to its fragile ecosystem, which is already vulnerable. The protection of the environment has to be given high priority, with regard, in particular, to the reduction of eutrophication and prevention of further spills of oil and other toxic and harmful substances (the latter caused by either transportation or by exploration and exploitation).
- Accessibility is low in many of the eight countries around the Sea. Internal and external transport and energy infrastructure links are not strong enough. The European Parliament suggested the improvement of transport, energy infrastructure and its networks in the region, putting an emphasis on the role of the Trans-European Networks.
- As the Eastern border of the region experiences a significant level of organised crime, with trafficking in humans and drugs, particular attention should be paid to solutions that mobilise Member States in a coordinated way.
- There is a need to overcome the overlapping functions of some regional bodies and organisations. The resolution stated that the Strategy could contribute substantially to a better coordination by promoting synergies and a deeper regional integration in the area.

¹ Latvia: 55.6 %, Sweden: 121.4 %, 2008, Eurostat

Even though the cross-border nature of the above mentioned challenges is clear, and despite the fact that there have been several attempts to establish some harmonised initiatives, the policy responses so far have been very fragmented.

Of course, it is not the case that only the challenges that the region faces create grounds for macro regional cooperation. Overall, the region also has strong economic preconditions despite huge disparities, which are among the highest across the EU. Let me mention some impressive facts.

A particularly strong feature is the high level of attention to innovation in the region. Evidence for this is for example the region's share of spending on R&D in terms of GDP. Amounting to 2% of GDP for the Baltic region, this clearly outpaces the respective shares for the EU-27 (1.76%) and the EU-15 (1.9%). Some of the Baltic Sea countries top these results by a large margin, in particular in Sweden and Denmark. No wonder that the Baltic Sea region includes some of the most innovative economies in the world. The figures about the share of highly educated people and consequently the share of employment in knowledge-intensive services tell the same story. I would argue that the highly educated workforce is one of the region's most valuable assets as is the high employment rate. This is high in the Baltic states even when compared to the EU-12 Member States. Except for Poland, the countries of the Baltic Sea region have reached or are close to reaching the employment rate target of 70% set by the Lisbon strategy.

Additionally, the Baltic Sea region is also extremely rich in natural resources and it has extensive knowledge on how to utilise them. For example, 90% of the iron ore in Europe comes from the northern part of the region and the mining industry is growing. The region's vast forests can be used in new and innovative ways. The Baltic Sea Region finds ways to promote the use of more 'clean' energy sources, building on progressive technologies using wind, water or the sun. Scrap wood for example could be used to produce energy in biomass plants.

So, concretely what are the contents of the Strategy? We have drawn up a framework for the content of the strategy that consists of four pillars. This may not seem like very many, but in this way we can stay focused and keep things straightforward - after all, this is the Baltic way of doing things. The following are the four pillars:

- To deliver a sea which is less affected by eutrophication and which has sustained biodiversity.
- To develop a more prosperous region with increased trade and more innovative companies.
- To give rise to a region that is more connected both in terms of transport and electricity, and
- To assist the region to be better prepared to handle accidents and combat cross-border crime.

The priority areas are implemented through detailed actions which are also described in the Action Plan. Some of these actions are "strategic" for the Baltic Sea Region as a whole. They are designed to address specific and important issues for its regions, citizens and enterprises. Other actions are "co-operative", meaning they are based on the benefits from improving co-operation on issues where Member States, regions and other actors are ready to do so.

Evidently, it is the fourth of these pillars that I mentioned that is most relevant to you today. After all, security is what you are about and this is a very important part of the Baltic Sea Strategy. At its inception, we envisaged two main aspects to this safety and security pillar: a common maritime surveillance system, which should lead to a better cooperation of actions, and the insurance that the ships transporting dangerous products meet the highest safety standards.

This pillar of making the Baltic Sea area safer and more secure covers the following three priority areas:

- To become a leading region in maritime safety and security
- To reinforce protection from major emergencies at sea and on land
- To decrease the volume of, and harm done by, cross border crime

Let me go into the first of these, as I am sure that that is where your interest lies. At the outset, we envisaged the creation of an integrated network of reporting and surveillance systems, as we felt that this is needed for all maritime activities, such as maritime safety, maritime security, protection of the marine environment, fisheries control, customs, border control and law enforcement. In addition, we planned to look into the possibility of completing the cooperation between civil and military assets, as gaps currently exist in this form of cooperation.

Once all of this is effectively implemented, we will have a safer Baltic Sea with fewer serious accidents, increased responsiveness to those accidents that do happen, and we will have to deal with less crime. This benefits first and foremost the people in the region, but also the economy in the region as risks to business and entrepreneurship are decreased. Finally, it benefits the European Union as a whole as we consider a safer and more prosperous Baltic Sea region in the entire community's interest.

The European Council adopted the Baltic Sea Strategy at its Summit on 29 and 30 October. The Swedish Presidency has already expressed its determination to begin with the actual implementation of the strategy in working groups even before the end of the year during the Environment Council meeting on 22 December. At the same time, the Member States themselves, together with the European Commission of course, can commence the implementation of a large part of the work. Furthermore, the European Council called upon the Commission to publish a progress report no later than June 2011.

In terms of a timetable; the Baltic Sea Strategy is supposed to be updated each time one of the Baltic States takes over the Presidency of the EU. This will happen on average once every two to three years, with the next opportunity being Poland's Presidency in 2011. After that, there is Lithuania in 2013, Latvia in 2015, Estonia in 2018 and Finland in 2020. This will allow us to regularly assess and amend the Strategy if it proves necessary.

In the meantime, many projects relevant to the Strategy are already ongoing. For example, one of the flagship projects under the safety and security pillar is the execution of a technical feasibility study on a Baltic Sea Coastal Patrol Network. This should involve national coast-guard like services in EU Member States and third countries, in the context of maritime safety, maritime security, and pollution prevention and response in the Baltic Sea. This project is scheduled to be finalised by the end of 2010.

Another one of the major projects is for the Baltic Sea region to become a pilot region for the integration of maritime surveillance systems. The objective of this is to develop and test mechanisms for improving maritime awareness by sharing operational information between government departments and agencies responsible for monitoring activities at sea of all Baltic countries. One of the specific goals of this project is the development of technical interfaces that securely allow for all countries to join in a common situational image containing restricted law enforcement and other information.

More projects like these, larger and smaller ones, will follow once the Strategy gets up to full steam. As you can see from these projects, there is a lot of ambition present in the Baltic Sea Strategy, and in this case specifically its safety and security pillar.

Let me conclude by stressing once again how important cooperation in the Baltics, in the shape of the Baltic Sea Strategy, is - not only for the area

concerned, but for all of Europe. We need to gear up the cooperation in this macro region and it will benefit all the parties involved. The expectations are high and now that the Presidency of the Council of the European Union has adopted the Baltic Sea Strategy during its meeting on 29 and 30 October, we can start looking forward to the Strategy's actual implementation. If this Strategy delivers positive results in the Baltic Sea area, it can serve as an example for other areas such as the Danube Region or other transnational cooperation objective areas such as the Mediterranean. In the meantime, I hope you can contribute to cleaning up the Baltic Sea and enhancing security in the area.