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**WHAT ROLE FOR THE REGIONS IN THE BALTIC SEA STRATEGY?
SUMMARY OF THE ENQUIRY**

Introduction

After its formal adoption by the Council in October 2009, the first European Macro-Regional Strategy is being implemented in the Baltic Sea Region since January 2010. It is therefore quite early to draw a full picture of this implementation. Yet, this enquiry proposes to collect feedback from regional actors concerned by the Strategy in order to analyse the concrete practices that are emerging in this new macro-regional context. This analysis will be helpful to examine the implementation of the Strategy from a regional viewpoint, which will be further discussed during the next BSC seminar in Tallinn (15 October 2010). Furthermore, the enquiry is intended to provide food for thought to the current debate on the future of the European Cohesion Policy and its governance after 2013. DG Regio has also planned to publish a progress report on the implementation of the Strategy in September.

It seems particularly relevant for the CPMR and the Baltic Sea Commission to examine the place that is allocated to the regions in this complex governance scheme, after a broad consultation during which local and regional institutions were allowed to provide input and to express their expectations. As this survey shows, the Regions remain unanimously convinced that the macro-regional approach has a potential for added value in many policy fields. However, some are concerned and consider they cannot fully participate in the implementation and criticize the lack of information shared on the whole process.

Participation in the enquiry

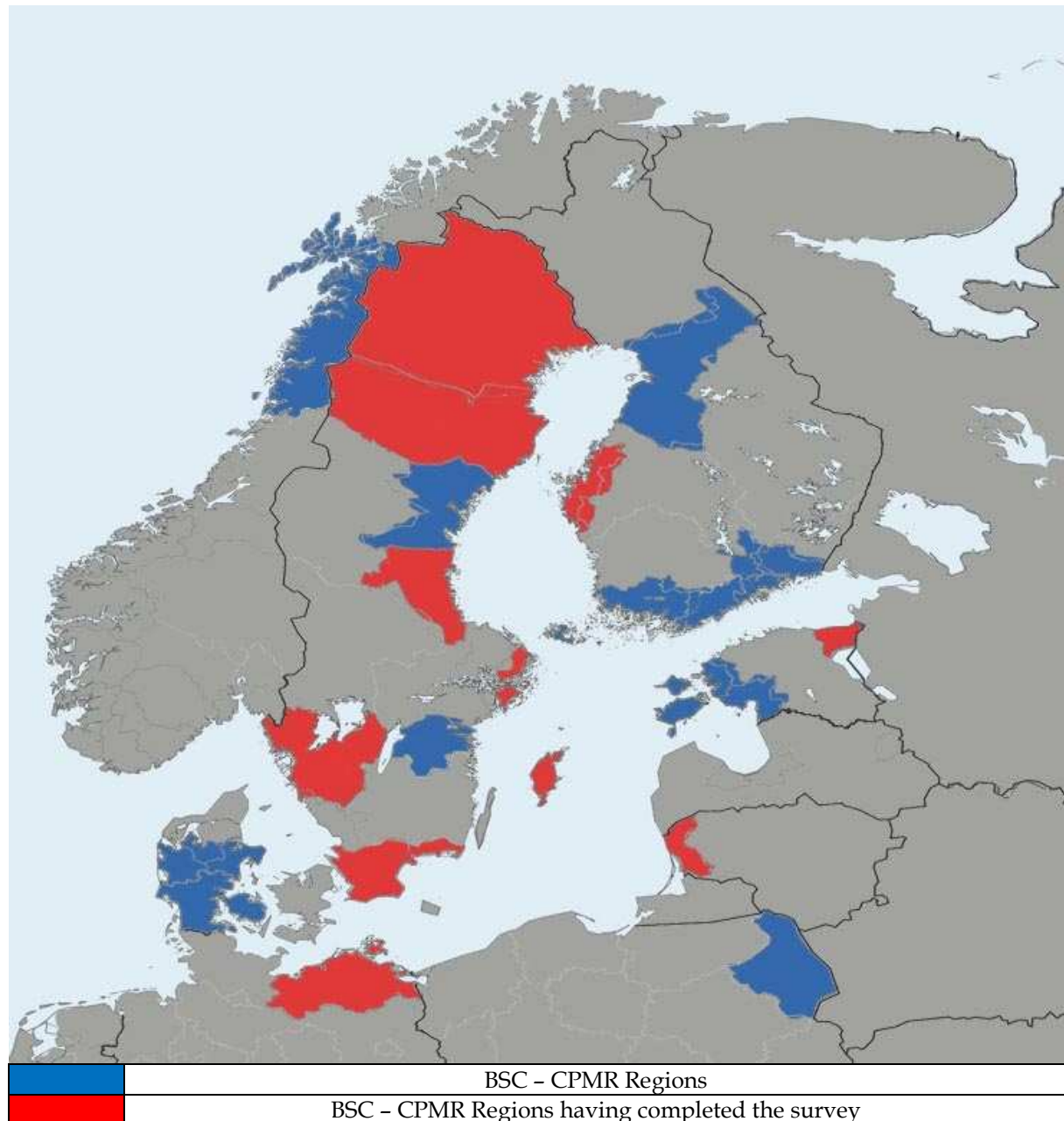
The enquiry is mainly based on the input from a survey that was sent to the Baltic Sea Commission members. Twelve Regions answered the survey that focused on the overall involvement of the Regions during both the consultation phase and the beginning of the implementation of the Strategy.

Regions having answered the survey:

Twelve regional authorities from the CPMR Baltic Sea Commission answered the survey. Eight of them were from Sweden (Blekinge, Gotland, Västra Götaland, Skåne, Norrbotten, Gävleborg, Västerbotten and Stockholm) and respectively one from Finland (Ostrobothnia), Lithuania (Klaipeda), Estonia (Ida-Virumaa) and Germany (Mecklenburg-Vorpommern).

The document is also based on input provided by the German Land of Mecklenburg-Vorpommern as a Priority Area Coordinator for tourism and Blekinge as Lead Partner in a flagship project on maritime safety (Baltic Master II).

Figure 1 - Regions having completed the survey



I. PARTICIPATION OF THE REGIONS IN THE CONSULTATION INDEPENDENTLY OF THE BALTIC SEA COMMISSION

A) Involvement of third party actors

Most Regions have actively participated in the consultation organised by the EU Commission. The process has led to different initiatives: workshops, meetings, joint working committees, etc. During that phase, the involvement of other actors has been irregular. About half of the Regions did not involve third parties in the preparation of their answer. But an indirect participation has often taken place: while the Regions have discussed strategic topics with a Baltic dimension they have taken into account some stakeholders' viewpoints even when they had not been directly asked to participate in the consultation within the framework of the Strategy.

Some have involved civil society organisations. Within the Norrbotten County Council, associations working on equality and minority issues have provided input. Other Regions such as Blekinge have involved a wide range of actors, such as universities and private companies (in the field of energy, agriculture and fisheries). Mecklenburg-Vorpommern has organised two workshops within which many different actors have intervened: politicians representing the State Parliament, representatives from universities, the Chamber of

Commerce, agencies, etc. Within this framework, the Region received several statements and papers enriching the debate.

The answers to the consultation have also been prepared in cooperation with other public bodies via joint working committees for regional development, allowing local and regional institutions to discuss the Baltic Sea Strategy. Several regional initiatives have also emerged to combine one regional authority with several local authorities (Västra Götaland and Stockholm have involved municipalities) or with other regional authorities (Ostrobothnia within the West Finland Alliance with four other Regions).

B) Content of the propositions

The three main priorities that most of the Regions stressed were:

- maritime questions as a whole (ICZM, marine spatial planning, motorways of the sea);
- infrastructure (i.e. mostly cross-border transport facilities, prolongation of TEN-T projects, motorways of the sea);
- environment (interlinked with the two previous priorities).

These topics were mentioned in most of the answers, which shows a great similarity with the four pillars (environmental sustainability, prosperity, accessibility and attractiveness, safety and security) and the priority areas of the Action Plan. However, safety and security were promoted less by the Regions as a priority, as they are traditionally dealt with by the Member States.

Several Regions stressed the necessity for the Strategy to take into account international cooperation tools which already exist in order to enhance them. For instance the HELCOM Action Plan has been mentioned as an important aspect of the Strategy as its implementation is based on international cooperation. Territorial cooperation is also seen by many as an essential aspect of the macro-region. Indeed, the Øresund Region¹ was promoted as an example of a functional region that should be followed by the Action Plan, in terms of pace of cooperation and of institutional framework. In that sense, the implementation of the Strategy should not only be considered in terms of sectoral implementation, but also geographically, taking into account specific needs in areas of the Baltic Sea. Generally speaking, an improvement of cross-border cooperation was expected. The ideas that were promoted during the consultation also depend on the geographical position of the Regions. For instance, Gotland, Mecklenburg-Vorpommern and Ida-Virumaa stressed the need for the Strategy to include cooperation with Russia in the Strategy.

More concrete ideas have also been proposed. Each Region has tried to include in the Strategy the projects (territorial cooperation projects, FP7 projects, etc.) it was already involved in. The characteristics of the macro-regional approach seem particularly relevant to deal with some specific issues, such as the development of a more integrated job market or networking processes and exchange of experience and knowledge.

II. IMPLEMENTATION OF THE ACTION PLAN

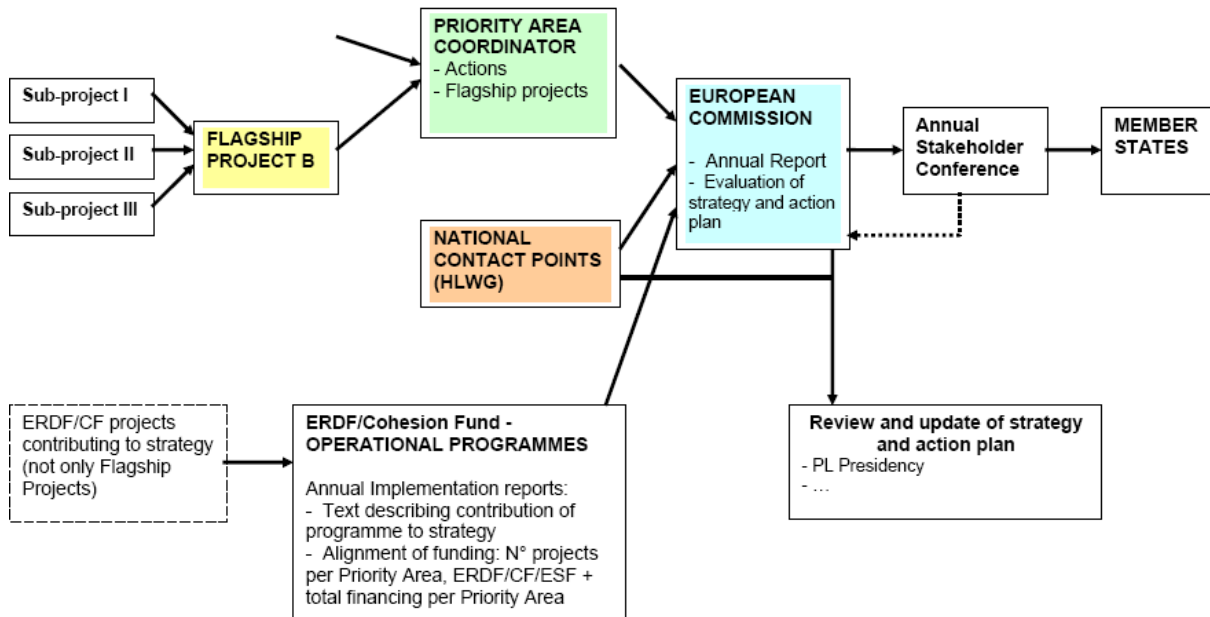
A) Content and Priorities in the Action Plan

The Regions agree with the Action Plan's content. Indeed, the pillars and priority areas correspond to the demands (focusing on concrete actions, taking into account the dense cooperation framework already in place) and expectations that they expressed during the consultation phase (maritime issues, infrastructure, environment...). Globally, the Regions consider that the consultation was useful and that its outcome is visible in the Action Plan's priorities and projects. There are however more concerns about the governance patterns that seem to take place.

It is also mentioned by some Regions that the Strategy's Action Plan should have a more developed social dimension (health care issues were mentioned as possible fields for new flagship projects).

¹ <http://www.oresundsregionen.org/>

Figure 2 - Governance of the Baltic Strategy in the Action Plan²



B) Information on the Implementation

A major concern among some Regions is a lack of official information, mostly from national authorities. During the elaboration phase of the Strategy, the regions acted mostly through the Informal Baltic Sea Group (IBSG), a network of representations from regions and cities from around the Baltic Sea Region. On behalf of this group, events and informal meetings with DG REGIO were organised and statements as input were elaborated. This cooperation at the Brussels' level has continued during the implementation phase. A regional contact group has been set up by DG REGIO which comes together 3-4 times a year with the first meeting being held on 27 May 2010. These meetings serve to inform the regional offices about the progress in the implementation process and to exchange views. Nonetheless, it has to be stated that from the view of some regions, the flow of information from Brussels to the regions is not considered to be satisfactory.

Several actors are progressively trying to create an informal dialogue with other actors of the Strategy (lead partners, national institutions in charge of regional development, etc.). Private networks and relations are developing but they are not institutionalised and depend on the good will of each partner, which does not satisfy most Regions. Therefore, a major improvement would be to structure formal and official means for information on the projects and the overall status of implementation to be shared. There seems to be little awareness at regional level of the information provided by the European Commission on the relevant contacts of coordinators and lead partners on the Strategy's website³. In Sweden however, there is a National Forum organised by the government that, among other topics, allows Regions to provide input on the Strategy.

Several leads are evoked by the Regions to structure the dialogue. For instance, national newsletters and media channels could be a way to disseminate information. There seems to be a need for a centralisation of the data, therefore Blekinge proposes that a coordinator would be in charge of gathering the information. Making sure that information is available to each actor of the Strategy is necessary for efficient coordination.

The lack of communication is not only evoked as a top-down issue. Several regional actors would like to be able to provide more input in the implementation process. This is particularly true in projects that require implementation by local and regional authorities. The dialogue is progressively taking place with priority area coordinators but it still seems to be difficult for the Regions to provide input and advice. In addition, as Västerbotten mentions, the dialogue is scarce in the case of cross-border cooperation at a regional level or with other countries' coordinators.

² http://ec.europa.eu/regional_policy/cooperation/baltic/pdf/events/1009_warsaw_guidance.pdf

³ http://ec.europa.eu/regional_policy/cooperation/baltic/

However, some Regions point out that there are enough available means to contact the relevant stakeholders. Mecklenburg-Vorpommern considers it has access to all the data it needs from the Commission's website, the regional contact group or direct contact with the Commission. Cooperation with the European Commission and the flow of information have been adequate and constructive since the beginning of the elaboration of the Strategy.

Specifically, the lack of information is reflected in the current process of modification of the operational programmes in the Baltic area. These modifications intend to adapt the programmes (modifying the selection criteria for instance) to the implementation of the Strategy. However, the process involves the managing authorities, which in numerous cases are not the Regions. The success of the Baltic Strategy is dependent on the coordination between the programmes and regional development strategies. Therefore, it is essential to make sure that the circulation of information does not prevent co financing and leverage in the Regions.

C) Role of the Regions in the Implementation

Regional authorities from BSC Member Regions are already participating in the Action Plan in different ways:

- One German Land (Mecklenburg-Vorpommern) has been chosen as a **Priority Area Coordinator (PAC)** for tourism (PA 12).
- Some Regions are **Lead Partners** for the implementation of flagship projects:
 - Skåne: 'Create a Baltic Sea Fund for Innovation and Research' (FP 7.2)
 - Blekinge: 'Improve waste handling on board and in ports' within the framework of the Baltic Master II project (FP 4.5)
 - South West Finland: 'Attract tourists to rural areas especially the coastal zones' (FP 12.5)
- And many Regional actors are **partners or associate partners** in different projects. For instance, Mecklenburg-Vorpommern, Klaipeda, Saaremaa/Ösel, Skåne, Gotland and Halland within the Baltic Master II project⁴.

In different ways, Regions have also chosen to unofficially accompany the implementation of the Strategy through projects outside the Action Plan such as the INTERREG TransBaltic project (Lead Partner Skåne) whose 'overall objective is to provide regional level incentives for integration of transport patterns and networks in the BSR, as stipulated by EU Strategy for the Baltic Sea Region (...)'⁵ in line with PA 11 ('to improve internal and external transport links').

Case study: Mecklenburg-Vorpommern, priority area coordinator for tourism⁶ (PA 12 of the Action Plan): state of play of the implementation

The 12th PA (education and youth, tourism, culture and health) comprises four flagship projects dedicated to tourism under the coordination of Mecklenburg-Vorpommern:

- [Flagship 1: "Attract tourists to rural areas especially to the coastal ones"](#) (LP: Southwest Finland)
- [Flagship 2: "Promote the cultural heritage and the unique landscapes"](#) (LP: Pomorskie)
- [Flagship 3: "Develop strategies for a sustainable tourism"](#) (LP: University of Greifswald)
- And a 4th flagship project ('Facilitate environmentally sustainable ferries and cruise vessels in the Baltic Sea') is not being implemented yet. Mecklenburg-Vorpommern is still looking for a Lead Partner. But this Flagship project could be modified, as it includes very different business models which might not co-exist very well together under the same project.

As one of the main tourist destinations in the Baltic Sea, Mecklenburg-Vorpommern considered it had the necessary know-how and experience to coordinate this area within the context of the Baltic Strategy. The

⁴ http://www.balticmaster.org/index.aspx?page_id=1

⁵ <http://www.transbaltic.eu/wp-content/uploads/2009/12/TransBaltic-Project-Data-Form.pdf>

⁶ www.baltic-sea-strategy-tourism.eu

Commission did not have any difficulty with the proposal of the Land to become PAC. The 1st Baltic Sea Tourism Summit took place in Rostock in 2008. A 'Task Force: Baltic Sea Strategy - Tourism' was set up during the summer 2009 by Mecklenburg-Vorpommern. It comprises 5 members based in Mecklenburg-Vorpommern and in Brussels who, in addition to their regular duties, are involved in the implementation of the Strategy and have frequent exchanges with the Commission and other stakeholders.

For the first half of 2010, the coordination work by the task force has mainly focused on establishing contacts with Lead Partners and stakeholders and assessing financial needs. In order to strengthen the network for enhanced coordination, a Joint Committee (JC) has been set up, which includes the coordinator and the three Lead Partners so far. It is under consideration to open the membership of the JC to actors who are coordinating EU projects in that field. The website of the priority area already proposes to stakeholders to register in order to be part of the process by creating a network. So far, there are about 45 stakeholders that have registered (universities, regions, Member States, tourism actors).

Concerning financial means for implementation, the field of tourism is particular and has very different starting conditions from other priority areas. The funding can hardly come from the INTERREG IVB Baltic Sea Region programme under which tourism is not a priority (and the 3rd call that ended on 22 March 2010 made it very clear). Therefore, the Lead Partners are tempted to apply for funding under cross-border programmes that do not have the geographical scope that a Baltic Sea project would require. In any case, there is a need for transnational programmes to take tourism into account.

Therefore, the implementation requires relying strongly on funding from stakeholders (tourism companies, etc.). As this objective might be only achieved in the medium and long term, the PAC considers some kind of technical assistance from the European Commission very useful. As the Lisbon Treaty has included tourism as a new EU internal policy, it is hoped that tourism will be better funded at EU level in the 2014-2020 period.

The Action Plan states that Russia should also be involved in the implementation of the priority area of tourism. So far, there have been talks, also at regional level, but problems remain. Therefore it is even more welcome that Kaliningrad Region has declared its readiness to organise the Baltic Sea Tourism Forum 2010 in Kaliningrad on 4-5 November 2010. In the framework of this conference, the state of play in the priority area tourism shall be presented.

The answers received reveal some discrepancy between the regions. There are Regions that are actively involved in the implementation process, whilst others complain about the lack of information. On the one hand, the lack of bottom-up approach is often criticized by the Regions that want to be informed, but they also want to be more involved in the implementation itself. In many policy fields they feel that they could bring expertise and advice (ICZM...). Also, questions remain about the governance pattern, while the separation between each actor's responsibilities remains unclear to many actors. On the other hand, there are instruments in place like the regional contact group, web-based information or the possibility to directly contact coordinators and lead partners. This might be taken as a hint that the communication processes of the regions towards their Brussels' representations could be improved and that regional strategies are needed which define the fields of activity, backed up with the necessary resources. Nonetheless, it seems as if the involvement of the regional level through the national governments could be improved in many cases.

Most of the Regions have had an internal discussion on the attitude to adopt towards the Strategy. They are aware that their own policy guidelines can influence the outcome of the macro-region. Gotland even evokes a need for congruence between its own Action Plan and the Strategy's. As the Strategy somewhat corresponds to the priorities the Regions had in mind, they have not greatly modified their own policies. However, the need for coordination within the regions as to their own activities and macro-regional projects is acknowledged. In addition, by giving a new Baltic perspective to the European programmes in the area, the Strategy influences the Regions' policies at least indirectly.

III. GLOBAL OUTLOOK ON THE BALTIC SEA STRATEGY

A) Expected Outcomes from the Strategy

The BSS is still seen in a very positive light and some of them already evoke the possibility for new macro-regions to emerge such as the North Sea project. They agree with the priorities that lie in the Action Plan and think that the functional macro-region has potential for added value in numerous fields. The need for a better coordinated approach of pan-Baltic issues is acknowledged and more coherent funding of cooperation activities is expected. Besides, regions are aware that the implementation is still beginning and remain confident in its outcome.

Regional authorities were also hoping that the new approach of cooperation would allow a better use of each actor's resources, including the civil society, local and regional authorities, in a cross-border and international context. This is why they insist on the need to get involved more systematically.

The Regions also hope for a stronger involvement of non-EU countries in the Baltic area. Many aspects of the Strategy cannot be handled without the participation of neighbouring countries, especially Russia.

B) Propositions for a modified Strategy

Several propositions were made for an improvement of the Strategy in the future:

- Governance patterns should be clarified and allow for an effective association of regional and local authorities in terms of implementation, advice and expertise. Continued multi level governance and dialogue are key factors for the success of the Strategy, especially in some policy areas. This also implies the creation of information channels, mostly at national and regional level. Moreover, the Regions should be more involved in the adaptation of operational programmes to the Strategy.
- The external dimension of the Strategy is debated. For instance, Mecklenburg-Vorpommern wishes Russia were more actively involved in the tourism area. The European Commission should pursue its efforts to get Russian partners from the Baltic Sea Region effectively and systematically involved in those areas where they have to play an essential role. As third countries share the Strategy's goals, ENPI instruments could be used as a source of funding for projects with a strong external dimension, especially since there is no new funding for the Strategy's implementation.
- The main proposition is to strengthen the links between the Strategy and other EU instruments where appropriate. This includes funding through ESF, ERDF, FP8, IMP, etc. The Action Plan should also be strongly connected to the EU2020 Agenda.
- Some Regions want proper financial means to be allocated to the implementation of the Action Plan. The possibility to earmark part of Structural Funds budgets to finance the priorities of the strategy after 2013 could be envisaged.
- In the end, all Regions want to participate in the implementation of the Strategy. However, there is often a gap between this willingness to be active and the possibility to do so. Very often, limitations to get involved are related to a lack of resources and competences within the national governance structure. A further obstacle is the lack of financial resources earmarked for the implementation of the EUSBSR Action Plan. Therefore, there is a strong demand for at least some technical assistance providing the necessary resources for regional authorities.