# Policy Analysis (Updated) – Baltic Sea Region Governments' statements regarding the implementation of the

25th Baltic Sea Parliamentary Conference Resolution

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#### 1. Introduction

On 30<sup>th</sup> August 2016 elected legislators from the Baltic Sea Region states<sup>1</sup> assembled in Riga, Latvia, and adopted the 25<sup>th</sup> Baltic Sea Parliamentary Conference (BSPC) Resolution. In addition to a preamble and paragraphs concerning the general cooperation in the Baltic Sea Region, the Resolution emphasises three priority areas for action:

- 1) Competitiveness in the Baltic Sea Region by linking Education and Labour Market;
- 2) Employment Opportunities, Labour Mobility and Youth Unemployment;
- 3) Sustainable Tourism.

As a follow up to the 25<sup>rd</sup> BSPC and in preparation of the 26<sup>th</sup> BSPC in September 2017 in Hamburg, Germany, the BSPC General Secretariat asked the BSPC delegations to request their respective governments to submit a statement regarding the implementation of the 25<sup>th</sup> BSPC Resolution. The BSPC General Secretariat commissioned Dr. Tobias Etzold and Christian Opitz at the Stiftung Wissenschaft und Politik (SWP) in Berlin to evaluate and analyse the statements submitted by the respective governmental bodies of the Baltic Sea Region states.

#### 2. Content of this analysis and basic data

This analysis includes:

- an overall quantitative assessment of the governments' statements;
- a qualitative analysis regarding the governments' statements regarding the three priority areas plus the three paragraphs in the general part addressing the environmental status of the Baltic Sea;
- and an overall assessment highlighting shortcomings and identifying recommendations for the future.

#### Basic data:

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- the 25<sup>th</sup> BSPC Resolution.

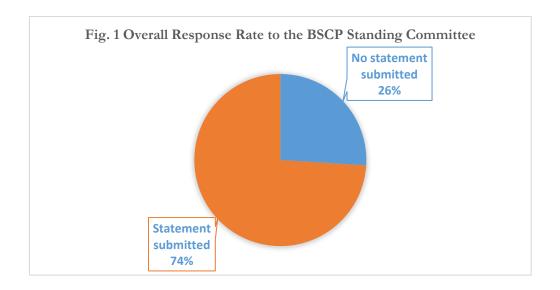
- written statements by the respective governmental bodies received until early August 2017.

<sup>&</sup>lt;sup>1</sup> Baltic Assembly, Free Hanseatic City of Bremen, Denmark, Estonia, European Parliament, Federal Republic of Germany, Finland, Free and Hanseatic City of Hamburg, Iceland, Kaliningrad Region, Latvia, Lithuania, Mecklenburg-Vorpommern, Nordic Council, Norway, Poland, City of St. Petersburg, Council of Federation of the Federal Assembly of the Russian Federation, State Duma of the Federal Assembly of the Russian Federation, Schleswig-Holstein, Sweden, Åland Islands.

#### 3. Quantitative Overview

#### 3.1. Overall Response Rate

Twenty-two delegations from member parliaments (12 national and eight subnational parliaments) and parliamentary institutions (three) adopted the 25<sup>th</sup> BSPC Conference Resolution. Fourteen governmental counterparts of the nineteen signatories, excluding the three parliamentary institutions, submitted statements to the BSPC Standing Committee regarding the implementation of the Resolution (see Fig. 1).<sup>2</sup>



#### 3.2. Overall Response Variety

The thirteen submitted statements in reaction to the 25<sup>th</sup> BSPC Resolution vary considerably concerning thematic depth and structure. Some statements, for example those from all three Baltic countries, Poland and Mecklenburg-Vorpommern, portray on 12 - 30 pages in great detail and some even for each paragraph of the Resolution what the respective government has done in order to implement it. Others, such as Sweden and Norway, keep it limited to a rather general overview of about four pages touching upon only a few of the Resolution topics.

We explicitly point out to keep in mind that the level of comprehensives of a submitted statement by itself does not allow a direct inference to the overall activities of a respective government in the priority areas of the Resolution. Relying only on the statements therefore does

<sup>&</sup>lt;sup>2</sup> Denmark, Estonia, Federal Republic of Germany, Finland, Free and Hanseatic City of Hamburg, Latvia, Lithuania, Mecklenburg-Vorpommern, Norway, Poland, Sweden and the Åland Islands. The government of the Russian Federation submitted one statement. It is unclear to us if this statement is on behalf of all four Russian member delegations. The state government of Schleswig-Holstein included an assessment of the Resolution in its Report on Europe (Europabericht) 2016-17 of February 2017.

not constitute a reliable data source for a proper statistical analysis. However, our qualitative analysis in the following section does highlight some general findings and shortcomings in the submitted statements. While the governments in their responses list both national and transnational initiatives and actions, with a strong focus on the former, we concentrate our analysis on the transnational activities as well as the links between both.

### 4. Qualitative Analysis

The 25<sup>th</sup> BSPC Resolution consists of several parts. The preamble covers various broader issues such as the fight against terrorism, the 25<sup>th</sup> anniversary of the BSPC as well as the affirmation of the United Nations 2030 Agenda for Sustainable Development. This is followed by a chapter listing fourteen paragraphs which concern the general situation and atmosphere for cooperation in the Baltic Sea Region. In particular, they call for re-establishing mutual trust and dialogue in the Baltic Sea region (Paragraph 2), strengthening measures reducing risks and tensions (Paragraph 14), generating synergies between regional strategies and action plans (Paragraph 9) and deepening the overall collaboration and structured dialogue between organisations and cooperation formats in the Region (Paragraph 3).

More specific issues are subsequently subsumed in three thematic chapters:

- "Competitiveness in the Baltic Sea Region by linking Education and Labour Market" (Paragraphs 15-29),
- "Employment Opportunities, Labour Mobility and Youth Unemployment" (Paragraphs 30-48),
- "Sustainable Tourism" (Paragraphs 49-61).

Our qualitative analysis will group our assessment of the governments' statements according to these three priority areas. However, in addition we decided to also treat the environmental status of the Baltic Sea as a priority policy area, although it features in the resolution not as a section of its own but with two paragraphs in the general part (Paragraphs 6-8). Nonetheless, most governments (all but Russia, Schleswig-Holstein and Sweden) dedicate some space to environmental issues in their responses.

# 4.1. Assessment regarding the chapter "Competitiveness in the Baltic Sea Region by linking Education and Labour Market"

The Resolution paragraphs in this chapter fruitfully tie into a prevalent view across the Baltic Sea Region governments that the issue of linking education and the labour market more closely is of major importance for the future welfare of their people. Overall it can thus be maintained that the governments have implemented a great variety of projects and activities aimed at increasing competiveness through aligning school and university programmes better with economic needs. While most of these efforts have already been pursued for years, the EU Commission's Communication "New Skills Agenda for Europe" adopted in June 2016 seemed to have provided new impetus, which is also in line with the BSPC Resolution (Paragraph 16).

Against this overall positive background, we however must note that many of the ongoing activities are limited to the national context. While this fact is understandable in light of the relevance of an increased competiveness for each society, we believe that more transnational projects could be initiated and implemented. A good example is the project "National Authorities

for Apprenticeships: Implementing Work Based Learning in Latvia, Lithuania and Estonia" (WBL-Balt) started in late 2014. WBL-Balt has supported the cooperation between the Baltic states in this field in order to facilitate their reforms related to vocational education and training. Another notable transnational initiative is the "BSR Stars" programme under the aegis of the EU Strategy for the Baltic Sea Region. BSR Stars has facilitated innovation partnerships between research institutions and small to medium-sized enterprises in the Baltic Sea Region in order to strengthen competitiveness and economic growth.

Apart from these exemplary activities, other calls for action expressed by the BSPC Resolution have largely been unheeded. For instance, the great potential of cross-border activities in the area of research and standardisation within cyber security are thus far largely unused (Paragraph 26). Furthermore, the future of the successful "CBSS EuroFaculty" programme remains still unclear (Paragraph 19) despite the fact that the German government, amongst other governments, states that it "is willing in principle to support a new EuroFaculty project". In light of this untapped potential, the governments could increase their efforts aimed at increasing competitiveness to either expand existing or initiate new projects towards a stronger transnational outlook.

As another good and even new example for transnational cooperation within this field, several governments (e.g. Estonia, Hamburg and Latvia) mentioned the INTERREG project "Baltic Science Network" that has been established on the initiative of the state government of Hamburg in March 2016 within the framework of the EU Strategy for the Baltic Sea Region. With a duration until 2019 this project is to establish a political coordination framework for a joint higher education, science and research policy. Its main objective is to support the realisation of the European Research Area (via intensified cooperation in the BSR) and to increase the research and innovation performance of the BSR. In its statement, the Norwegian government stated specifically that Norway, so far not part of the Baltic Science Network, would like to participate in it which is a clear announcement of future action.

# 4.2. Assessment regarding the chapter "Employment Opportunities, Labour Mobility and Youth Unemployment"

Many of the issues raised in this Resolution chapter are well covered by numerous programmes and projects initiated by the governments. In particular, calls for action in the areas of reducing youth unemployment (Paragraph 33) and integrating NEETs (Paragraph 34) as well as supporting low-skilled and long-term unemployed (Paragraph 37) align with priorities which the governments have already identified and pursued. For instance, the Finnish government reports about the establishment of so-called One-Stop Shop service points. Serving both urban and rural areas, these service points provide support to young people under 30 in terms of career guidance, housing and social care provision. The majority of such efforts are carried out in a national context but draw on considerable financial support by the EU's European Social Fund.

On the one hand, it thus appears that projects under this chapter are mainly implemented in an already existing and seemingly adequate national and larger European framework. In this regard, the key to better programmes is, as the Danish government states it, "knowledge sharing and dissemination of best practices at the pan-EU level". This approach of *exchanging* national experiences certainly is also important in and across the Baltic Sea Region. A good example is the peer-review conference "Approaches to integrate long-term unemployed persons" hosted by Germany in October 2016. Attended by Finland, Lithuania, Estonia and Denmark, the conference offered the participants to learn about each other's approaches and engage in an intensive dialogue. Another example is the regional social dialogue within fora such as the Baltic

Sea Labour Network and the Baltic Sea Labour Forum as listed by several governments. In our eyes, it is definitely worthwhile to establish more regular exchange platforms between different actors.

Having said that, we also believe that the governments could intensify their efforts to implement an increasing number of common transnational projects. Such an approach would stop not "merely" at the exchange of experiences and best practices but crucially embrace the idea of jointly cooperating across national borders. For example, no truly regional common jobs platform has been installed (Paragraph 31). Achieving this would very likely lead to an increased labour mobility in the Baltic Sea Region. The government of Schleswig-Holstein even addresses explicitly the call "to work towards the creation of a joint, collaborative labour market in the Baltic Sea Region" (Paragraph 30). It emphasizes primarily the further development of the common labour market of Schleswig-Holstein and Denmark for which joint information offices on both sides of the border, advising companies and employees on practical and legal issues, have been very useful. The German-Danish experience could serve as a good example for a common labour market across the entire BSR which would offer many chances for enterprises and employees. In the same vein, the Finnish government reports about a meeting of the labour ministers of the CBSS members in June 2017 in Berlin (as part of the Baltic Sea Labour Forum Annual Round Table). The ministers even adopted a declaration regarding many issues of a better connected labour market. However, neither the declaration nor the governments' statements go further in proposing any concrete measures to facilitate and achieve such common Baltic Sea labour market.

Another challenge that could benefit from transnational projects is the integration of refugees into the labour market (Paragraph 46). This issue generally enjoys a high priority in the national context, and as such has been mentioned frequently in the responses in connection with some concrete measures on the national levels to improve the integration, but is not tackled through major regional initiatives. Although not mentioned, the five Nordic countries did a first effort to foster Nordic cooperation in this field by launching a Nordic Council of Ministers led refugee integration programme in autumn 2016. This programme aims at coordinating and harmonising the national integration measures, in particular in relation to the labour markets, and learning from one another. The Nordic and Baltic countries had launched a project on challenges of immigration and integration in 2016, culminating in two conferences in 2016 and 2017. Perhaps these could set good examples for future regional cooperation in this field around the BSR. Overall we argue that the Baltic Sea Region states would implement the Resolution paragraphs in this chapter most effectively by combining and integrating the two approaches of exchange and concrete cooperation.

#### 4.3. Assessment regarding the chapter "Sustainable Tourism"

All responding governments dedicate some space to the Resolution's chapter on sustainable tourism. As in the previous two sections, the focus lies on national measures to promote sustainable tourism within their respective countries (for example setting up a committee for developing of a new coherent national policy for the tourism industry in a cross-sectoral perspective for Sweden) but also some initiatives to strengthen transnational and cross-border cooperation (Paragraph 49) find mentioning. In several cases the two levels are interconnected. The aforementioned Swedish committee also has the task to suggest "how cooperation between actors can be developed and improved to strengthen the cross-border tourism offer and cooperation". The Norwegian government sets as guidelines for its national tourism sector to be

green, sustainable, responsible and ethical and uses the same factors as guiding principles for its cross-border approaches in the BSR.

The Estonian government mainly lists activities that have been implemented by the three Baltic states together and therefore form a good example of some sub-regional cooperation in this field. An agreement among these three countries' governments that has been signed as early as 2002 and has been renewed in 2013 promotes for example the Baltic area as a tourist destination for short-haul and long-haul markets and the development of a Baltic tourism brand, common tourism products as well as tourism infrastructure and the quality of tourism services. In terms of rural development (Paragraph 50), the governments of Latvia and Lithuania report about a new project called "Heritage based agro-tourism". The project aims at opening agricultural farms and small fishing businesses to new visitors and thus increase cross-border agri-tourism in rural areas.

Likewise within this context, the Swedish government mentions efforts within the Nordic cooperation context: the strategy for international branding of the Nordic Region launched by the Nordic Council Ministers for the period 2015-2018 in which one priority is to protect nature established collaborations especially in the BSR, and a recent decision by the Nordic ministers for enterprise of May 2017 to elaborate on a mutual plan for Nordic tourism cooperation. There certainly is a need for cross-border approaches. Within the national tourism strategy of the government of the Åland Islands, sustainable tourism in the entire BSR is of great concern for the government's goal to keep the archipelago as a green island in a blue sea. Indeed, islands in between several countries are particularly strongly exposed to external influences.

Several governments, i.e. Estonia, Finland, Latvia and Poland, express their explicit support for the Baltic Sea Tourism Forum as well as the Baltic Sea Tourism Centre (Paragraph 56). Also the Policy Area Tourism within the EU Strategy for the Baltic Sea Region (Paragraph 58), for which the Department of Tourism of the Polish government is a focal point, finds positive mentioning in these governments' responses. However, also here the question of how the governments want to support and strengthen these transnational cooperation efforts remains largely unanswered.

Moreover, while the governments welcome the idea of networks and clusters of tourism stakeholders in principle (Paragraph 59), at times worthwhile ideas do not materialise in practice. For example, the Lithuanian government suggested the creation of a Baltic medical tourism cluster but the initiative failed due to the lack of financing. This failure is unfortunate and demonstrates that occasionally political will is lacking to turn words into action.

Thus, there certainly already exists some cooperation within the field of sustainable tourism. It, however, remains unclear from the governments' responses which concrete results this cooperation has delivered so far.

## 4.4. Assessment regarding the paragraphs on "Environmental Issues"

Several governments (e.g. Estonia, Finland, Latvia and Poland) take up the resolution's request that the Helsinki Commission (HELCOM) should be strengthened and developed as the main coordinating body in regional efforts to protect the Baltic Sea marine environment, and to strongly support and encourage a fast implementation of the Marine Litter Action Plan (Paragraph 6). They confirm HELCOM's and its Baltic Sea Action Plan's importance and value. The organisation's work is especially appreciated in the implementation of relevant EU directives, namely the Water Framework Directive and the Marine Strategy Framework Directive. The Estonian Government says to have prepared a position in which it states that "HELCOM needs a bigger role in the BSR in order to implement the EU Marine Strategy Framework Directive and

better protect the Baltic Sea". Finland underlines the cooperation between HELCOM and the International Maritime Organization (IMO) and the designation of the Baltic Sea as a special area under the International Convention for the Prevention of Pollution from Ships and as a NOx emission control area (NECA). Finland underlines its commitment to the implementation of this regulation through HELCOM.

However, none of the governments states explicitly how HELCOM should be strengthened and what they would contribute towards such goal. The strength and relevance of an international/regional organisation depends to an important extent on how strong the governments of participating countries want it to be.

Apart from some regional efforts, also various national measures regarding the protection of the marine environment are mentioned. The governments of Estonia and Latvia for example list their national efforts to reduce marine litter which serve to implement HELCOM's Regional Action Plan for Marine Litter in the Baltic Sea. It becomes clear that national and regional measures go hand in hand. National measures will not work very effectively if they are not embedded into wider regional action plans and vice versa.

The Norwegian government embeds the environmental status of the Baltic Sea into a wider thematic and geographical context. It lists the government's White Paper on an Ocean policy and its new national Arctic strategy of April 2017 in which environmental protection and sustainability in the High North play important roles. This underlines clearly that the Baltic Sea cannot and should not be regarded and treated in isolation since environmental impacts also derive from adjacent areas and seas.

## 5. Synopsis and suggestions

Overall, the submitted statements demonstrate that the responding governments have taken the 25<sup>th</sup> BSPC Resolution seriously. They generally signal a noteworthy effort to provide a satisfying account of how the governments have tried to implement the Resolution's calls for action. However, we believe that the statements suffer from several weaknesses.

In terms of format, it is obvious that there are differences between the submitted statements both regarding length as well as thoroughness. While a certain variability is necessary and suitable to provide a rich picture of the multi-faceted cooperation in the Baltic Sea Region, we do believe that future statements would benefit from some **standardisation**. In our eyes, a statement does not strictly need to address each and every paragraph but it ought to provide a comprehensive overview of the projects and programmes in each priority area. Moreover, particularly informative are those statements which include different responses from the responsible ministries of the respective government regarding certain activities. It would thus be desirable if the governments' statements could strive for more standardisation towards comprehensiveness and quality in the future.

Second, the governments mostly list activities which have been carried out in the past in the national context. This focus certainly helps to get a better understanding of the developments in the region but exposes two shortcomings. On the one hand, what is most interesting in the context of the BSPC are the projects which are launched and implemented across borders. The listing of national activities should therefore be more complemented by **transnational initiatives**. On the other hand, the statements concentrate too much on existing and previous activities, some of which even date a long time back. It is likely that Parliamentarians already have knowledge of many of these regional initiatives. Instead, we believe that the governmental

statements should also feature intentions and plans for **future activities**, as concretely as possible. This would also fit the character of many paragraphs of the Resolution which could, and should, be understood as calls for future action. In several cases governments express their general support for activities and/or institutions. But they do not explicitly state what measures already have been implemented and what they think to contribute towards the goal of making them stronger in the medium to long term. Thus, the responses hardly reveal visions for the future and in many cases a low level of ambition only.

Third, the statements almost exclusively emphasise successful projects and programmes. While this focus is understandable in the governments' logic, we believe that a full picture of the Baltic Sea cooperation needs to include the failures too. Often, these **negative experiences** tell us more about prevailing challenges and point to areas where improvement is needed the most. We thus argue that the statements should complement success stories with initiatives which encountered serious problems and/or failed altogether.

Fourth, given all the numerous interesting activities which are given attention in the statements, it is sometimes equally interesting what is not mentioned. We find it especially peculiar that hardly any statement addresses the current **fraught political climate** around the Baltic Sea Region. The Resolution itself addresses this issue by referring to necessary steps "to re-establish mutual trust and dialogue" (Paragraph 2). We explicitly reject the idea of politicising every successful local and cross-border activities. But we encourage the statements to be fully aware of the general political climate and be more explicit about the ramifications of the changed environment, where it causes challenges, and elaborate how the existing cleavages could be overcome.

Finally, the responses overall provide a useful and fairly comprehensive overview of initiatives and actions on various levels - national, regional, sub-regional and EU - in specified policy areas across the Baltic Sea region. But they could be more explicit about the **thick interconnectedness** of the various levels. Even national actions are more and more embedded within a wider regional and/or EU context. In this regard, the EU Strategy for the Baltic Sea Region is also mentioned frequently in connection with many activities. We believe that the governmental statements would become more informative and provide the necessary impetus to further action, if they factor in these interlinkages and interdependencies more systematically.