



10. Sustainable Development Goals and Baltic 2030

What is this?

This is a memo to be presented and discussed during the Executive Committee meeting of CPMR BSC in January 2017. It includes an annex that gives a brief overview of the SDG:s and the territorial approach to human development policies. It includes argumentation of why this is a relevant area for the regions in the Baltic Sea and it includes recommendations for the Executive Committe to further discuss.

Why should Baltic regions engage in SDGs implementation?

1. The SDGs vision can help Baltic regions further their efforts towards prosperity, social cohesion and environmental protection. Besides, the integrated and interconnected nature of the SDGs brings opportunities for multi-stakeholder partnerships with like-minded governments and other stakeholders within and beyond the Baltic area.
2. The SDGs have placed cities and regions in the international radar as places of opportunity for people, planet, prosperity and partnership. The programming, planning and budgeting departments of governments at all levels, development agencies, philanthropies, the private sector and academia are preparing for implementation.
3. Both SDG 11 on Cities and Human Settlements, as well as the movement for the localisation of the other 16 SDGs, are drawing increased attention to the potential of working with local and regional governments. Recent research commissioned by the German Agency for Cooperation (GIZ) has concluded that some 21% of the 169 targets set by the SDGs can only be implemented by local and regional governments, an additional 24% should be implemented with local and regional governments and a further 20% should have a much clearer orientation towards local stakeholders (Misselwitz et al., 2016).
4. The unprecedented level of engagement by civil society organisations and academia during negotiations towards the SDGs – including some prominent actors from the Baltic area such as the Stockholm Environment Institute, with offices in Stockholm and Tallin, among other locations – offers considerable intellectual, civil society mobilisation and social innovation assets ready to tap into. It equally implies that these actors have high expectations in terms of implementation strategies, multi-stakeholder partnerships and monitoring initiatives to be carried out by their governments. In some circuits, there is talk about the need to rekindle the spirit of the Agenda 21 of 1992 and revisit the Local Agenda 21 movement it triggered.

5. National governments are currently in the process of elaborating national implementation plans and will be confronted with the enormous double task (i) of ensuring policy coherence across their departments and (ii) of reaching out to regional and local governments for collaboration and coordination. The national governments of Germany, Norway and Poland actively engaged in the intergovernmental process towards the SDGs from the origins of the process (as members of the original Open Working Group on SDGs). At the UN, since 2012 Sweden has been co-chairing jointly with Singapore an informal and voluntary group of some odd 30 countries particularly interested in urban and territorial approaches. The government of Germany has been particularly active in Habitat III (as a member of the Bureau). All these countries, including Finland, are traditional champions of local and regional governments recognition and empowerment in UN intergovernmental negotiations in the area of sustainability.

6. CBSS (Council of Baltic Sea States) has an Expert Group on Environment & Sustainability. CPMR Baltic Sea Commission is, together with representatives of the MS and other pan-Baltic organisations, invited to participate in the Expert Group. In summer 2016, the mandate of the Expert Group was set to:

In order to achieve the overall mission, the EGSD shall perform the following tasks:

- Develop a new Sustainable Development Agenda for the Baltic Sea region post 2015 as recommended by the Council of the Baltic Sea States in June 2014, and follow-up its implementation;
- Facilitate, support and promote macroregional engagement in the 2030 Agenda for Sustainable Development and the operationalisation of its goals and targets;
- Support the implementation of Sustainable Development Goals (SDGs) by fostering coordinated SD governance and related activities of stakeholders in the Baltic Sea Region, taking into account the EU Strategy for the Baltic Sea Region; the Strategy for the Social and Economic Development of the North-West Federal District of the Russian Federation and other relevant regional strategies and action plans.
- Strengthen sustainable development governance in the Baltic Sea Region through mutual learning, by exchanging and dissemination of best practices, e.g. through the instrument of voluntary peer reviews
- Continue to foster synergies among relevant CBSS expert groups, BASREC, VASAB, HELCOM, etc. in their work on 2030 Agenda.

7. The European Commission (EC) published in November 2016 a Communication (COM(2016) 739 final) titled "Next steps for a sustainable European future - European action for sustainability" that commits the EU to be a frontrunner in implementing the SDGs, together with its Member States and in line with the principle of subsidiarity (page 3 in fine). The EC equally pledges to provide as of 2017 regular reporting of the EU's progress towards the implementation of the 2030 Agenda. As of 2017, all EU member states will also provide individual progress reports directly at the UN at the annual High-Level Political Forum. The Communication highlights that a series of essential challenges to preserve the European social model and social cohesion are inextricably connected to the SDGs, namely: investment in young people; inclusive and sustainable growth; inequalities reduction, migration management; responsible fiscal policies and reforms to strengthen healthcare and pension systems; natural capita preservation; transition to a low-carbon, climate resilient, resource efficient and circular economy; research and innovation for challenges to become opportunities for new businesses and new jobs (page 2). At the same time, the EC underscores that the sustainability paradigm requires a holistic and cross-sector policy approach and that therefore it is ultimately an issue of governance and policy coherence. Last but not least, the EC underscores that Agenda 2030 will further catalyse a joined-up approach between the EU's external action and its other policies, as well as coherence across EU financing instruments (page 3 in fine).

8. The EC presents the EU implementation of the SDGs as a task with two work streams. The first one deals with identifying the most relevant sustainability concerns for the EU and with assessing where do current EU policy

frameworks, European Commission priorities and financing programmes stand vis-à-vis the SDGs. This is addressed by Communication COM(2016) 739 final and its accompanying Staff Working Document (SWD (2016) 390 final (of which a concise summary is contained in the Communication, pages 4-7). With a second work stream, the EC plans to launch a reflection on the longer-term vision and sectoral policies focus after 2020. The next Multiannual Financial Framework beyond 2020 will also reorient EU budget's contributions towards these EU's long-term objectives (page 3 in fine). Besides, the EC will launch a multi-stakeholder Platform for follow-up and exchange of best practices on SDG implementation across sectors, at Member State and EU level.

9. The universal nature of the SDGs is bringing about change in the area of financing for development. While it is understood that the centrality of Official Development Assistance (ODA) has come to an end and that the mobilisation of domestic resources by each country will be essential for the achievement of the SDGs; there is also a call to action to encourage new approaches for North-North, North-South, South-North and South-South decentralised cooperation among local and regional governments. This is unlikely to go unnoticed by regions and cities in the Baltic area, traditionally very active in this front. There is also an urgent call to encourage the engagement of the private sector in the implementation of the SDGs. This will confront national, local and regional governments in the Baltic with increased attention to questions that have long-term agitated social activists. How to engage the private sector in SDGs action areas without compromising the public nature of the Agenda and while ensuring full accountability? How to reinvent public-private-partnerships for the provision of public services and utilities in order to guarantee that all sides of the partnership are sufficiently capacitated to be on equal foot during the negotiation, implementation and termination of the partnership?

Recommendations to the Executive Committee of the CPMR Baltic Sea Commission

(this is for discussion during the meeting in January, to be developed and decided upon in the next Ex Com meeting.)

- **Recommend to the Baltic Sea Commission's General Assembly the incorporation into the Commission's work programme the implementation and monitoring of the SDGs as a key action area.**
 - **Encourage and support member regions to define their own priorities and strategies within this global universal Agenda in collaboration with national and local governments; as well as through participatory approaches that involve civil society, the private sector, philanthropies and academia in their territories.**
 - **Engage actively in the ongoing work of EU institutions towards the launch of a reflection on the longer-term vision and sectoral policies focus after 2020, including the reorientation of the next Multi-annual Financial Framework beyond 2020 and the launch of a multi-stakeholder Platform with for follow-up and exchange of best practices on SDG implementation.**
- **Confirm and reinforce the mandate of the Baltic Sea Commission Executive Secretary, as well as of the services of the general secretariat of the CPMR, to seek policy advocacy, partnership and funding opportunities for member regions relevant to the implementation of the SDGs at the regional and local levels.**

Annex 1:

BACKGROUND Sustainable Development Goals

A universal, integrated and interconnected human development agenda

The 2030 Sustainable Development Agenda was adopted in September 2015 in New York, USA, at a historic United Nations (UN) summit of heads of state and government. The 2030 Agenda consists of 17 Sustainable Development Goals (SDGs) and 169 associated targets, which the international community pledged to achieve by 2030. The SDGs are a global and universal call to action to end poverty, reduce inequalities, protect the planet and ensure that no one is left behind; and ultimately to shift the world towards a more sustainable path.

The SDG's build upon the lessons, carry on and widen the objectives of the previous global development agenda: the so-called 8 Millennium Development Goals.

At the same time, there are important differences between the 8 MDGs and the 17 SDGs, namely:

- The SDGs are global in nature and universally applicable. The MDGs exclusively targeted developing countries; whereas poor, rich and middle-income countries are expected to take ownership and establish a national framework to achieve the 17 SDGs.
- The MDGs primary goal was to eradicate hunger and extreme poverty in all its forms. The SDGs configure an integrated agenda with broad scope in which synergies across economic development, social justice and environmental protection are on equal foot. The traditionally separate “environmental” and “developmental” tracks to human development policies come together in the SDGs in a new vision that pursues not any type of human development, but one anchored in sustainability.
- The SDGs are interconnected. Often the key success in one will involve tackling issues more commonly associated with other. In this line, it is often said that while the MDGs focused on the symptoms of an ill world, the SDGs are conceived to tackle the root causes of the illness.



The territorial approach to human development policies

SDG 11 “To make cities and human settlements inclusive, safe, resilient and sustainable” and its associated targets were once thought of a pipe dream and today represent an unprecedented international recognition of the essential territorial approach to human development. Besides, it is commonly accepted that that the localisation all other 16 SDGs is sine qua non for achieving the overall Agenda.

Targets:

- 11.1 on housing and basic services
- 11.2 on transport
- 11.3 on planning and management
- 11.4 on cultural and natural heritage
- 11.5 on disaster risk reduction and preparedness
- 11.6 on environmental impact, including air quality and waste
- 11.7 on green and public space
- 11.a on links between urban, peri-urban and rural areas
- 11.b on integrated policy-making and planning
- 11.c on support to least developed countries for sustainable and resilient buildings

All in all 2015 was an extraordinary year for multilateral agreements in the field of human development. Alongside the SDGs, the international community also adopted new global frameworks on disaster risk reduction (Sendai Framework), on financing for development (Addis Ababa Action Agenda) and on climate (Paris Agreement) – all of them featuring substantive urban and territorial approaches.

To complete the increasing international focus on cities and regions, the UN Conference on Housing and Sustainable Urban Development (Habitat III) held from in October 2016 in Quito, Ecuador, adopted the New Urban Agenda. Habitat III marked the third edition of the 20-year cycle of global agenda-setting in the field of urban development and housing. The New Urban Agenda sets a vision for human settlements that fulfil their territorial functions across administrative boundaries, and act as hubs and drivers for balanced sustainable and integrated urban and territorial development at all levels.

- The Secretariat of the CPMR Baltic Sea Commission should continue following the process closely and support the MA Network to spread the information to regions on the Pilot of Clean Tech During Spring 2017.
- That the Region Västerbotten, involved in the Pilot and also the lead-applicant of a current seed-project application of the Interreg BSR will, together with interested regions formulate a proposal on how the CPMR and the regional level could continue being involved in this process in the future.

MANAGING AUTHORITY NETWORK - BACKGROUND

The EUSBSR ERDF Managing Authority-network (MA-network) was formed on the 19th of May 2016. Since this meeting the network has met twice during fall 2017. Next meeting is not decided yet.

The MA network has agreed to jointly explore the opportunity of transnational collaboration funded by the ERDF Objective 2 programmes. The ambition is to increase the geographical flexibility of ERDF funds allocated to a NUTS 2 level, in order to better contribute to the implementation of the EU Strategy for the Baltic Sea Region.

The CPMR Baltic Sea Commission has been invited to all the meetings. The meeting in November, Executive Secretary presented the reports on Blue Growth that the Maritime WG of the CPMR Baltic Sea Commission has

done during 2016. During this meeting, the MA- network decided to proceed by matching the needs of the mapping CPMR had done with a joint call for some of the member states.

The MA-network has agreed on the following initial focus of their collaboration:

Policy Area in focus:	PA-Innovation
Innovation policy applied:	Regional Smart Specialisation Strategies
Topic for pilot:	Clean-tech.

The aim is to deliver, during spring 2017:

- A pilot on Clean tech that will help to create a joint call on smart specialization, launched at EUSBSR Annual Forum 2017

PILOT CLEAN TECH

From the notes of the November meeting:

"Pilot initiative on co-operation in clean tech, Jonas Lundström, Peter Hedman

Peter Hedman, project Cleaner Growth and Jonas Lundström, Acting Head of Enterprise, Innovation and Social Development Region Västerbotten, presented the latest regarding the progress on the pilot action. Peter Hedman started by reminding on actions decided during previous meeting of the MA network. One of the issues members of the MA network were asked to do was a mapping of appropriate projects and organizations to participate in a pilot by making an inventory of ongoing operations with similar set of activities as outlined in the Cleaner Growth description.

An application for a transnational component is planned to be sent in the week after the meeting. The project is in contact with a desk officer at the Swedish MA, Swedish Agency of Regional and Economic Growth (Tillväxtverket) and the ambition is that a simplified decision process will be used.

The pilot project is planned to run from January to August 2017. One of the main objectives are to establish a network of clean tech clusters in at least three regions from three different countries in the Baltic Sea Region should be established. The pilot also foresees a continued development of partnerships between clean tech clusters being established with funds from the respective ERDF program through the transnational component or equivalent.

Jens Sörvik, European Commission Smart Specialization platform, pointed out that clean tech should be spelled out in the smart specialization strategies. The consensus in the group is that the aim to try to elaborate a network should be enough and a goal on its own due to the nature of the project as a pilot. The aim should be, as decided earlier at the meeting, a twostep approach:

clean tech pilot action -> launch a call at strategy forum in Berlin.

FI: Finland has sent in a list with identified projects and organizations. There is no transnational component in Finland but the MA is looking into the possibility with article 70. Finland has one operational programme.

EE: Estonia has identified some topics and relevant projects. Clear values and goals needs to be set up. Estonia will provide a short list with relevant actions after the meeting.

LT: Lithuania has a list of potential partners identified. The ministry is responsible for both RIS3 and clean tech bodies. Lithuania will narrow down the list to bodies working with smart specialization and clean tech.

LV: Latvian members of the network were unable to join the meeting but has sent in a written update. Latvia has one operational programme. Latvia is still in an early phase of implementation therefore it is not possible to name specific projects and/or actors that are appropriate to take part in the pilot initiative. They are interested to provide this information as soon as it is available and to participate as soon as the relevant actors can be identified.

Summary and next steps:

New and updated lists of possible partners/bodies should be sent to Peter Hedman and Anders Lindholm. Estonia and Lithuania will get back with new/revised lists.

Region Västerbotten will submit an application for a piloting within a couple of weeks.

The aim of the pilot is to meet and discuss the joint needs of clean tech in the Baltic sea area. The pilot will arrange 2 meetings and a matchmaking until June 2017. More narrow list on identified actions/organizations are needed from each country. The shortlists provided will be used in the pilot. The pilot should be seen as funding to create a joint call.”