CPMR Baltic Sea Commission Executive Committee
Minutes

WEDNESDAY 15 JUNE 2022 | 08:45 – 12:30 CET

Venue: Clarion Hotel & Congress SeaU Kungsgatan 1, 252 21 Helsingborg

Approved by the BSC Executive Committee, 15 September 2022

During its meeting on 15 June 2022, the Executive Committee approved/agreed:
- The Agenda of the Executive Committee with two changes;
- The Minutes of the Executive Committee held on 8 March 2022;
- The process to approve the letter to Hans Dahlgren by written procedure;
- The Chair/Vice-Chair of the BSC Energy Working Group will be the BSC representative in the CBSS Expert Group on Sustainable Development;
- The intermediary Financial Report for 2022 and the draft Forecast Budget for 2023;
- A short meeting of the BSC Executive Committee to discuss the General Assembly will be held on 13 September 2022 (10.00 – 11.30).

Opening session

Mr Jari Nahkanen, President of the CPMR Baltic Sea Commission, opened the meeting. He thanked Region Skåne for hosting the meeting and welcomed participants to the physical meeting of the BSC Executive Committee. He noted that the geopolitical situation had changed enormously since the last meeting of the Executive Committee in March and stressed that Finland and Sweden have applied for NATO membership. The increased military cooperation will impact on Baltic Sea cooperation.

Mr Pontus Lindberg, Member of the Regional Council of Skåne and Vice-Chair of the BSC Energy and Climate Working Group, welcomed the BSC Executive Committee to Region Skåne and agreed it was great to meet in person once again.

Approval of the Agenda

Mr Jari Nahkanen suggested two changes to the agenda. As Mr Tomas Mörtsell would arrive later, he suggested that agenda item 3 (letter to the Swedish Minister), be addressed later in the meeting, and as Mr Markku Markkula couldn’t come to Helsingborg, Mr Pontus Lindberg, in his capacity as Vice-Chair, would provide the update from the BSC Energy and Climate Working Group.

The Agenda was unanimously approved with these two changes.

Approval of the draft Minutes of the Executive Committee meeting held on 8 March 2022. The minutes were unanimously approved.
Tour de table

The members of the Executive Committee provided a brief update on the current situation in their region.

Mr Evert Kroes (Region Stockholm) apologised for the absence of Mr Gustav Hemming who was unable to attend. Region Stockholm is working to help refugees from Ukraine which are mostly women and children. He noted the difference from 2015 and acknowledged that they hope to return and rebuild their country. All cooperation and agreements with Russia have been closed.

Mr Harry Bouveng (Region Stockholm) added that as Mayor, there were around 300 refugees a day arriving in his town but already they are going back and the expected numbers are not becoming a reality, rather the numbers are decreasing.

Mr Janne Tamminen (Region Helsinki-Uusimaa) apologised for the absence of Mr Otto Meri who was unable to attend the meeting. The situation in Ukraine is on the Region’s agenda, and although it does not have major competences in this area, it is cooperating with other bodies. There will be plenty of employment opportunities for refugees during the summer and opportunities for young people and children. Agreements with Moscow Oblast Duma ended at the end of last year and the office in St Petersburg has been closed. Bilateral contacts have resumed with Tallinn after the pandemic and existing cooperation with municipalities around Tallinn have started up again. Helsinki EU office in Brussels would celebrate its 25th anniversary the next day. The Region of Helsinki-Uusimaa has been nominated as EER (European Entrepreneurial Region) of the year so there will lots of events in relation to this. He noted that he had participated in the Eurocities conference the week before in Espoo.

Ms Hanna Honkamäki (Region Oulu) mentioned that the Region of Oulu recently met with the Barents cooperation.

Ms Sonja Palhus (Region SouthWest Finland) noted the interesting times in SouthWest Finland as the Baltic Sea Interreg programme will decide on the information point, and Turku is hoping to be successful. She noted that there had been quite a lot of changes in the Board, and informed participants that very sadly Mr Ilkka Kanerva had passed away.

Mr Petri Tolmunen (Region Kymenlaakso) reminded participants that his Region is close to the Russian border, and there have been lots of discussions on security issues, mobility and data. The Region has stopped all collaboration with Russia and the border is closed. The Region currently has lots of collaboration with Estonia. He noted that there are big export ports in Region Kymenlaakso, so there have been changes in logistics and TEN-T in Finland, which is also very important.

Mr Jonas Lundström (Region Västerbotten) spoke on behalf of Mr Tomas Mörtsell who was still travelling to the venue. He mentioned the consequences of the Russian invasion of Ukraine on the Barents cooperation and the Arctic Council, and noted that everything is on hold. It is expected that in the autumn there will be major discussions on Arctic cooperation, which is important not just for regions in the Arctic but also for the whole of Europe. He stressed the major geopolitical challenges being faced. Sweden and Finland have applied for NATO membership, and they have lots of military bases. He noted that lots of work to increase military defences can be seen. He mentioned there is high demand on the work force and investments on industrial transition. It was pointed out that it is hard to get people for the jobs that are created and there is mounting pressure on the local economy. Municipalities have difficulties recruiting as salary levels cannot be met so there are lots of challenges for municipalities as well as regions.
**Policy session | Increased energy needs today and in the future - how can a region take on this challenge?**

Region Skåne has met the challenge in the energy area by starting an Effect Commission for an intensified and broadened collaboration ahead of the electrification that is now taking place in several sectors. The aim is to enable the right proactive steps to be taken, the right cooperations to start and the right decisions to be made. The regions can be one of the important actors in society who takes responsibility for creating a foundation that makes the transition to clean energy and sufficient grid capacity a success.

**Ms Anna Jähnke**, Chair, Regional Development Committee, Region Skåne, introduced the Effect Commission in Skåne, which is a future-oriented cooperation. She highlighted the increased energy needs and explained how the Region can take up this challenge. Colleagues from Region Skåne, who would provide insight on how it works in Skåne during the session, were introduced. She provided information on the Region and noted that this is a big topic for Region Skåne. Possibilities for the energy system are increased and she addressed the electrification of transport. She pointed out that Region Skåne has a vision and specific set goals. She provided information on a number of suggestions of what can be achieved together to meet power needs and emphasised the need for both long-term and short-term activity.

**Mr Jens Sörvik**, Head of Unit, Energy and Health, Regional Development, Region Skåne, addressed energy challenges faced by the Region and the specific activities in the Skåne Power Commission (see presentation). He presented figures to demonstrate the increase in energy prices in southern Sweden which is also due to the closure of power plants. Norway has started getting energy from the UK and Germany so there has been a shift in energy flows and the market. This has created challenges and exacerbated the energy crisis. He explained how energy prices are affected by the gas prices in Germany and the lack of wind or sun. Figures on the bidding zones and the effects on prices in the different zones were presented. There was a discussion among members on nuclear power. He noted that upgrading the electricity network takes time (around 5 to 10 years) and there is a lack of capacity at different levels. Historically networks have been built in line with an increase in demand. He pointed out that power peaks will become higher and more irregular and volatile. He explained how digital knowledge is gathered into one regional scenario and the strengths of the model.

Mr Wolf Born asked if the model was already in place.

**Mr Jens Sörvik** replied that it is currently being built and expressed the hope to establish it as the standard Swedish way as it is being pitched to become the national standard.

**Ms Anna Jähnke** stressed that this has been achieved over one year and there is a national level, regional level, and local level, and, although they are not speaking to each other yet, the three levels must be connected in order to see electricity needs for the future. She noted it is also a big European question.

**Mr Jonas Lundström** agreed this is a big national problem. There is a lack of electricity production, and there are costs in transmission, if power is produced and transported far away, power will be lost. He addressed the lack of capacity between the north and south of Sweden and stressed the need to strengthen transmission lines between the north and south. Why have 4 different areas of costs is a political issue to be debated.

**Ms Britt Karlsson Green**, Strategist, Region Skåne, introduced the next steps in the transition in the heavy transport sector (see presentation). She explained how the Region can support the transition, which is needed in many sectors including industry and transport.
The forecast for new car sales for 2025 was introduced and she pointed out that demand needs to be met. It was noted that the Region has taken on the role of Task Force for the electrification of the transport sector and provided information on this which started one year ago. A physical meeting is planned for August and open to everyone. The aims of the Task Force were presented, including to build a neutral platform to drive and support development and bring stakeholders together. The project REEL was introduced to participants, which was initiated in 2021 and focuses on regional heavy transport. She concluded by explaining what else is happening in the Region in relation to transport and highlighted that last week the European law-makers voted to support an effective EU ban on the sale of new petrol and diesel cars from 2035.

Mr Per Tryding, Vice-President and Policy Manager, Chamber of Commerce and Industry of Southern Sweden presented the role and needs of companies in the transition. He discussed 3 points:

1. How industry views the electricity situation, what the challenges have been and will be;
2. Background information on how EU rules for the energy market work, as only then can the unique policy set up in Sweden, which is not sustainable or practiced according to the rule book, be understood;
3. How to get out of this difficulty, what can be done?

He stressed that those with large fleets of vehicles or manufacturers are hit harder. He explained that it was known that the challenges were coming 10 years ago, and the Swedish power grid authority published a report on the future risks. Therefore, it has not come as a surprise, but the effects have only started to kick in over the last 5 years. Now there are short cuts in the grid, which is very problematic and there are not always sufficient systems. He mentioned the serious problems it can cause in production and presented the example of a toothbrush manufacturer. Reliable electricity has been one of the sure ingredients for industrial Sweden, and now it has gone. He explained the definition of bidding zones and the system of levelling out prices. Wind and solar energy are the only two types of energy being planned currently. Regarding offshore wind parks, beyond the reach of the city limits, several are under way and can produce lots of energy. He concluded that another potential solution is to build grids, not land grids, but under water.

There was a discussion among members on the potential solutions and how to meet future demand.

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BSC Letter to Hans Dahlgren, Minister for European Union Affairs

Mr Tomas Mörtsell, BSC Vice-President, Region Västerbotten presented a draft letter to Mr Dahlgren, Minister for European Union Affairs.

Discussion and vote on the letter.

Mr Evert Kroes thanked Mr Mörtsell for the letter. Region Stockholm proposed slight changes to the letter to connect what the BSC underlines as important with 4 of the 5 lines of the Swedish Presidency. In order to incorporate the general political direction of the Swedish Presidency he presented the specific changes to the letter.

Ms Lucille Ehrhart noted that she will incorporate the changes from Region Stockholm and invited all other regions to submit any amendments to the BSC Secretariat. She explained the process:

- Regions will have until 24 June to submit written amendments to the letter;
- The amended letter will be sent for approval to the Executive Committee;
- Executive Committee members will have one week to react to the amended version;
- The final version will then be sent out.

The process to approve the letter to Hans Dahlgren by written procedure was unanimously approved.
Update from the BSC Secretariat

Ms Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission provided an update on the recent activities of the Baltic Sea Commission. She thanked the host region of Skåne for the welcome and organisation. Regarding policy work, she noted the discussion on the future of Cohesion Policy has already started. It is important that the BSC regions are aware of the debate and already contributing at this early stage. Jari Nahkanen represented the BSC in a meeting last week on Cohesion Policy, which was a good opportunity to promote the views of BSC regions on this issue. A pilot action for regional innovation has been launched by the Committee of the Regions. The BSC supported this pilot action which has just been approved. The regions will be kept informed on this issue. The EUSBSR Annual Forum will be held after the BSC General Assembly in Lappeenranta and Baltic Sea Commission member regions are encouraged to attend. The BSC is contributing to the event and the speaking slots for politicians will be confirmed soon.

A brief update was given on cooperation with other pan-Baltic organisations, including CBSS and BSSSC.

A decision was made on who will be the BSC representative in the CBSS Expert Group for Sustainable Development, and it was suggested that the Chair or Vice-Chair of the BSC Energy Working Group takes up this role as Co-Chair of the CBSS EGSD.

Mr Pontus Lindberg agreed, and the proposal was approved.

Feedback from the CPMR Political Bureau held in Barcelona was provided, and it was noted that the BSC was well represented in all policy sessions. Civil servants from the BSC regions were encouraged to attend the CPMR Political Bureau the following day and actively participate in the meetings of all BSC and CPMR Working Groups. She informed participants that Mr Nicolas Brookes, CPMR Executive Director, will leave the CPMR at the end of June.

Contact with potential new members and work to consolidate current membership was also addressed.

Report on the BSC policy areas

6.1 Mr Harry Bouveng, Vice-Chair of the BSC Maritime Working Group, Region Stockholm, gave a report on the activities of the Working Group (see presentation). He provided feedback on the online meeting of the Working Group held on 28 April 2022 and noted that the Working Group has been invited to the European Commission brokerage event on coastal tourism that afternoon. The Region of SouthWest Finland has kindly invited the Working Group to a physical meeting in the autumn.

6.2 Mr Pontus Lindberg, Vice-Chair of the BSC Energy and Climate Working Group, (Region Skåne) noted that it was easier to get members to participate but there needs to be work to ensure the sessions are more interactive and to get the debate flowing. He highlighted that forests are a big question and gave feedback from the online meeting focusing on the increased use of bioenergy in order to mitigate climate change and meet the energy demands in an unstable energy market held on 26 April 2022.

6.3 Mr Bosse Andersson Chair of the BSC Transport Working Group, Region Stockholm, gave details of the recent activity of the group (see presentation). He noted that the military participated for the first time in a meeting, which started a discussion. He noted that the group organised a joint seminar with the CPMR North Sea Commission and BSC members participated in the CPMR Transport Working Group meeting on 8 June. The group met on 23 March and will meet again in Stockholm on 23 and 24 November and the objective of the meeting will be to increase awareness and understanding of alternative fuels in the transport sector, with a mix of study visit and speeches.
6.4 Mr Tomas Mörtsell (Region Västerbotten) Chair of the BSC Arctic Task Force, reported on the recent work of the Task Force, including feedback from the SErica conference held on 1 June 2022 with participants from all over Europe including the Faroe islands and Catalonia. He introduced a briefing paper from the European Parliament “EU Regional Policy in the Arctic” that mentions the BSC and recognises the work of the Arctic Task Force.

Preparation of the 2022 General Assembly of the CPMR Baltic Sea Commission

Ms Lucille Ehrhart informed participants that the General Assembly will be held on 26-27 September 2022 in Helsinki. She encouraged participants to book their hotel accommodation as soon as possible in order to benefit from special rates. The draft agenda was introduced, and it was stressed that the exact timing has not yet been confirmed. Participants were reminded that this year’s General Assembly will include the election of the President and nomination of the two Vice-Presidents and Executive Committee members. The Final Resolution was presented, and members were invited to submit their comments and amendments. The draft Final Resolution will then be presented to the General Assembly for approval.

Mr Janne Tamminen confirmed that more information will be available once the flight schedules are available for autumn and reiterated the importance to book hotel rooms as soon as possible.

Mr Wolf Born asked an open question on the length of the Final Resolution and if it needed to be so long.

Ms Sonja Palhus and Mr Evert Kroes agreed a shorter and more pertinent document is more effective.

Mr Jari Nahkanen confirmed that he will not be standing for President at the General Assembly.

Future of the BSC Secretariat

Mr Jari Nahkanen informed participants that Region Västerbotten has confirmed its willingness to continue to host the Secretariat and to extend the contract of Lucille Ehrhart for 2 years.

Mr Evert Kroes noted that the decision was made to have the Executive Secretary based in Brussels and that there has already been a discussion on the professional solution for the Secretariat to be based in Brussels hosted by a region and not connected to the Presidency. He asked if the Finnish delegation wish to reopen the discussion on this solution.

Mr Wolf Born noted that the extension to the contract of Lucille is not for discussion, only who is going to be the host region. He queried whether it needed to be discussed.

Mr Tomas Mörtsell reminded participants that Västerbotten was happy to continue hosting the Secretariat for the next 2 years and the only item for discussion is the Presidency.

Mr Janne Tamminen noted the history of the Presidency and Secretariat coming from different countries and reiterated that as Sweden and Finland have the largest delegations, they should have more responsibility.

Mr Wolf Born noted that it creates more problems by opening up the question of where the Secretariat is based and whether it is held by CPMR.

Ms Hanna Honkamäkilä clarified that it was not on the table as to whether there is a hosting region.
Mr Jari Nahkanen asked if all Swedish regions share the same opinion.

Mr Evert Kroes noted that the Swedish regions will meet after the meeting to discuss this issue. He agreed that the question for the Secretariat to be part of CPMR has already been discussed and is not open for discussion. The only discussion is on which region shall have the Presidency. He remarked to Wolf Born that it would be nice to have a nomination from Germany. There should be no relation between who has the Presidency and the Secretariat, as the Secretariat is administrative, and the Presidency is political. The Finnish delegation is welcome to take over the Presidency. It does not mean a new Secretary is needed just that the position will be managed by a different region.

Mr Bosse Andersson supported the comments from Mr Kroes.

Mr Jari Nahkanen noted that the Finnish delegation will meet today and could discuss this issue.

Mr Wolf Born noted the only way to resolve this is to have proposals from a hosting region, and asked if it should be within the Executive Committee or if it should be opened to all member regions? He noted that all regions were happy with the host region Västerbotten.

The Swedish delegation and the Finnish delegation would meet individually to discuss this, and this point would be resolved after both their meetings.

Financial documents

Mr Tomas Mörtsell, BSC Vice-President and representative of the host region of BSC Secretariat, Västerbotten, presented an update on the intermediary Financial Report 2022.

The intermediary Financial Report for 2022 was unanimously approved.

The draft forecast budget for 2023 was presented.

The draft forecast budget for 2023 was unanimously approved.

Closing session

Any other business
There was no extra business to be discussed.

Next Executive Committee meeting
It was agreed that a short meeting of the BSC Executive Committee to discuss the General Assembly will be held on the morning of 13 September (10.00 – 11.30).

Calendar of the year
Ms Lucille Ehrhart reminded participants that the timetable of events is available online and is constantly being updated.

Closing remarks

Mr Jari Nahkanen thanked the host Region Skåne, Mr Pontus Lindberg and Ms Carin Peters for the excellent organisation of the meeting. He thanked the members of the Executive Committee and the Chairs and Vice-Chairs of the Working Groups for their work and commitment to strengthen regional cooperation. He reminded participants of the DG MARE Brokerage Event taking place that afternoon and the CPMR Political Bureau the next day, that they were invited to attend.
BSC Executive Committee 15 JUNE 2022

CPMR Baltic Sea Commission Executive Committee
List of participants

Members of the Executive Committee
Jari Nahkanen, President of Baltic Sea Commission, Oulu Region
Tomas Mörtsell, Vice-President of the Baltic Sea Commission, Region Västerbotten
Pontus Lindberg, Chairman Human Resource Committee, Region Skåne
Wolf Born, Head of Unit "Baltic Sea Cooperation", Mecklenburg-Vorpommern / Ministry of Science, Culture, Federal and European Affairs
Petri Tolmunen, Senior Advisor, Regional Council of Kymenlaakso (representing Sami Virtanen)

Working Group Chairs/Vice-Chairs
Bosse Andersson, 1st Vice-President Regional Assembly, Region Stockholm
Harry Bouveng, Councillor, Region Stockholm

Supporting officers
Eva Englid, Regional Planner, Climate Unit, Region Stockholm
Hanna Honkamäkilä, International Strategist, Region Oulu
Britt Karlsson-Green, Strategist, Region Skåne
John Kostet, Senior Adviser, North Sweden European Office (Jämtland Härjedalen, Västerbotten, Norrbotten)
Evert Kroes, International Strategist, Region Stockholm
Jonas Lundström, Head of Enterprise, Innovation and Social Development, Region Västerbotten
Carin Peters, Senior Advisor, Region Skåne
Fanny Pettersson, Senior Official, Region Stockholm
Sonja Palhus, Manager of International Affairs, Regional Council of SouthWest Finland
Janne Tamminen, Senior Adviser, Helsinki-Uusimaa Regional Council

Invited speakers
Anna Jählenke, Chair, Regional Development Committee, Region Skåne
Jens Sörvik, Head of Unit, Energy and Health, Regional Development, Region Skåne
Per Tryding, Vice-President and Policy Manager, Chamber of Commerce and Industry of Southern Sweden

Observers
Roland Engkvist, EU Coordinator and International Officer, Region Gotland

Secretariat
Lucille Ehrhart, Executive Secretary, CPMR Baltic Sea Commission
Clare Booth, Policy Assistant, CPMR