Increased regional cooperation for a sustainable, connected and stable Baltic Sea Region

MONDAY 26 SEPTEMBER 2022

On the morning there was a guided visit of Helsinki City Library “Oodi”.

List of participants available here

During its meeting on 26-27 September 2022, the Baltic Sea Commission General Assembly approved:

- The Agenda of the Baltic Sea Commission General Assembly;
- The Minutes of the Baltic Sea Commission General Assembly held online on 23 September 2021;
- The Baltic Sea Commission Activity Report 2021-2022;
- The Baltic Sea Commission Resolution 2022;
- The Financial Report for 2021;
- The intermediary Financial Report for 2022;
- The draft Forecast Budget for 2023.

Opening session and institutional welcome

Mr Markku Markkula, Chair of the Board of Helsinki-Uusimaa Region and Chair of the BSC Energy and Climate Working Group welcomed participants and opened the General Assembly. He provided information on the Region of Helsinki-Uusimaa and stressed the importance of ensuring more commitment to European collaboration and achieving carbon neutrality. He highlighted that European partnerships are needed and the CPMR is one of the strongest partners that regions can work with. He invited all regions to contribute and provide feedback in their regions.
Mr Jari Nahkanen, President of the CPMR Baltic Sea Commission and Member of the Board of Oulu Region emphasised the numerous challenges currently being faced and noted that multi-level cooperation and cooperation across borders is required. He acknowledged the importance of cooperation in a world with rising tensions. He then gave a brief overview of the Working Group activities and reminded participants that the work of the BSC serves the objectives of the EU Strategy for the Baltic Sea Region (EUSBSR). Feedback was provided on the CPMR high-level seminar on macro-regional strategies, where the views of BSC Member Regions were presented successfully to representatives from the European Commission.

Ms Eleni Marianou, Secretary General of the CPMR, reminded participants of the good work of the Baltic Sea Commission and stressed that in the current turbulent and troubling times it is essential that challenges are addressed within the European family, and that multi-level cooperation with all stakeholders and sectors is required to deal with global threats. She recalled the history of the CPMR and how it was shaped to work closely with citizens, peers and neighbours, and noted the key achievements and contributions of the CPMR over the last 50 years. She highlighted the close relationship the CPMR has with the European Commission and the European Parliament.

Statutory issues

The Agenda of the Baltic Sea Commission General Assembly was unanimously approved.

The Minutes of the Baltic Sea Commission General Assembly held online on 23 September 2021 were unanimously approved.

Ms Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission, reminded participants that the CPMR will celebrate its 50th anniversary in Brittany region next year. She introduced the issues and policy areas to be addressed during the General Assembly and encouraged participants to take the floor in all sessions.

Increased regional cooperation for a stable Baltic Sea Region - how do we go forward?

The long-standing cooperation in the Baltic Sea Region has been seriously affected with the suspension of Russia in all types of cooperations, following the war in Ukraine. In light of this new geopolitical context, the session aimed at discussing the conditions to keep maintaining a strong and integrated cooperation in the Baltic Sea Region, through increased cooperation between pan-Baltic organisations as well as existing programmes and the EU Strategy for the Baltic Sea Region. Discussions also focused on the sectors in which multilevel cooperation should be strengthened to ensure a peaceful, sustainable and prosperous Baltic Sea Region.

This session was moderated by Ms Eleni Marianou, CPMR Secretary General. She asked the guest speakers how their respective organisations reacted to the Russian aggression in Ukraine and how all the crises have impacted the work the organisations are doing?
Guest speakers

Mr Johannes Schraps, President of the Baltic Sea Parliamentary Conference and Member of the Bundestag introduced the situation within the BSPC and stressed the importance of exchanging views to deepen cooperation. He highlighted the close collaboration between the BSPC and the CPMR BSC over the years. Information was provided on how the BSPC reacted to the Russian invasion of Ukraine, how the BSPC has been impacted and the current state of play.

Mr Grzegorz Poznański, Director General of the Council of the Baltic Sea States provided information on the situation in the CBSS and expressed his hope to include the CPMR in CBSS work, especially in the Expert Group on Sustainable Development, the mandate of which has been extended. He explained the impact on the CBSS of Russia’s invasion of Ukraine and stressed the CBSS wants to continue its work and increase cohesion with organisations and stakeholders. He also provided information on the CBSS’s reaction to the Russian aggression and the current state of play.

Ms Elina Hakonen-Meddings, Deputy Head of Unit, Unit for Macro-regions, Transnational/Interregional/External Cooperation, Enlargement, Directorate-General Regional and Urban Policy, European Commission, explained that cooperation is at the heart of the Commission’s work and the unjustified attack has had a big impact on work. Sanctions were agreed immediately at European level and the financing agreements were suspended for 9 programmes. She explained the impact on projects and the difficulties for cross-border cooperation projects to continue. It is hoped that a legal act will be approved before the end of the year to give certainty to project partners.

Ms Eleni Marianou stressed the importance to cooperate on common ground, and to take the crisis as an opportunity to do something for the future. She asked the guest speakers what the future will hold for their organisations.

Mr Johannes Schraps noted that the Russian invasion of Ukraine represents a deep cut, and the annual conference was not the same as previous years as Russian delegations were missing. However, this meant there was freedom to discuss certain topics that were not able to be addressed previously. He stressed that Baltic Sea cooperation does not depend on Russian attendance. The EU Baltic Sea Action Plan was created from an EU perspective for EU cooperation, and Russia was added later. Youth cooperation needs to be implemented even more as youth may be a future door opener.

Mr Grzegorz Poznański agreed that although it is not known when, one day Russia will be involved once again. The long-term challenges, such as climate, or sustainable development challenges, were not cancelled when Russia invaded Ukraine and he stressed the importance of building resilient economies and societies in order for the Baltic Sea Region to have real success. At the same time, it is necessary to work on a sustainable and prosperous region, building a regional identity, to ensure a science based future. He agreed youth and youth collaboration is very important. He stressed the importance of collaboration not competition and addressed the tremendous challenges, including tension in the Baltic Sea Region.

Ms Eleni Marianou noted that Baltic Sea Strategy Action Plan was revised quite recently and wondered what needs to be done now Russia is not involved, and whether the Action Plan needs adapting, to include topics like security. She asked if the Commission is planning to adapt this strategy.
Ms Elina Hakonen-Meddings replied that a lot has happened since the Action Plan was revised, but the basic priorities remain the same. The Russian attack has brought more importance and urgency to energy issues. She addressed the role of macro regional strategies and emphasised the new sense of urgency to make issues move forward quicker than planned. Cohesion Policy programmes can be a source of funding for investments. All members states need to tackle social issues, relating to both the pandemic and refugees. She reiterated her support for continued efforts to engage young people and hear their views, as they have a higher stake in the future. She noted that there is no need for a new revision of the Baltic Sea Strategy, as it already gives a good basis, however it could perhaps be tweaked to put focus on different issues.

Mr Grzegorz Poznański agreed there is no need to revise the EUSBSR at this stage, as the main thrust of the EUSBSR was how the EU Member States around the Baltic Sea Region could work towards implementing the long-term vision. There needs to be effective democracy to build a sense of unity and ensure success.

During the debate the following points were raised:

- **Mr Pekka Komu**, Region Päijät-Häme, mentioned increased collaboration, and noted the main issue is how to help Ukraine together. Ukraine especially needs bullet proof vests, painkillers and winter gear. He called for all regions to come together and help Ukraine.

- **Mr Jari Nahkanen**, Region Oulu, asked how the pipeline issue and energy crisis can be tackled, and stressed that prices are rising, winter is coming and the whole of Europe is facing challenges. The organisations must try to contribute to solve the huge challenge and he asked if there was a chance to influence the organisations.

- **Ms Annika Annerby-Jansson**, Region Skåne, agreed the most important topic is to support Ukraine, including through the European solidarity programme. She emphasised the energy issue, solutions to restructure the energy system by securing access to energy and the importance of understanding the challenges and opportunities to make fact based choices. The Baltic Sea holds substantial, but untapped, potential for offshore wind energy, which is an important topic to work on together.

- **Mr Richard Sjolund**, Region Ostrobothnia, fully agreed that the Regions must stand firm in solidarity with Ukraine, help Ukraine win the war and remain an independent country that shares the values of western Europe.

- **Ms Anna-Riikka Karhunen**, Region Kymenlaakso, stressed that her region is close to the Russian border and has been very significantly affected by the war. She addressed the issues with the allocation of Interreg Cross-Border Cooperation Programme funds and the worry that they will be unavailable for the region in the future. She asked what the alternatives are, to ensure that the transferred funds will be better available and targeted for the regions that have formerly been included in the CBC programmes with Russia.
Mr Bosse Andersson, Region Stockholm, noted there has been shift in objectives to help Ukraine with money and healthcare, which is important going into the winter. In light of the challenges cooperation should be strengthened in existing frameworks such as Interreg programmes. Seeds need to be planted for the future, and he stressed the importance of working together and building bridges.

The guest speakers gave a closing statement in response to the issues raised:

Mr Johannes Schraps agreed that Russia won’t be at war forever, but stressed it is crucial to have a clear position now, and help must be given to Ukraine. The blatant threats of an escalation of the war are threats to democratic values as a whole not just to Ukraine, which is why it is so important to be very clear on this and not be divided on this issue. It is not a competition who is doing the most to help Ukraine, it is time to work together and help Ukraine as much as possible. He repeated his views that pipelines can only be built with European solidarity together with Poland and countries from around the Baltic Sea, but different countries have different opinions on this. He concluded by addressing the priorities of the German Presidency of the Council of Baltic Sea States and stressed the need to continue to intensely discuss climate change.

Mr Grzegorz Poznański noted that both Ministerial Declarations left no doubt on the political stance on Ukraine, which is an Observer State in CBSS. An information campaign will be launched on the threats connected to human trafficking in the countries neighbouring Russia. In order for the European Commission to know what is needed for the Baltic Sea Region, it must receive a clear message, and he reiterated the importance not to compete but better cooperate together on different levels. Visions and plans must be created and discussed with the European Commission to work out if the plans are feasible, and if it is possible to get the financing for these visions in the Baltic Sea Region.

Ms Elina Hakonen-Meddings reiterated there is no doubt for the support of the EU and the European Commission for Ukraine, and military and financial support has been provided. There has been clear commitments and pledges to continue supporting Ukraine in the rebuilding and restructuring efforts. Care packages were adopted in record speed to ensure it is easy for the EU Member States managing Cohesion Policy programmes to help refugees. She noted the Commission is aware of the situation and is continuing discussions to find the best solution for the reallocation of funding.

Ms Eleni Marianou informed participants that regarding Ukraine, the CPMR is working with the Committee of the Regions on the reconstruction alliance, and with Congress of the Council of Europe on humanitarian aid. On energy, she noted that it is a problem that REPowerEU has no cash, it is important that fresh money is made available rather than taking it from one area to give to another. It is important to work on renewables and a good way to cooperate between different states would be through a large renewables project using the huge potential available in the Baltic States.

Mr Markku Markkula thanked all the speakers for the excellent panel discussion.
Ms Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission, welcomedRegion Klaipeda, participating as an Observer Region in the BSC General Assembly, and the opportunities to share the work of the Baltic Sea Commission.

Towards sustainable and resilient coastal tourism in the Baltic Sea Region
This session aimed to present and discuss the activities of the BSC Maritime Working Group, linked to the promotion of sustainable coastal tourism in light of the impact of COVID-19 on the sector.

Presentation from the BSC Maritime Working Group

Ms Tiina Perho, Southwest Finland, Chair of the BSC Maritime Working Group introduced herself and the Working Group, highlighting that the sustainable blue economy is the overarching theme and basis for the work of the BSC Maritime Working Group. She addressed blue economy policies, and the need to discuss coastal maritime tourism in the framework of sustainability. She presented the activities of the BSC Maritime Working Group (see presentation) and provided feedback on the Group’s recent meetings. The main themes of the Maritime Working Group are to promote both sustainable maritime industries and sustainable coastal tourism in the Baltic Sea Region, with a focus on sustainable coastal tourism, due to the impact of COVID-19. She informed participants that the new HELCOM Action Plan was adopted by HELCOM Ministers on 20 October 2021. She stressed the importance to make visible the career opportunities in the blue economy and raise the attractiveness of the industry among future experts.

Mr Harry Bouveng, Region Stockholm, Vice-Chair, BSC Maritime Working Group summarised the achievements of the BSC Maritime Working Group over the past year (see presentation). The Maritime Working Group has concentrated on tourism which has been severely impacted by the pandemic, as tourism companies are dependent on stability and the summer season, and are more sensitive to rapid economic downturns. He discussed pre-pandemic trends and used graphs to illustrate the trends between 2017-2022 and tourism statistics. He mentioned the new trends emerging after the pandemic, including staycations. Feedback was provided on the recent meetings of the BSC Maritime Working Group.

Ms Hanna Honkamäkilä, Oulu Region, presented information on the EUSBSR Policy Area Tourism Action Plan, adopted in 2020 (see presentation). She introduced the new Policy area Coordinators, Pomorskie Tourism Board, and the Council of Oulu Region. EUSBSR PA Tourism provides a platform to reinforce sustainable tourism development in the Baltic Sea Region. Background information on PA Tourism was presented and she introduced the three PA Tourism action points. Participants were invited to the 14th Baltic Sea Tourism Forum which will be held online on 1 December.

Discussion with Member Regions

Mr Roland Engkvist, Region Gotland, conveyed greetings from Mr Jesper Skalberg-Karlsson who was unable to attend. Gotland is very dependent on the service and hospitality sectors, and he added that in 2021 Gotland had more visitors than ever, which has led to a huge debate between residents. Every islander is a representative of Gotland and every Gotlander needs to be on board to continue to be branded as a hospitality destination. Problems and proactive solutions including the ugliest lawn competition were presented. He announced that a restaurant on Gotland was recently awarded best eco-restaurant in Europe, and this is in line with Gotland’s Smart Specialisation Strategy.
Mr Grzegorz Poznański appealed for close collaboration and for Regions to build on experiences. He informed participants that the CBSS Expert Group on a Sustainable Maritime Economy invites not only Member States and DG MARE, but also regional partners, industry, ports, and ferry companies, to ensure a good overview of the needs in the regions. The CBSS is a good meeting place for discussions with the regions and other stakeholders and to translate these discussions into national and European policies and strategies of the future.

Ms Kerstin Brunnström, Västra Götaland, shares some perspectives on how sustainable tourism is being addressed in Västra Götaland region and the CPMR North Sea Commission (NSC). The tourism sector was hit very hard by the COVID-19 pandemic and the CPMR NSC developed a report on the lessons learned from this difficult situation: 1) Tourism is important locally and regionally for the economy and employment; 2) Tourism has an impact on the environment and sustainability aspects must be taken into account; 3) Digitalisation is vital in the tourism sector; 4) Education for actors in the sector is very important; 5) The pandemic showed the importance of the domestic market and local products. She welcomed that tourists have come back to Västra Götaland region since the end of restrictions and noted there are a number of challenges remaining including climate change, safety, energy prices and inflation, and a shortage of staff. There is a continued need for advice and support for the tourism sector regarding sustainability, education investment and marketing. She invited participants to visit the website on sustainable tourism in Västra Götaland: www.steppingupsustainability.com.

Ms Tiina Perho thanked all the members of the BSC Maritime Working Group for their devoted participation and contribution over the years. She stressed that the Working Group is open to new members, and the Member Regions can suggest themes for the work of the group. She invited all members to the next meeting of the Working Group that will take place in person on 7-8 December 2022 in Turku, Southwest Finland.

Mr Otto Meri, on behalf of Helsinki-Uusimaa Region, thanked Ms Perho for all the work she has achieved with the Working Group, and Mr Bouveng and Ms Honkamäki for their speeches.

Present and future of Cohesion Policy: Main challenges from a Baltic Sea Region perspective

This session looked at the implementation of Cohesion Policy funds as well as the National Recovery and Resilience Plans under the current EU financial framework and presented the main challenges with an eye to the debate on the post-27 scenario.

Mr Francesco Molica, CPMR Regional Policy Director opened with an illustration to help introduce the main points of his presentation and the National Recovery and Resilience Plans (NRRPs) (see presentation). He informed participants there will be a huge debate on the NRRPs for the next few years and in order to be sure to influence these debates he invited the regions to provide input and feedback on the instruments in this period. He demonstrated the first evidence from the implementation with a graph and discussed the implementation of the NRRPs. The Baltic Member States are lagging behind in terms of implementation and he stressed the need to ask whether these States will be able to make commitments by 2023 and be able to claim all the funds by 2026. Regarding Cohesion Policy, he gave an overview of the current challenges including unprecedented delays, multiplication of funds, regulatory instability and the use of funds for emergencies or other priorities. The current situation is so exceptional and volatile that the future of Cohesion Policy is very difficult to predict.
A number of aspects that will feature prominently in the debate on the future of Cohesion Policy have been identified as synergies, simplification and flexibility, the link with the European semester, management mode and governance, performance budgeting and how to have more local and regional strategies. He then addressed the questions for the future including the preservation of Cohesion Policy, a Single Territorial Fund, aspects to be simplified and elements of the Recovery and Resilience Facility (RRF) that can be embedded in Cohesion Policy. The timeline for the reflection on the post-27 period and 5 potential scenarios of the future of Cohesion Policy were introduced.

**Discussion with Member Regions**

**Mr Nils-Olov Lindfors**, Norrbotten Region, described the experience from Sweden and Norrbotten regarding the funding and the RRF. It was decided at national level that the money has already been spent so no money is left for the regions. Regarding the Just Transition Fund, although he welcomed the work carried out at EU level, there was concern at national level once again, and he concluded that whilst the EU level is really listening to the regions, there is more of a problem at national level. He stressed it is very important that national level listens to the regional level, especially in Sweden.

**Ms Elise Ryder Wiken**, Jämtland-Härjedalen, agreed with the need to strengthen the territorial dimension. There are many strategic aspects to be discussed in the next few months and she stated that all regions want more place-based policies, although the need for adaptation is most evident in the Northern Sparsely Populated Areas (NSPAs). She pointed out that in terms of the preparation processes, a few improvements have been made in comparison to the previous programmes, although there is still room for further improvement. In Sweden the territorial dimension, multi-level governance and the regional influences must be strengthened for the programmes to be successful, and there is an unfortunate lack of knowledge, dialogue and transparency especially in the development of the partnership agreement. She wondered if these aspects can be strengthened through legislation and asked if there were ideas how to ensure the local and regional representatives have greater influence over Cohesion Policy in the future.

**Ms Talvikki Jori**, Southwest Finland, noted it is especially important to remember that other similar financial instruments that would take strongly into account regional development are not available but are of great importance to many regions. If funding for Cohesion Policy continues in the new programming period, then in Southwest Finland regional characteristics and potential should be further emphasised. In addition, the transparency of criteria for the distribution of funding at national level must be further developed. She highlighted that in a rapidly changing world, predictability is the key word. Operations must be based on a long-term perspective that is flexible and adapts when the situation requires. It was noted that project activities must always be development oriented and not finance the everyday operations of organisations. The common goal for all is to ensure an even stronger focus on project results and the development of impact indicators to support the work. Moreover, project management must not unduly burden the managing parties or the project actors in the regions; administration must be agile and support the achievement of effective results.
Mr Ola Persson, Värmland, provided an update about Interreg. He welcomed that the Interreg programme Sweden-Norway 2021–2027 is ready after more than two years of intensive work at both political and official level. He provided background information on the Interreg Sweden-Norway programme and noted that Region Värmland has coordinated the work of developing the EU programme. The programme consists of four areas and eight specific areas, and this important work will hopefully lead to many innovative and exciting projects and collaborations in the years to come.

Ms Elina Hakonen-Meddings reacted to the comments and agreed that times are exceptional and what is happening in Ukraine cannot be ignored. Cohesion Policy is needed for this mid-term planning, the challenges of the regions implementing the programmes, their objectives, and longer term perspectives and the balance is also to find scope to be flexible enough to be able to respond in a meaningful way to the crises. From the Commission’s side great efforts are made in every programming period to try to simplify and streamline and in the 2021-27 period important simplifications have been introduced. She noted that time will tell how effective they are and what the results will be.

Mr Francesco Molica gave a quick reaction. He acknowledged that he fully shared Ms Hakonen-Meddings comments and stated that even though the 21-27 period is experiencing unprecedented delays, thanks to the simplification measures introduced in the new regulation there will be a way to catch up these delays. He agreed that it was still too inconsistent a way to apply the partnership agreement across Member States because it depends on the different constitutional framework arrangements that are in place at national level. We would like to see a more consistent application through more detailed obligations. Very detailed obligations on the application of the partnership agreement need to be included in the common provisions regulation in the future. He noted that the Commission must be more active in enforcing this principle. Regarding the burden for project holders, this is an issue that the CPMR would like to work on, and develop messages on, and he invited the regions to provide input on this point.

**TUESDAY 27 SEPTEMBER 2022**

**Towards a more connected Baltic Sea Region**

*This session aimed to present the work of the BSC Transport Working Group relating to the revision process of the TEN-T regulation, and the work to foster sustainable mobility in the Baltic Sea Region. It also addressed the impact of the new geopolitical context on the transport sector.*

Presentation from the BSC Transport Working Group

**Mr Bosse Andersson,** Region Stockholm, Chair of the BSC Transport Working Group, presented the activities of the BSC Transport Working Group over the past year (*see presentation*). He noted that the way people live must be adapted to planetary boundaries so future generations can continue to travel and meet each other. Good transport connections are essential for economic, social and territorial development. He described the achievements of the BSC Transport Working Group to influence the ongoing revision of the TEN-T network, including the Working Group’s views on the TEN-T regulation. He reminded participants that a *Policy Position* was developed in early 2022, and he thanked all member for their active input. He concluded by addressing upcoming events and the next steps of the Working Group.
Mr Magnus Lagergren, Örebro, Vice-Chair, BSC Transport Working Group, presented the results of the Report on the Mapping of Alternative Fuels in the Baltic Sea Region (see presentation). He introduced the Report by providing background information and invited those Regions that had not yet completed the questionnaire to do so. The main results and findings of the Report and various initiatives in the Regions to introduce and accelerate the use of alternative fuels for freight and passenger transport were presented. He concluded by addressing the next steps in the mapping of alternative fuels in the Baltic Sea Region.

Mr Pekka Komu, Päijät-Häme, Vice-Chair, BSC Transport Working Group addressed three questions:
1. What is the effect of the war in Ukraine for the transport transformation?
2. Can we be the leaders of sustainable mobility?
3. What should be the focus in the future for us?

He stressed the need to help Ukraine and that transportation and mobility are always heavily linked with energy. He confirmed the change is huge - 30% of energy came from Russia last year and 0% this year - and noted his interest in research into hydrogen and the need for energy storage. He expressed his belief that the Regions can be the trailblazers of this development. There needs to be more focus on research and development, university programmes and business related projects, as well as energy storage which is the key to many questions. He concluded that whilst it is good to collaborate, healthy competition could be key to success.

Discussion with Member Regions

Ms Elise Ryder Wiken, Jämtland-Härjedalen, gave a concrete example of the lobbying work of the BSC Transport Working Group on TEN-T. The proposal from the European Commission on the new TEN-T regulation offers a broader approach to urban nodes, which is good news for the Region as it forces the creation of new urban nodes. However, in some specific cases such as NSPAs it may still fall short to cover important regional urban nodes. The criteria that the European Commission is using to define urban nodes do not take into account the reality of NSPAs. She provided details of the example of Östersund and reminded participants that the CPMR has developed an interesting map showing the impact of introducing a NUTS3 criteria when identifying urban nodes in NSPAs.

Mr Nils-Olov Lindfors, Norrbotten, asked if the Working Group was also looking into sea transport electrification or green ammonia. Norrbotten is going to be the world’s biggest producer of hydrogen and a substantial producer of green ammonia.

Mr Bosse Andersson replied that yes, the connection between the sea and the land is needed in order to ensure sustainable transport.

Mr Ola Persson, Värmland, pointed out that the railroad mentioned in the presentation by Bosse Andersson is very important, Karlstad-Örebro is also interesting from an overall defence point of view. Regions, municipalities and businesses in the area work together to strengthen this security line and an expansion of the train connection would be an important part of further establishing functions for total defence as well as providing expertise to the industry.

Mr Bosse Andersson replied that this issue has been discussed in the Working Group and he expressed his hope for support to build on this as it is important for Europe as well as for Sweden.
Mr Richard Sjolund, Ostrobothnia, thanked the BSC Transport Working Group for taking into account the interests of the Baltic Sea Region on the Commission’s proposal on the TEN-T regulation. He explained the impact of the proposal on his Region and stressed it is being worked on with the CPMR.

Mr Frank Hering, Kymenlaakso, noted that his Region borders Russia and whilst connections to Asia have been stressed within the BSC Maritime Working Group, everything has now stopped. He addressed the challenges the Region is facing and emphasised that it must be kept in mind that the development of the traffic network east of Helsinki is of crucial importance for the whole transport system. He expressed concern over the lack of investments close to the border and called for investments to continue.

Mr Jouni Jussinniemi, Oulu Region, expressed his hopes and expectations that the Regions will support each other’s efforts across the BSC region. He gave an example of the high expectations in eastern and northern Finland regarding sustainable, renewable biofuels such as biogas and bioethanol as future options.

Mr Wolf Born, Mecklenburg-Vorpommern, pointed out that energy questions are not only for transport but for society in general. The war in Ukraine is a game changer in this respect and challenges the way all economies work. He wondered how cooperation contributes to make things better and reiterated it is crucial to learn from each other. Problems are being faced right now and the approach with best practice and mutual learning is an important aspect and could be further developed as it is not possible to rely only on EU projects.

Mr Bosse Andersson informed participants that he will leave in December. He thanked all members for their great work and hoped the Working Group will continue to work well in the future.

Towards a more energy resilient Baltic Sea Region based on territorial strengths

Russia’s invasion of Ukraine and the resulting sanctions have had a major impact on European energy structures and created new impetus to accelerate European energy security and resilience, also as a means to achieve EU carbon neutrality. This session aimed to present and discuss the activities of the BSC Energy and Climate Working Group to promote the sustainable development of the Baltic Sea Region as well as the strengths lying in the regions to contribute to EU energy sovereignty.

Presentation from the BSC Energy and Climate Working Group

Mr Markku Markkula, Helsinki-Uusimaa Region, Chair of the BSC Energy and Climate Working Group explained the activities of the Working Group, which have included online webinars and workshops with key participants from the European Commission, organisations and industry working in the energy and climate sector. He stressed it was important to include regions’ own focus areas that be put forward in addition to political debates. He highlighted that this cooperation must be stepped up now and the regions have to meet these challenges in new ways to foster the clean energy innovation processes. He concluded by underlining the importance for industrial perspectives to be included in the Working Group workshops.
Ms Henna Virkkunen, Member of the European Parliament, addressed participants on the issue of working towards a more energy resilient EU and Baltic Sea Region (see presentation). The TRAN Committee is currently working on the on-going revision of the TEN-T network and will table amendments in October. The regions were invited to provide feedback about the TEN-T revision and details on room for improvement in the Commission’s proposals. She discussed the energy crisis situation and introduced the bigger picture including the green transition, the digital transformation, Europe’s vulnerability regarding certain dependencies and the need to strengthen the strategic autonomy.

She noted that the Baltic States are well placed when it comes to using renewables and in the digital transformation as well as leading in innovation. Regarding energy security and sanctions, she explained the six sanctions packages decided by the EU and noted that whilst the EU has been dependant on imported energy, there is now a downward trend. She shared information on REPowerEU, the European Commission’s plan to end dependency on Russian fossil fuel imports, that aims to save energy, produce clean energy, and diversify energy supplies. She believed that acceleration of investments is key, as well as energy savings and security of supply. The role of the Regions must be considered, and she introduced four important proposals that resulted from the Baltic Sea Energy Security Summit. She concluded by discussing the importance of enhancing resilience and crisis preparedness, through strengthening European capacities, securing the supply of strategic materials and diversifying the supply chains.

Discussion with Member Regions

Pekka Komu, Päijät-Häme, asked if was possible to start to produce components in regions that have not done so before and bring back some industries from China.

Ms Henna Virkkunen replied that there are several initiatives in the EU on how investments could be encouraged in different critical fields and presented the example of the Ships Act, where the idea is to double the production of semi-conductors in the EU before 2030. She noted there are increasing alliances in different sectors where industrial and governmental partners come together to find out how to boost investments.

Mr Nils-Olov Lindfors, Norrbotten, provided information on the situation in northern Sweden and wondered how casualties can be avoided. He pointed out that the problem cannot be solved by changing the system. There are investments to take away the lack of capacity in mid-Sweden and one very important issue is to cooperate together.

Ms Henna Virkkunen replied there are different situations in the regions and Member States. Nordic hydro power is a very important energy source in northern Sweden, Norway and Finland, and the lack of rain has made the situation much worse. She expressed alarm when considering energy sources especially in Sweden and Finland, where forest biomass is the most important energy source and there could be restrictions on how the forest biomass can be used. When all possible energy sources must be in use it has to be sustainable, and it is not possible to enforce new restrictions on the use of biomass. She informed participants the EU is investing greatly in hydrogen, and whilst hydrogen could solve problems in the future, this is a long way off. Huge investments are needed now to ensure new sustainable solutions and to decarbonise industry in Europe.
Mr Richard Sjolund, Ostrobothnia, referred to the need for large investments and informed participants of the plans for Region Ostrobothnia, including keeping the comprehensive ports within the TEN-T network as they will be needed for the logistics for offshore wind parks.

Ms Julie Tran, Östergötland, explained that within her Region there has been a lot of lobbying at EU level to help the Commission understand the different conditions in each Member State and the various innovations to be found in each region. She provided information on successful agriculture in the Region that demonstrates the possibility to produce arable crops with a high degree of efficiency and a minimum input of fossil fuels. The region also has a thriving forestry sector with substantial production that contributes to biomass growth whilst protecting biodiversity. She expressed her belief that the EU can be independent of Russian gas in three ways, increase production of renewable energy, diverse energy supply and increase energy efficiency.

Mr Wolf Born, Mecklenburg-Vorpommern, raised the issue of international trade. The price of energy defines the level of competitiveness on international markets especially regarding processing industry, and he asked how the European model of the welfare state will survive in the coming years in light of the immense investment needed to make the green deal work.

Ms Henna Virkkunen agreed that energy intensive industries were facing big challenges with the green deal and emission trading system. Flexibility such as industries working by night is needed in the energy market. She raised the issue of whether there should be more integration in energy policy at EU level. This is difficult as Member States use different energy sources and taxation systems. She stressed the need to ensure the northern market-based model is followed more than the southern model of energy policy.

Ms Britt Karlsson Green, Skåne, gave an update from the BSC Climate and Energy Working Group (see presentation). She apologised for the absence of Mr Pontus Lindberg, Vice-Chair of the Working Group who was unable to attend. She invited participants to visit the webpage of the Working Group for more information. Regarding cooperation and competition, she felt regions should cooperate, and let the market compete. The regions must support the realisation of projects, speed up permitting, simplify procedures, attract investments, solve skills shortage, build grid infrastructure, and secure port facilities.

**Helsinki-Uusimaa – 2022 European Entrepreneurial Region**

*Helsinki-Uusimaa Region was selected European Entrepreneurial Region 2021–2022, an award from the European Committee of the Regions to regions who have demonstrated strong entrepreneurial foresight and an intelligent growth strategy taking into account larger societal challenges.*

Mr Simo Karetie, Project Manager, Helsinki-Uusimaa Region, presented the European Entrepreneurial Region (EER) 2022. He then explained the state of play in green and digital entrepreneurship in the region of Helsinki-Uusimaa (see presentation). He provided background facts, explained what EER is and the Region’s approach, strategies and priorities, the implementation so far and next steps, and the events and activities organised within the EER framework.
Towards a Baltic Sea Region more connected with the Arctic

This session aimed to present and discuss the activities of the BSC Arctic Task Force regarding its contribution to the revision process of a new EU Arctic Policy and the impact of the invasion of Ukraine on Arctic cooperation.

Mr Tomas Mörtsell, Region Västerbotten, Chair of the BSC Arctic Task Force and Vice-President of the CPMR Baltic Sea Commission, gave an update on recent work to promote Arctic issues on the European scene. Although there have been dramatic changes since the BSC Arctic Task Force was set up, the focus on people living in the Arctic remains the main task. The war in Ukraine has caused uncertainty and the foundation for Arctic and Baltic cooperation has been shaken but remains solid. The on-going energy crisis requires upscaling and a rapid expansion of renewable energy for the green transition. Regarding the global challenges he stressed it is of utmost importance that regional representatives do not lose focus and the Arctic remains a low tension area. He informed participants of the key messages from the BSC Arctic Task Force that have been shared with the European institutions. He welcomed that the EU wants to strengthen its role in Arctic matters with concrete actions to ensure a peaceful, sustainable and prosperous Arctic. It has been proposed that the European Commission creates an Advisory Forum which would be tasked to oversee the implementation of EU Arctic Policy. The Advisory Forum would gather key stakeholders including regional authorities.

Mr Jari Vilén, Finland’s Ambassador for Barents and Northern Dimension at the Ministry for Foreign Affairs of Finland, agreed that the world has profoundly changed. The foundation for cooperation which included trying to integrate Russia in European values and structures does not exist anymore, so it is necessary to prepare for a very different kind of cooperation. He discussed the impact of the fundamental changes affecting concrete ways of cooperation. The future role of the Baltic Sea and the Arctic in the EU’s political equation and political balance of structures was addressed. He underlined the need to keep pushing for the northern agenda to be part of the EU’s interest. The crisis provides an opportunity to redefine and redigest positions and policies. In northern dimension policies, the new northern dimension is a policy meant for the EU’s internal market together with Norway and Iceland and it has a completely different mission and is thriving at the moment. The culture partnership of the northern dimension has three new Members States (Estonia, Lithuania and Iceland) now that it is much easier to cooperate. There is understanding that common values can be presented better in the cooperation and that it would be easier to make this kind of political stance and decision.

Discussion with Member Regions

Mr Nils-Olov Lindfors, Norrbotten, noted that it is important to promote a picture of the EU Arctic. Normally Arctic areas are seen as areas without people, but today there is good focus from the European Commission in this area and people are listened to. He shared an image to describe today’s situation and raised the issue of investments in industry and infrastructure (see presentation). The new geopolitical situation means the Commission is focusing on this issue. When both Sweden and Finland enter NATO there will be new possibilities for investment that are linked to the NATO membership.
Mr Jussi Ylitalo, Oulu Region, agreed the situation in Europe has changed dramatically, especially in Finland which has a long border with Russia. For border regions, all cross-border cooperation has ended. Cooperation with Europe and the west is even more important for Finnish politics and links between regions across the Baltic Sea must be strengthened. He thanked the CPMR BSC for the work on the TEN-T network. Northern investments will spread good influence across the Baltic region and all over Europe. There is a need to speed up the green transition and for all energy resources to be utilised.

Mr Jari Vilén stated that the Barent’s presidency has decided to write a Green Transition Strategy which will be a strategy paper that tries to reflect the changes in realities including the enormous investment potential. He fully agreed with the challenges faced and noted that it should be self-evident that the regions work together rather than compete with each other. He was not convinced of the Commission’s commitment to the Arctic and the North and called on the regions to make much more noise to make sure the European Commission is aware of the situation.

Mr Wolf Born, Mecklenburg-Vorpommern, informed participants that the CBSS has started a reflection process on how cooperation structures should be set up or continue in the future and he raised the issue of the way ahead and the vision. He asked if there is something similar in the Barent’s Council, and if it was adequate, and also questioned the way forward.

Mr Jari Vilén stated it was interesting that the CBSS is the first organisation to have this reflection as there is no Russian presence, in other bodies there is a Russian presence even if it is suspended. A way to work together in an innovative manner has been found using an ad-hoc system and this should be continued. A discussion on the next steps has been initiated in the Barents Council.

Mr Tomas Mörtsell concluded that Arctic issues affect the world on a global scale and therefore it is natural that actors geographically far from the Arctic are concerned with the drastic climate change and the rise in water levels. He warmly welcomed the engagement from all regions and actors in and around the Arctic and reiterated that the single most important resource of the Arctic is its people. It is important that the EU now starts to act according to the EU Arctic Strategy.

Membership

Ms Julie Tran, President of the Transport and Urban Planning Committee, Region Östergötland, presented Östergötland, a new CPMR Baltic Sea Commission Member Region since January 2022 (see presentation).

Mr Markku Markkula, Helsinki-Uusimaa, asked how Region Östergötland sees Smart Specialisation as a regional strategy and how it works on EU policies.

Ms Julie Tran replied that the Region has started to work on 5 focus areas and stressed the need to work in the long term to ensure good results. She acknowledged that the Region is in competition with other regions in some of these areas.
Ms Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission presented the BSC Activity Report 2021-2022 and the highlights of the work achieved by the regions over the year (see presentation). The achievements of the BSC rely heavily on the work of the Working Groups, as this is where content is produced and contributions are made to the CPMR. She stressed the importance to know who, when and how to lobby, and to work with actors from all other levels.

**Approval of the BSC Activity Report 2021-2022**
The BSC Activity Report 2021-2022 was unanimously approved.

**2022 Resolution**

Mr Jari Nahkanen, President of the CPMR Baltic Sea Commission, presented the CPMR Baltic Sea Commission 2022 Resolution.

Ms Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission, introduced the key messages of the Resolution on transport, energy, maritime coastal tourism, Arctic Policy and Cohesion Policy issues. She thanked the regions for their contributions and amendments and noted an addition that the Baltic Sea Commission will continue to work closely with other pan-Baltic organisations such as the CBSS and BSPC.

**Approval of the BSC Resolution 2022**
The BSC Resolution 2022 was unanimously approved.

**Financial reports and budget**

Mr Tomas Mörtsell, Vice-President of the CPMR Baltic Sea Commission, in his capacity as representative of the hosting region of the Baltic Sea Commission secretariat 2020-2022, presented the Financial Reports for 2021 and up to July 2022 and the proposed Forecast Budget for 2023.

**Approval of the BSC financial papers**
The BSC Financial Report 2021 was unanimously approved.
The intermediary Financial Report for 2022 was unanimously approved.
The BSC proposed Forecast Budget for 2023 was unanimously approved.

**Future of the Baltic Sea Commission Secretariat**

Mr Jari Nahkanen, President of the CPMR Baltic Sea Commission, presented the proposal from the BSC Executive Committee for a Host Region 2023-2024 and Executive Secretary for 2023-2024. He thanked region Västerbotten for hosting the BSC Secretariat for the last few years and reminded participants that the mandate ends in December 2022. For the mandate period 2023-2024 he informed participants that Oulu Region had volunteered to host the BSC Secretariat, and the proposal had been sent out prior to the General Assembly.
Discussion and vote on the proposal for a Host Region and Executive Secretary

Regarding the hosting of the Executive Secretary, Mr Evert Kroes, Region Stockholm, informed participants that Region Stockholm proposed that the BSC Executive Committee looks into the possibility in the near future for the BSC Executive Secretary to be part of the CPMR General Secretariat. He explained this was for the security of the BSC Executive Secretary, and Region Stockholm felt it important to look at the pros and cons of finding a more sustainable solution for employing an Executive Secretary. Changing hosting region is an administrative burden and he acknowledged the work carried out by Region Västerbotten to ensure the employment of a person working in another country, and in another tax system. Therefore, Region Stockholm put forward a proposal for the Executive Committee to analyse the possibilities by looking into the pros and cons of the Executive Secretary being employed by the CPMR in the near future.

Mr Jari Nahkanen replied that the Executive Committee would look into the possibility for the Executive Secretary to be employed by the CPMR in the future and report back to members.

Approval of the BSC hosting region
The Executive Committee proposal for Region Oulu to be hosting region for the BSC Secretariat for the mandate period 2022-2024 was unanimously approved.

Mr Jari Nahkanen put forward a proposal from the Executive Committee to extend the contract of Ms Lucille Ehrhart as Executive Secretary of the CPMR Baltic Sea Commission for the two-year mandate period 2022-2024.

Approval of the BSC Executive Secretary
The Executive Committee proposal to extend the contract of Ms Lucille Ehrhart as BSC Executive Secretary for the mandate period 2022-2024 was unanimously approved.

Elections

Election of the President of the CPMR Baltic Sea Commission

Mr Jari Nahkanen asked for nominations for the position of President.

Mr Nils Olov Lindfors, on behalf of Regions Västerbotten and Jämtland-Härjedalen, and with the support of all Swedish Member Regions of the CPMR, nominated Mr Tomas Mörtsell as President.

Mr Tomas Mörtsell was unanimously elected as President of the CPMR Baltic Sea Commission.

Mr Tomas Mörtsell introduced himself professionally and personally, and stressed he was looking forward to taking on the new interesting and inspiring challenges, including strengthening both cooperation with other Geographical Commissions within the CPMR and the teamwork with the BSC Working Groups, Member Regions and BSC Executive Committee.
Election of the Vice-Presidents of the CPMR Baltic Sea Commission

Mr Jari Nahkanen asked for nominations for the position of First Vice-President.

Ms Talvikki Jori, Region Southwest Finland, nominated Mr Richard Sjölund, Region Ostrobothnia, for the position of First Vice-President.

The nomination of Mr Richard Sjölund as First Vice-President of the CPMR Baltic Sea Commission was unanimously approved.

Mr Richard Sjölund, Region Ostrobothnia, introduced himself and noted that he looked forward to working with the CPMR Baltic Sea Commission team.

Mr Jari Nahkanen asked for nominations for the position of Second Vice-President.

Mr Wolf Born, Mecklenburg-Vorpommern, nominated Mr Romek Kosenkranius, Association of Estonian Cities and Municipalities, for the position of Second Vice-President.

Ms Lucille Ehrhart read a message from Mr Kosenkranius who was unable to attend due to a politically unstable situation in his home town.

The nomination of Mr Romek Kosenkranius as Second Vice-President of the CPMR Baltic Sea Commission was unanimously approved.

Nomination of the Members of the Executive Committee

Ms Lucille Ehrhart informed participants of the nominated received from each member country for the positions of Full Member and Substitute Member of the BSC Executive Committee (see presentation).

The nominations of the Executive Committee Full Members and Substitute Members were unanimously approved as follows:

**FULL MEMBERS**

**ESTONIA:** Romek KOSENKRANIUS, Pärnu  
**GERMANY:** Wolf BORN, Mecklenburg-Vorpommern  
**FINLAND:** Otto MERI, Helsinki-Uusimaa  
**SWEDEN:** Gustav HEMMING, Region Stockholm

**SUBSTITUTE MEMBERS**

**ESTONIA:** Kristiina MARIPUU, Saaremaa  
**GERMANY:** Merten BARNERT, Mecklenburg-Vorpommern  
**FINLAND:** Pekka KOMU, Päijät-Häme  
**SWEDEN:** Pontus LINDBERG, Region Skåne
Closing session

Ms Lucille Ehrhart informed participants of the upcoming events for the CPMR Baltic Sea Commission:

- EUSBSR Annual Forum 2022 (28-29 September 2022, Lappeenranta, Finland)
- Plenary meeting of the Baltic Sea Commission in the framework of the 2022 CPMR General Assembly (27 October 2022, Agios Nikolaos, Crete)
- BSC Transport Working Group (23-24 November 2022, Stockholm, Sweden)
- BSC Maritime Working Group (7-8 December 2022, Turku, Finland)

The mandates of the BSC Working Group Chairs and Vice-Chairs will be renewed at the next BSC Executive Committee meeting early in 2023. Therefore, a Call for Nominations for the positions of Chairs and Vice-Chairs for all BSC Working Groups will be sent to members after the General Assembly. Regions were invited to contact the Secretariat if they are interested in hosting the 2023 BSC General Assembly or an Executive Committee meeting during 2023.

Mr Jari Nahkanen gave a closing speech. He noted that there had been a lot of changes in world in his time as President of the CPMR Baltic Sea Commission, from the COVID-19 pandemic to the Russian attack of Ukraine, and the regions have coped well given the circumstances. Over the years, the organisation has evolved and contributed to the development of the Baltic Sea Region and the EU. This was possible thanks to committed members and Member Regions that have a strong attachment to their territories. He underlined that the voice of the Region must now be heard even more strongly in the EU. He expressed sincere thanks to all colleagues and members for their excellent support and commitment, and congratulated the new President and Vice-Presidents on their elections.

Closing speech by the newly elected President of the CPMR Baltic Sea Commission

Mr Tomas Mörtsell, President of the Baltic Sea Commission, thanked Mr Nahkanen for his kind and wise words. He thanked the members for their confidence in electing him as President and noted that he looked forward to cooperating and working with the Member Regions, the Executive Committee and the Vice-Presidents. He thanked Helsinki-Uusimaa Region for hosting a highly successful General Assembly. He thanked Mr Nahkanen for his years of dedication as President of the Baltic Sea Commission and expressed his admiration, respect and gratitude for the strong friendship, and excellent relationships and cooperation with all regions across the Baltic Sea Region, with the CPMR and with the EU institutions. He thanked all members for their active participation in the General Assembly and closed the meeting.

End of proceedings