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Summer 2009



# The EU Baltic Sea Region Strategy

Towards a sustainable, prosperous future

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## EDITORIAL

Dirk Ahner

3

## OVERVIEW

The EU Strategy for the Baltic Sea Region – many countries, one region

4-7

8-11

## INTERVIEWS

Christopher Beazley, MEP – Dr Cecilia Malmström – Mr Jan Kozłowski – Dr Andreas Röpke

12-13

## ACROSS THE BOARD

The JOSEFIN project – support for SMEs brings new benefits to the Baltic Sea Region

14-16

## ON THE GROUND

COHIBA – working on ways to identify and control the flow of hazardous substances into the Baltic Sea

17

## TROUBLESHOOTING

18-19

## COMMON GROUND

Acting together for the Baltic Sea Region

20

## FIND OUT MORE

21

## REGIO MATTERS

Territorial Cohesion – where the concept springs from

22-23

## INSIDE OUR PROJECTS

The Musikpark, Mannheim – The Centre for NanoHealth

24-25

## NETWORKING

Networking Conference in Visby, Sweden, 11-12 June 2009

26

## LAST ISSUE, NEXT ISSUE

27

## AGENDA

28

## MAKE YOUR VOICE HEARD

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## A European Union Strategy for the Baltic Sea Region: from words to actions

The EU's Strategy for the Baltic Sea Region is a new way of working together in the Union. Regions in eight Member States, nearly 100 million people, will be able to plan, prioritise and implement activities confident that their colleagues and neighbours are working in the same vein, towards the same goals. This will enable the Baltic Sea Region to enjoy a sustainable environment and optimal economic and social development.

### Involving everyone

The strategy was requested by the European Council following work by the European Parliament. As you will read in this edition of Panorama, the strategy has benefited from an exceptional level of commitment from partners and stakeholders at every level. Working together, we can make better use of the money and other resources available to improve the region's future. Expertise and energy can be harnessed more effectively, and the benefits of EU legislation passed on to all those living in the region.

### First steps

An action plan, prepared by the Commission, puts forward 80 projects that will lead the way in meeting 15 interlinked priorities. The projects cover improvements to the environment (e.g. reducing nitrate and phosphate levels in the Baltic Sea), efforts to increase prosperity (e.g. promoting entrepreneurship), better accessibility (e.g. improving transport links), and promoting safety and security (e.g. better accident response). Real improvements are underway, and their success, which is the success of the strategy as a whole, depends on the many partners in the region and the support from the highest political levels in all countries. The strategy offers a framework to be followed, providing people with the certainty that they are building a better Baltic Sea Region. This edition of Panorama shows how the strategy proposes to unleash the region's strengths.

The Commission, the European Parliament, the Member States and all the stakeholders in the regions are exploring a new way of working together. A way not based on money, or on special laws, or even on new institutions, but on the will of people to co-operate to solve the problems of a region. This macro-regional strategy, as we call it, is not limited by national or regional frontiers, or by specific policy areas. There is a need for positive change – the extent of which will only be limited by the willingness of partners to act.

### Dirk Ahner

Director General, European Commission  
Directorate-General for Regional Policy

“The strategy offers a framework to be followed, providing people with the certainty that they are building a better Baltic Sea Region.”

# THE EU STRATEGY FOR THE BALTIC SEA REGION

## MANY COUNTRIES, ONE REGION

**A large portion of the Baltic Sea's 8 000 km coastline is shared by eight EU Member States, each with its own priorities and cares, its economic imperatives and political concerns. A shipping highway, all too often a dumping ground – the Baltic Sea is surrounded by nearly one hundred million people.**

**But despite years of collaborative action to improve the condition of the sea, it continues to deteriorate: so the European Union requested the Commission to come up with a living strategy to ensure that the region's future is brighter.**

The result? What comes through clearly is that everyone participating believes a strategy is urgently needed, the region's problems being too obvious to ignore. The initiatives and policies that are already up and running in a variety of fields, in a variety of countries, are good, but not coherent and so not as efficient as they should be. Another very clear message is that the strategy must have practical application and not be theoretical – the time for just talking is past and the Baltic Sea Region needs to see action. This was echoed in the list of things people do not want to see – empty declarations without assigned actions within specific deadlines.

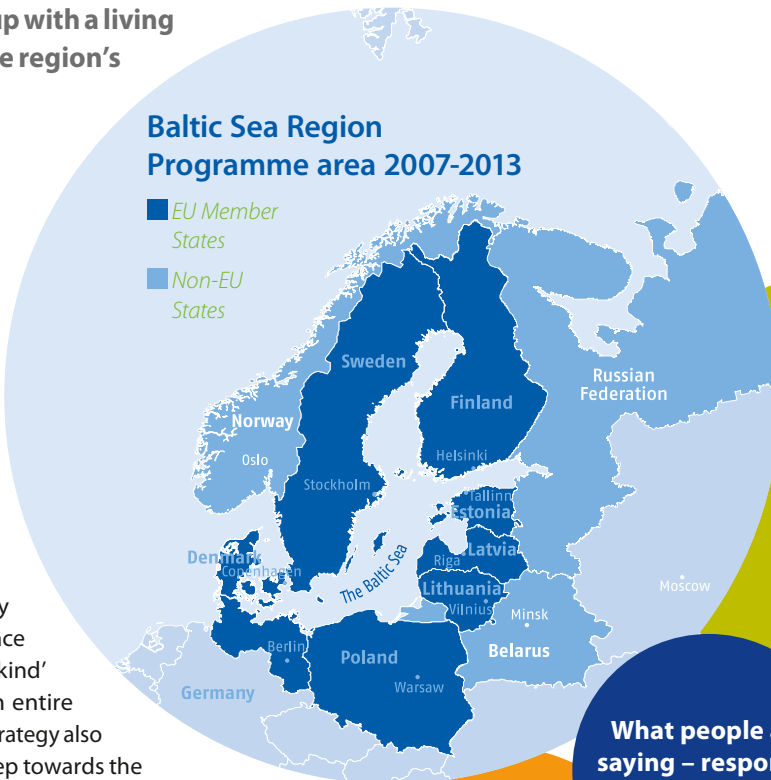
### 'First of a kind' strategy

Five years ago this May, Poland, Estonia, Latvia and Lithuania joined the Union. Their accession means that eight of the nine Baltic countries benefit from free movement of goods and services, share common water quality legislation in addition to sharing a largely common heritage. This physical and cultural proximity makes the Baltic the perfect place for which to create a 'first of a kind' strategy, one that embraces an entire macro-region. In particular, the strategy also constitutes an important first step towards the regional implementation of the Integrated Maritime Policy. The four cornerstones of the strategy are to make this part of Europe environmentally sustainable, prosperous, accessible and attractive, and safe and secure.

The strategy was adopted by the Commission on 10 June, following intense debate and consultation involving over a hundred contributions. Two major conferences opened and closed the consultation period, which ran from 30 September 2008 to 6 February 2009. In between, four open workshops were held, one on each of the strategy's cornerstones. At the same time, the Commission set up an open consultation to give everyone the chance to contribute their opinion, wherever they were. From young people at the Hamburg youth conference to the World Wide Fund for Nature, everyone was invited to have a say.

**Baltic Sea Region Programme area 2007-2013**

- EU Member States
- Non-EU States



**“Let the Baltic Sea Strategy show the world that working jointly can make a difference and that the Baltic Sea can be saved.”**  
Alm Anders

**What people are saying – responses to the public consultation**

**“The EU's Baltic Sea Strategy will need a body that is in charge of coordination and steering the process. Suitable for doing that could be the European Commission, having the capacities and the staff.”**  
Tobias Etzold

**“The Baltic Sea region is an important part of our common environment. Each of us has to contribute to the well-being of the Baltic Sea region. We can all be part of the strategy for restoring and saving this wonderful sea.”**  
Börje Hagman

### Getting the strategy up and running

In December 2007, the Member States asked the Commission, with the Directorate-General for Regional Policy steering the process, to prepare a strategy for the Baltic Sea region. This would, amongst other things, help address the urgent environmental challenges related to the Baltic Sea. The Commission adopted the strategy on 10 June, with a Communication and action plan. It has been transferred to the Parliament and the Council for discussion and agreement.

### Something for everyone

The four cornerstones of the strategy are couched in such a way that almost nothing is excluded. The Commission, having decided to go for a structured rather than selective approach, created a framework made up of priorities, actions which are continuous and projects which have a deadline for their completion. By doing so, it set up a methodology which can endure while the individual goals, and the means to achieve them, change in line with the region's evolution, making it adaptable.

Not only does this mean the strategy can be used to structure an approach to the region for years to come, but it also allows every participant – Sweden, Finland, Estonia, Latvia, Lithuania, Poland, Germany and Denmark – to have its priorities recognised within the strategy. Not all the priorities will have been embraced by every player, but every player has a priority which is addressed.

The strategy proposes to use primarily the Northern Dimension framework, a common policy of the EU, Russia, Norway and Iceland, for the external aspects of co-operation, but with the option to use alternative channels (such as the Council of Baltic Sea States) when they are useful. Russia and other neighbouring countries have indicated that they perceive positively EU efforts to keep them informed, and the EU looks forward to cooperating with them on matters of common interest.

The strategy does not imply any additional funding at this stage – it is more a question of coordinating the large number of people and organisations involved across the area and deriving maximum benefit from the existing ways national and EU policies operate. Practical rather than idealistic, it touches on many aspects of day-to-day life in the region. New projects will, for instance, contribute to reducing high levels of pollution in the sea, improving transport systems and energy networks and reinforcing protection from major emergencies at sea and on land.

### Easy to say, but where do we start?

The strategy hits the ground running with suggestions that build on measures that are already in place, if fragmented, in a bid to tackle the main challenges and seize the main opportunities. Here are some ideas:

#### ••• SUSTAINABLE ENVIRONMENT

*The Baltic Sea, average depth only 58 metres, is losing its quality and biodiversity due to excessive discharges of nitrates and phosphates – from agriculture, industry and domestic sources. These flow into the sea, causing increasing eutrophication. This algal blooming turns large areas of the sea into stinking green slime which deoxygenates the water and kills off many of the species living in the affected area. It takes more than 30 years for the waters to change completely, so pollution is a particular problem.*

Some ideas in the strategy include building on action already taken in the region to remove phosphates from detergents. By removing them from all detergents, the amount of phosphates ending up in the Baltic could be cut by a quarter, reducing algal blooms.

A formal network of specialist advisers on environmental issues as they relate to agriculture, from all countries around the Baltic Sea, should encourage best practices that minimise fertiliser run-off while maintaining or even improving productivity.





Although the strategy itself does not have its own financing, between 2007 and 2013 the Baltic will benefit under Regional Policy and other EU funding:

- **Making the Baltic environmentally sustainable**  
A total of €9.8 billion has been earmarked, including €3.1 billion to process waste water
- **Making the Baltic accessible**  
A total of €27.1 billion has been earmarked: information society, €1.4 billion, transport €23.1 billion, energy €2.6 billion
- **Making the Baltic competitive**  
A total of €6.7 billion has been earmarked, including €2.4 billion for Innovation in SMEs
- **Making the Baltic safe and secure through risk prevention**  
A total of €697 million has been earmarked

## INCREASING PROSPERITY

*The key weakness of the region is the low level of internal competitive pressure. Some countries in the region do not have a market big enough to promote needed competition. The only solution is to integrate the region more closely. In 2005 it was estimated that a typical international trade transaction would involve 27 to 30 actors, 40 original documents and 360 copies.*

The Services Directive sets out to achieve a real single market for services within the EU by cutting red tape and helping people to set up their businesses or move to another country. But its use is ragged and disjointed in the Baltic Region. The strategy includes actions to use the Directive more effectively, boosting trade and providing SMEs with greater opportunities.

To help tomorrow's entrepreneurs there needs to be an improvement in the education services on offer, so the strategy suggests setting up an 'Ivy League' of colleges and universities. This would ensure quality and bring together departments in the same field, in different centres of learning. The focus is also on encouraging people's right to move freely throughout the region in pursuit of knowledge or to teach.

## MAKING THE REGION ACCESSIBLE AND ATTRACTIVE

*The East and the North remain too isolated from the rest of the Union, which is, increasingly, a gateway to Asia. Northern Finland, Sweden and the Baltic States have the lowest accessibility rates in the whole of Europe. Energy supply and security is also a particular concern, the region has too few links, with much reliance on imports and inadequate interconnections to ensure security.*

If you intend to travel from Warsaw to Tallinn you may well prefer to fly. The 36-hour train journey is certainly an unattractive prospect to those with little time to waste. With the need for environmentally-friendly ways of travelling, trains have to become a viable alternative, so the strategy suggests achieving the Rail Baltica target of a 120 km per hour link from Warsaw to Tallinn by 2013.

Energy is a key issue for the region – and crucial to it becoming an attractive place to live. Again, the strategy moves to boost existing measures in a practical and direct way. It sets out ways in which to complete energy interconnections between the Baltic States and the wider region by supporting the Baltic Interconnection Plan and the Sweden-Lithuania/Latvia high voltage connection. And support is not just rhetoric. €500 million will be invested by the EU in the region's gas and electrical infrastructure.

## SAFETY AND SECURITY – THE PARAMOUNT ISSUES

*Maritime traffic is set to increase, and with huge oil tankers using the sea as a highway, the threat of accidents is very real. Between 2000 and 2007, oil shipments into the Baltic more than doubled to reach 171 million tonnes. In difficult winter conditions the risk is heightened and ships are frequently not adequately reinforced against ice. Organised crime also makes the region less secure. Situated where it is, the Baltic's crime patterns are exacerbated by the disparities in economic and social conditions.*

With long external borders, the region has need of coherent, cross-border measures to eliminate the trafficking of people, drugs and arms. Border guard exchange systems would be useful, including maritime law enforcement cooperation. The strategy's action plan suggests ways to coordinate the fight against crime by integrating the existing organisations to help them be more cooperative. It proposes joining forces to combine law enforcement, mobile patrol squads, investigation teams, intelligence teams, the sharing of equipment between services and more cooperation on the development, purchasing, deployment and use of technology.

To deal with maritime risk, the action plan puts forward, among other ideas, the creation of an integrated network of reporting and surveillance systems for all maritime activities, such as maritime safety, protection of the marine environment, fisheries control, customs, border control and law enforcement.



## What makes the Baltic Sea so special?

The sea's ecosystem is unique – almost fresh water fills the northern parts which are under ice for up to half the year. Where the North Sea meets the Baltic, at the Danish Straits, the water is salt. This strong contrast creates a unique ecosystem in which species are fine-tuned to respond to the degree of brackishness and only a specific selection can survive. Such a delicate balance makes the ecosystem particularly vulnerable to changes, whether in its physical and chemical composition or in the structure of the food web.

The basin around the Baltic, which drains into the sea, is roughly four times the surface area of the sea itself. Around 20% of this is used for agriculture and pasture, other areas are densely populated, so run-off and sewage treatment are key factors contributing to the generation of algal blooms.

The countries bordering the sea have always been trading partners. The Vikings built their trading empire around the area in the early Middle Ages, finding it rich in furs, amber, lumber and wood tar. Between the 13<sup>th</sup> and 17<sup>th</sup> centuries the Hanseatic league made the Baltic its own, becoming the strongest economic force in Northern Europe, using the sea to establish routes.

This common heritage which spans a millennium provides a base upon which to construct a strategy that will ensure the Baltic becomes a European success story, with a future as prosperous and dynamic as its past.



## CHRISTOPHER BEAZLEY

Former Member of the European Parliament



**Christopher Beazley is a founder member of the Baltic States Inter Group and has been actively involved in the development of the Strategy for the Baltic Sea Region.**

*The strategy represents a turning point for the Baltic Sea Region. In 10 years' time, what do you most hope will have changed?*

- That the current disparity of economic performance and prospects of the eight littoral states will have been replaced by an effective EU Single Market.
- That the ecological health of the Baltic Sea will have been restored.
- That the natural harmony – economic, environmental, social, political and cultural – which existed for centuries prior to the Hitler/Stalin, Molotov/Ribbentrop Pact, will have been restored.

*The issues that need to be addressed in the region and the sea itself are complex. What problems do you anticipate will be the most challenging?*

- Satisfactorily overcoming and compensating for half a century's dislocation of the Baltic Sea Region by the Cold War division of Europe.

- Ensuring that the strategy is correctly implemented as such and not simply as a series of unconnected projects. A strategy builds momentum as one action leads to another and the public, the rest of Europe and those outside the EU understand the significance of the process.
- Making sure that the 'governance' of the strategy enjoys political direction from the Government leaders of the eight littoral states, and that the Council, Commission, Parliament and the Regional and Local Authorities directly involved liaise effectively and ensure transparency and public participation.

*What are the biggest obstacles to successful implementation of the strategy in your opinion?*

Although the strategy must be seen as a whole – each element interacting with the rest – culture and education are probably the most difficult areas. The Parliament's EU-Baltic Strategy has identified a number of specific action areas: student/teacher exchanges – understanding the common EU-Baltic heritage, university/industry joint research programmes, and tourism potential.

The most ambitious proposal is the creation of a world 'Ivy League' Baltic University to compete on equal terms with US and notable EU universities.

Culturally, the importance of song, music, history, literature, legend and the arts in general cannot be undervalued and should be promoted worldwide.

“ Although the strategy must be seen as a whole – each element interacting with the rest – culture and education are probably the most difficult areas. ”



# Dr CECILIA MALMSTRÖM

Swedish Minister of European Affairs



*The strategy represents a turning point for the Baltic Sea Region. In 10 years' time, what do you most hope will have changed?*

Today, eight of the states in the Baltic Sea Region are members of the European Union and integrated in the internal market of the Union. This has contributed to the positive development in the region since the beginning of the 1990s. However considerable challenges remain that we need to face together and solve in close co-operation.

In 10 years' time, I hope the strategy will have contributed to deepened integration and competitiveness in the Baltic Sea Region, and that the Baltic Sea will be much healthier than today.

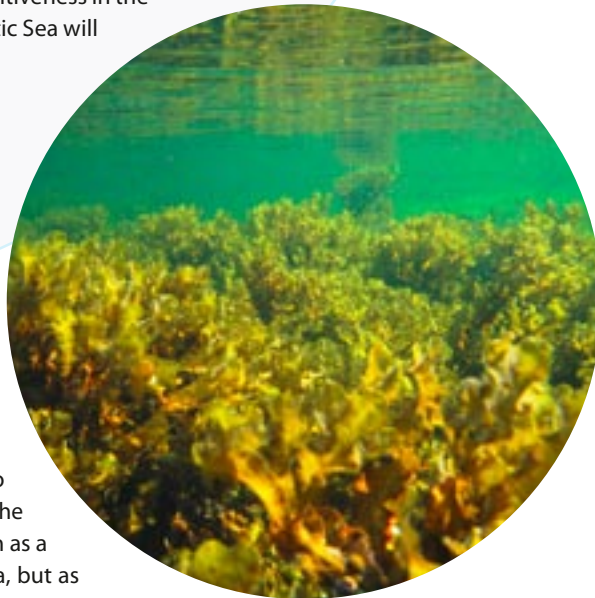
*The issues that need to be addressed in the region and the sea itself are complex. What problems do you anticipate will be the most challenging?*

It is important that we make sure that the measures taken to boost growth in the Baltic Sea Region do not counteract the actions taken to improve the state of the Baltic Sea. The economic crisis should not be seen as a threat to the state of the Baltic Sea, but as an opportunity to transform the region into a sustainable and eco-efficient one.

It is also important that the Baltic Sea countries themselves assume ownership when it comes to implementing concrete measures. Further, the strategy should not replace or duplicate, but rather be complementary to existing co-operation. Another challenge is to anchor the strategy at the local and regional level.

*How will the Baltic Sea Strategy be processed during the Swedish Presidency?*

The Baltic Sea Strategy will be presented at the General Affairs & External Relations Council meeting in July and the European Council will adopt it at the October summit, so that it will be ready for implementation as soon as possible after that. For two days, 17-18 September, the Swedish presidency will host a ministerial conference in Stockholm on the theme of macroregional co-operation.



“  
The economic crisis should not be seen as a threat to the state of the Baltic Sea.  
”

# JAN KOZŁOWSKI

Marshal of Pomorskie Voivodeship in Poland



*The strategy represents a turning point for the Baltic Sea Region. In 10 years' time, what do you most hope will have changed?*

To have an effective strategy for the Baltic Sea Region is quite an ambitious goal, but to be successful we have to aim for the stars. What we would like to have in 10 years' time is a genuinely integrated strategy for this macro-region. A strategy that, among other things, promotes the transport connections between areas within the region and also outside, to southern Europe and Asia. In order to achieve this, we cannot concentrate on only parts of the region.

Another important goal is to have energy security, which means proper supply and distribution diversity. We also need a competitive and innovative region – and this also requires the region to be looked at as a whole. We need to have well balanced solutions covering the whole region and not just spots of innovation here and there.

Finally, as a result of our work implementing the strategy's action plan, the Baltic Sea Region should become a more attractive place for people to live, study and invest.

*The issues that need to be addressed in the region and the sea itself are complex. What problems do you anticipate will be the most challenging?*

Given the situation now, one of the biggest challenges will be to bridge the existing gaps within the Baltic Sea Region. To achieve this, we have to combine continued investments in what is still lacking in the less developed regions, mainly infrastructure, with developing the ambitious goals of making the whole region innovative and an important centre for knowledge and education.

Another big problem I anticipate is ensuring a sufficient level of involvement from Russia. Without this, success on a good, neighbourly partnership basis will be very difficult. I also believe that in order for the region to be successful, we need a stronger feeling of Baltic identity and we also need to co-operate in all aspects within the region. Of course, this does not mean we should close ourselves off from other parts of the world.

*Do the Baltic Sea Strategy and its action plan, as you understand it, meet your expectations? Can it ensure achieving the goal of making the region prosperous, attractive, accessible, environmentally clean and secure?*

Well, first of all, it is a first-time exercise for all of us and the matter is very complex. It is also difficult to strike a proper balance between the ambition of individual countries or regions and the overall goals of the Baltic as a whole.

When looking at the document – I mean the draft version we have seen so far – we might be disillusioned by the fact that we don't see a well grounded, comprehensive strategy covering the whole of the Baltic Sea Region. Instead, we have a set of flagship projects with no clear selection criteria or obvious role.

What is surprising also is that in the strategy for the maritime region, we do not touch on the maritime economy at all – leaving out ports and shipyards. It might also be surprising to see that even though the document mentions tourism, it totally lacks rich cultural aspects – culture is our roots as well as an important element of good development and living conditions.

Finally, it is difficult to imagine the successful implementation of any strategy without proper funds allocated to it. But we understand that it is just the beginning of a long process and that we still have time to improve on the good work done up to now. Of course, subsidiarity and transparency rules must also always be at the forefront.



“One of the biggest challenges will be to bridge the existing gaps within the Baltic Sea Region.”

# Dr ANDREAS RÖPKE

Head of Marine Protection, Ministry of Agriculture, Environment and Consumer Protection, Mecklenburg-Vorpommern, Germany



*The strategy represents a turning point for the Baltic Sea Region. In 10 years' time, what do you most hope will have changed?*

I really hope that, 10 years from now, decisions which have to be made and actions that have to be taken in different sectors, like agriculture, water management, transport or fisheries, are based on integrated planning and administration procedures. These should work towards the common goal of making the Baltic Sea Region a model for a sustainably managed and environmentally healthy place in the EU and in the world.

The strategy could indeed mark a turning point for this region. A step forward to an integrated and cross-sectoral policy approach has been taken. This will hopefully help to overcome old sectoral and national thinking and acting, which is responsible for many of the problems we are facing today. The environmental damage to the Baltic Sea can be seen as a result of short-sighted mismanagement of our common natural heritage. Too many policies, all impacting on the same region, at different national and international scales, have been administered independently. Obviously, this led to a system which was not able to manage resources in an optimum way and which was not tailored to the special needs of the people and environment around the Baltic Sea.

The environmental problems within the Baltic Sea, such as eutrophication and overfishing, as well as contamination and habitat destruction, can probably only be solved by common sustainable development on the basis of an ecosystem approach as stated in the Baltic Sea Action Plan of the Helsinki Commission (HELCOM). This will play a major role in the implementation of the strategy.

*The issues that need to be addressed in the region and the sea itself are complex. What problems do you anticipate will be the most challenging?*

In my opinion, the eutrophication of the Baltic Sea, with all its negative effects of algal and cyanobacterial blooms, oxygen depletion and dead zones, will be by far the biggest and most challenging issue for the coming decades. Eutrophication is caused by an overload of plant nutrients from mainly land-based sources. The Baltic Sea is very vulnerable to eutrophication, since it has a relatively small rate of water exchange. Consequently, any substance will aggregate if the rate of input is higher than the rate of output. Phosphate and nitrate are the most important nutrients in this context. Nitrate input is difficult to reduce since it derives mainly from diffuse agricultural sources in the drainage area. The implementation of higher water quality standards, as they derive from the EU Water Framework Directive, into agricultural practice and within the EU Common Agricultural Policy (CAP) will be one big challenge. Water and agricultural managers as well as farmers must talk to each other in order to find solutions in practice. The strategy gives a platform for this kind of cross-sectoral approach.

“ Each single project must result in a win-win situation for all people in the region and for the environment of the Baltic Sea. ”

*What are the biggest obstacles to successful implementation of the strategy in your opinion?*

Unlike EU directives, the character of the strategy is not a legally binding one. Some people will probably try to use the strategy and action plan as a kind of watering can to transfer money into the region for funding all different kinds of business-as-usual projects. In my understanding, this would not be in the spirit of this strategy. We need a very strong administrative involvement of the Commission, which should keep an eye on sector integration and cross-compliance. Each single project must result in a win-win situation for all people in the region and for the environment of the Baltic Sea.





# THE JOSEFIN PROJECT – SUPPORT FOR SMES BRINGS NEW BENEFITS TO THE BALTIC SEA REGION

## Introduction

Many different countries are working together with regional policymakers at the Commission, to make the Baltic Sea Region a better place to live and work. Eight of these are EU Member States, able to use European regional funding to give new business ventures and scientific projects that span national borders, a vital kick start. All the projects have the common goal of bringing the Baltic countries together to make the region an attractive place to invest, work and live.

From January 2009 to April 2012 – the JOSEFIN project will receive:

- Over €3.5 million in ERDF support from the transnational Baltic Sea Region co-operation programme
- Nearly €0.6 million from participating countries

**Total:** over €4 million

## Promoting common resources

The Baltic region is rich in natural resources - key assets for future development. Both marine and inland resources provide important economic assets and through careful management they offer a very attractive environment to residents and visitors alike. A number of businesses and science projects are centred around conservation and environmental improvements.



### **Vibrant prospects for cities and regions**

Many of the projects receiving funding will improve urban planning and ensure that new development meets people's needs and enhances the quality of life for those living and working in built-up areas.

### **Encouraging innovation**

Companies which have already shown their innovative credentials can enhance their business prospects through initiatives like JOSEFIN, making them bigger and more reliable employers that stand the test of time.

## **New ways of achieving lasting gains**

### **The JOSEFIN Initiative – helping small business get a foothold**

JOSEFIN - using innovative ways of assessing risk to benefit both investors and SMEs. Along with developing risk-assessment techniques, a new transnational fund gives the guarantees investors need to inspire their support and helps to make business in the region more international. The JOSEFIN partnership is keen to receive applications from SMEs to help them further innovative projects and develop new business abroad.

"An IT company in Berlin, Condat AG, made us see just how useful the JOSEFIN initiative could be," explained Torsten Mehlhorn, Project Manager from the Investitionsbank Berlin. "We worked with this company to arrange suitable financing and technical support which opened up markets in China for their IT systems. In the process we identified many types of practical business support which we have since incorporated into JOSEFIN."

### **Made-to-measure service for businesses**

JOSEFIN is providing specific coaching for SMEs as they plan their international collaboration and apply for funding. Once this is achieved, JOSEFIN ensures that finance is more readily available through its transnational guarantee fund, backed by a European bridging loan facility. The risks to companies and banks are considerably reduced through this solid risk-sharing model. At every step, expert knowledge is available on how companies can thrive in this unique region and build further success through international projects.

### **Financial power for SMEs**

JOSEFIN is championing the needs of SMEs because they have a strong track record of being flexible and innovative in seizing business opportunities. Given extra support, they can go further than their local market and build their ideas into international collaborative ventures with business success that serves the wider region.

### **Making the region more accessible**

Some ventures focus on how the region can become more accessible to entrepreneurs from outside the Baltic region and how they can be encouraged to travel and do business over a wider area. Opening up the region in this way has direct business benefits, but also longer-term gains through social integration.

# COHIBA – WORKING ON WAYS TO IDENTIFY AND CONTROL THE FLOW OF HAZARDOUS SUBSTANCES INTO THE BALTIC SEA

**In the laboratory, the luminescent bacteria dim quickly, providing a natural light meter measuring the high level of toxicity in the water which surrounds them – a simple and clear indication that identifying what chemical compounds are being released, where and to what extent, is crucial to the well-being of the Baltic Sea, the species which inhabit it and the people who use it.**

**COHIBA sets out to do just that. Panorama travels to Helsinki and talks to the project’s founders, scientists and managers to find out what COHIBA is doing to control hazardous substances in the Baltic Sea Region.**

**From January 2009 to January 2021, COHIBA – the control of hazardous substances in the Baltic Sea Region – will receive:**

- €3.8 million from the Baltic Sea Region programme
  - €1.1 million from participating countries
- Making a **total** of €4.9 million

Got a waterproof coat? You will almost certainly have fire retardant furniture. From the merely useful to the positively life-saving – chemical substances have an intricate role to play in all our lives. Cast an eye around your home and you’ll see at a glance coatings, detergents, medication – applications from deodorants to the fertilisers that put the bread on your table today – all requiring complex compounds of chemical agents. Many end up in waste water, some of which is treated, much of which is not.

COHIBA is keeping a close eye on 11 substances which have been identified as top priorities for monitoring in the Baltic Sea. Quantities emitted from water treatment plants and the liquid leaching out of landfill sites are measured and experiments conducted to see the effects these have on the Baltic’s fragile ecosystem. Substances range from some of the most recently launched compounds to what project managers refer to ironically as ‘old friends’, mercury and cadmium, and it is EU regional funding which is making this vital surveillance possible.

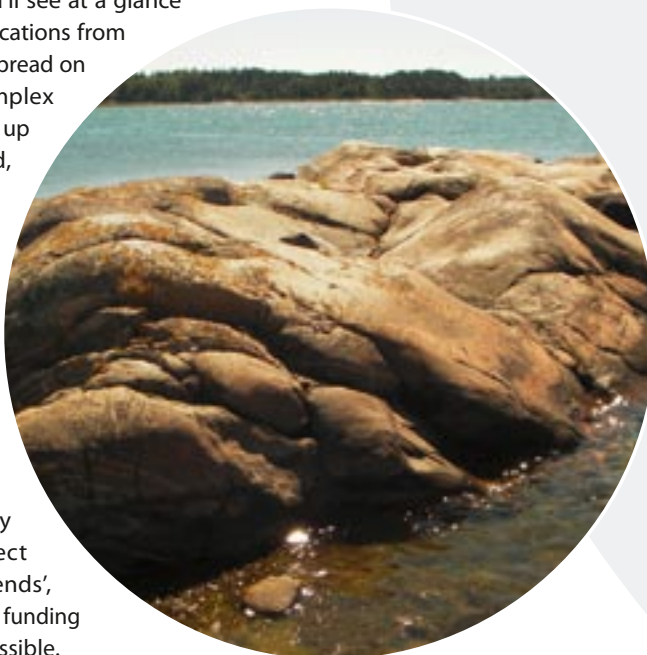
## COHIBA – knowledge is the power behind change

The surveillance is not simply aimed at generating a snapshot of the current situation, but can also be a basis for new policies in the countries bordering the sea. It is hoped the data collected will be the basis for reforms to chemical use in industry, the treatment of waste water and changes to agricultural practices. Information will be used to develop national programmes and registers, keeping those using the chemicals concerned up to date with their environmental impact and what steps to take to mitigate that impact.

“Neither the authorities nor the public know enough about chemical controls – we need to circulate information,” says Kaj Forsius, the project’s developer.

There are some models established for nutrient run-off patterns, but the need for much more information on hazardous substances is acute: “We have to find out more about what is coming from where and what impact it is having,” explains Forsius.

As part of HELCOM’s Baltic Sea action plan to drastically reduce pollution and restore the sea’s good ecological status by 2021, COHIBA will set out to identify just how great the problem is and develop cost-effective solutions.





## Hazardous substances – Where do they come from? Where do they end up? What effect do they have?

Around 200 people are involved in the project, some of whom are the scientists responsible for testing and analysing the 240 samples collected each year for COHIBA to examine in its labs throughout the region.

### COHIBA – part of a whole

COHIBA, launched at the start of 2009, is just one measure which will help the situation facing the Baltic Sea and the region surrounding it.

The EU's Integrated Maritime Policy, with its emphasis on policies which take into account the overall picture as opposed to focusing sector by sector, came into being in 2008.

This will be complemented by the EU's Strategy for the Baltic Sea Region, 2009, steered by the European Commission's Regional Policy Directorate-General, which clearly identifies how intertwined the priority areas are.

Finally, REACH, the European Commission's requirements governing chemical registration, came into force in 2007. This will also play a key role in reducing the amount of dangerous chemicals finding their way into the environment.

A chemist analyses one compound, or family of compounds, across all the samples. The logistics are complex and time constraints tight, samples have to be in the lab within 24 hours of being taken, in order to be stabilised. If they aren't treated swiftly, compounds will start to break down.

A further problem presents itself: where to test? The project tests water taken from the major waste water treatment plants suggested by the participating country. But knowing if that is the right source to check for any given compound is not easy. Quite possibly the prioritised chemical might be used in another location or treated at another waste water facility. As project biologist Tarja Nakari explains, "Biotests are vital. A chemical can exist in the environment and not show up in the chemical analysis of water samples. Similarly, something can show up in water samples and not appear in the environment, so the biotests are a cross-reference."



COHIBA biologists are looking at a range of indicators: toxicity in the livers of fish, the reaction of luminescent bacteria, and fertility levels in various species – endocrine disrupters, which can include chemicals which impact on fertility, are a particular problem, as are dioxins, with levels in Baltic herring exceeding EU safety limits. There is no shortage of substances to analyse.

The overall aim is to produce a picture, as complete as possible, of the sources and inputs of the substances of concern linked to the effects in the Baltic Sea environment. This will involve:

- Assessing the release patterns and pathways to the Baltic Sea marine environment;
- Identifying the most significant sources by assessing available information on use patterns and release;
- Understanding the link between the releases and the effects in the marine environment.

## Pollution, no respect for borders

Many countries need to come together to make COHIBA a success, as the pollution of the Baltic Sea is not something that can be worked on by individual states. But is there the political will, a realisation of the imperative? Forsius thinks the will is there, but there is a real lack of resources. «It is quite expensive to put in place different systems like registers, and around the Baltic some countries have small administrations and are lacking resources – it's not so easy for them.» Other countries in the region are better at assessing the sources and the use of hazardous substances and controlling the use of them.

As Forsius meets national experts and gives presentations at conferences, he finds that the smaller Baltic States are very keen to get help. However, as he explains, they are burdened with many tasks and the current financial situation is also a drain on scant resources. «They have less and less money and, at the same time, are being required to raise their levels of performance,» he says.

And even if all the Baltic countries do their best and cut back their levels of emissions, action has to be taken over a wider geographical area. «It doesn't help if we are perfect in the Baltic countries, we still need to have requirements outside the sea area as well.» 40% of some airborne pollutants which contaminate the sea are wafting in from countries well outside the Baltic region, like the UK.

### HELCOM – the Convention on the Protection of the Marine Environment of the Baltic Sea Area

In 1974 several countries bordering the Baltic signed the Helsinki Convention, updated in 1992 when a new Convention was signed in response to changing environmental principles and developments in the geo-political environment.

The organisation coordinates regional monitoring and produces scientific assessments on the status of various elements governing the well-being of the sea as decided on by all the countries involved. As an environmental policymaker, HELCOM develops common objectives and actions.

The governing body of the convention, the Helsinki Commission (HELCOM), is made up of Denmark, Estonia, the European Community, Finland, Germany, Latvia, Lithuania, Poland, Russia and Sweden.

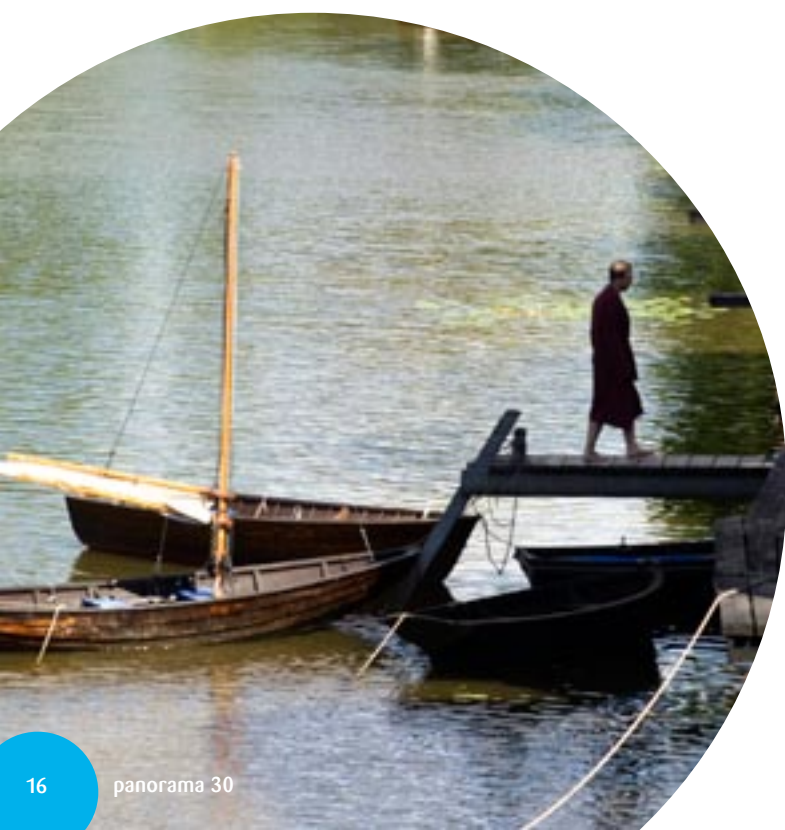
#### What has it achieved so far?

HELCOM, true to its remit, has harmonised monitoring programmes in the region, enabling the countries who signed up to the convention to identify what is happening across the sea as a whole. As a result of the data, steps have been taken to reduce the input of nutrients and hazardous substances and some of the negative impacts linked to shipping. HELCOM also provides a forum for specialists to co-operate in fields such as planning for, and rapid response to, disasters.

The setting up of a network of Baltic Sea Protected Areas has played a role in the improved status of species such as the white-tailed eagle, cormorant, Baltic wild salmon and seals, in the northern reaches of the sea.

HELCOM's screening project of occurrences of hazardous materials ending up in the sea itself started in 2008. Funded by the Nordic Council of Ministers, this analyses samples of fish and the sea water, complementing the work of COHIBA which screens for chemicals as they start their infiltration into the environment, at waste water source.

HELCOM'S action plan, already adopted by all the countries, feeds into the Baltic Sea Strategy to further its environmental goals.





In this section Panorama responds to your concerns and questions about practical project issues and any other questions you send in. Write in to: [regio-panorama@ec.europa.eu](mailto:regio-panorama@ec.europa.eu)

## **The Baltic Sea Strategy has benefited from extensive public consultation. Here is what some of you are saying.**

“In addition to traditional infrastructure, the development of ICT infrastructure in the region is vitally important. Coordinated measures are needed in order to develop common standards, e.g. electronic identification. We do assume that development of cross-border e-services leads to opening the service sector for competition between Member States and becomes, at the same time, a key driver for economic and social integration of the Baltic Sea Region.”

### **Association of Estonian Cities**

“Local and regional projects need to be encouraged to make use of different financing sources such as Jaspers, Jeremie and the Jessica funds to help the strategy become a model of how to develop a macro-region. At least at the beginning, the role of the EU Commission should be extremely central, to get the strategy started and to secure its financing and implementation.”

### **The Association of Finnish Local and Regional Authorities**

“We also welcome that the Baltic Sea Strategy is planned as an action-oriented strategy with precisely defined actions, expected results, identification of actors responsible for implementation and a time schedule for implementation. This reflects a concrete and outcome-oriented process. The Öresund Committee represents the local and regional authority level with competences to add concrete substance to carry out the strategy.”

### **Öresund Committee, Denmark**

“The NSPA network welcomes the EU Strategy for the Baltic Sea Region and would like to emphasise the role of the northern areas within the larger context of the Baltic Sea area. Often viewed only as remote regions with low population density, these regions are in fact important suppliers of minerals and natural resources; they are regions of a strong innovation capacity and knowledge base and are promoters of economic growth in the Baltic Sea Region. They function as an important interface between the EU and Russia and offer first-hand experiences on and solutions for the major challenges the Baltic Sea Region and Europe as a whole are now facing, such as demographic challenges, climate change and globalisation.

A balanced development of the Baltic Sea Region cannot only focus on the main basin of the Baltic Sea. Therefore, the NSPA network emphasises the importance of northernmost areas of the Baltic Sea Region in the strategy and the need to identify the added value and numerous possibilities these Northern EU regions can offer the Baltic Sea Region and Europe as a whole. A well-balanced Baltic Sea Region needs a strong North.”

### **Northern Sparsely Populated Areas**

**This group represents close collaboration between the four northernmost counties of Sweden (Norrbotten, Västerbotten, Jämtland and Västernorrland), the seven northernmost and eastern regions of Finland (Lapland, Oulu Region, Central Ostrobothnia, Kainuu, North Karelia, North Savo and South Savo) and North Norway (Finnmark, Troms and Nordland)**

Baltic Sea 2020 is of the opinion that the Strategy for the Baltic Sea Region (later referred to as the strategy) offers a unique opportunity to forcefully strengthen the initiatives of HELCOM's Baltic Sea Action Plan (BSAP). For that reason we stress that it is of utmost importance to incorporate the BSAP into the Strategy for the Baltic Sea Region. Our primary argument is that the strategy is an EU initiative, which hopefully can strengthen implementation mechanisms and improve governance. The initiative and the actions will gain high-level political backing when adopted by the Council.

Forceful implementation of measures can successfully limit damage, especially caused by eutrophication and over-fishing, but also by hazardous substances and invasive species. Of pivotal importance is that the strategy not only clearly identifies actions, but also names responsible authorities and institutions which will have the mandate to monitor and ensure implementation. Only then can we strive towards reaching one of the BSAP's main targets – “a Baltic Sea unaffected by eutrophication”.

**Baltic Sea 2020 – a foundation aimed at stimulating concrete and active measures that improve the environment of the Baltic Sea**

# ACTING TOGETHER FOR THE BALTIC SEA REGION

**Support for the development of the strategy comes from various quarters with numerous organisations, such as NGOs, those representing business and employee groups and public authorities, having an active interest in the region. The Strategy for the Baltic Sea Region is seen as an innovative approach to an area with its share of both problems and potential. It has the potential to bring together both an understanding of the way each priority needs to be addressed in view of how it interlinks with others and the fact that this is best done at regional level.**

At the **Directorate-General for Maritime Affairs and Fisheries**, the emphasis is on the development of sustainable maritime activities within and outside EU waters. The Integrated Maritime Policy, launched in 2007, neatly dovetails with the Strategy for the Baltic Sea Region as both recognise the importance of place when putting forward policies and the knock-on effect one factor has on another.

The understanding that areas such as tourism or offshore energy generation cannot be dealt with as distinct elements is particularly important for the Baltic Sea which has a concentration of marine activity: a busy international shipping lane, a fragile ecosystem, the site of energy resources and the impact of pollutants are just a few of the elements inextricably intertwined.

As there is a maritime dimension to many of the issues outlined in the strategy for the region, so Maritime and Fisheries are wholeheartedly behind the idea of a broad spectrum strategy and have put forward five key areas for particular focus.

## Maritime surveillance

Fifteen percent of the world's cargo is transported on the Baltic and this is set to double by 2015. Freight includes hazardous material such as oil, so safety needs to be high on the agenda. Maritime surveillance is also important for fisheries, border and customs control, and crime prevention. The Directorate is ready to fund a pilot project providing support to cross-border co-operation and to the exchange of information between maritime surveillance systems. It also wants to see a formal safety

assessment of the Baltic Sea Region in order to get a clear measure of the extent of the issue.

## Maritime spatial planning

So many demands, such a small area: it seems everyone has claims on the sea. If environmental imperatives are to be met and species and life-sustaining ecological processes and services are to be protected while the economy grows, then people need to know which areas to protect, which to set aside for wind turbines, which for shipping lanes and so on. All this involves a bird's eye view of spatial planning – a mapping out of what should take place where.

## Clean shipping

Although maritime transport accounts for over 90% of European trade and is a clean way of getting products from a to b if one considers emissions per tonnes of cargo, a look at the overall environmental impact caused by waste water, industrial cleaning agents and the effect on air quality indicates that the maritime transport industry needs to clean up its act. So the issue of clean shipping is welcomed as an umbrella for a range of measures including the use of shore-side electricity at all major Baltic ports.

## Sustainable fisheries

There is no question that stocks are still a matter for concern, although some are recovering. Increased co-operation among the countries around the Baltic is needed to deal with the failures of the common fisheries policy as it now stands, and to show the way forward as the policy is reformed.

## Maritime industry clusters

Europe's maritime industries are doing well and there is potential growth in the sector. By grouping together and networking, clusters of industries can do even better. This is particularly important in the Baltic where markets are small and there is a mix of different activities. Strengthening these clusters will benefit the economy of the region and have positive, indirect effects for the EU as a whole.





The **European Economic and Social Committee (EESC)** represents interest groups such as NGOs, employers' organisations and groups representing workers, giving them a voice with which to address the larger EU institutions. Their main focus for the region, with an acceptance that the environment is a high priority, is the Baltic's future prosperity. Barriers holding the region back need to be removed – the nine countries around the sea use eight different currencies; red tape such as requirements for licences block the free movement of workers and provision of services; universities and research organisations across the region could benefit from closer collaboration.

The Services Directive, which works for a level playing field for businesses operating across borders, should be in place throughout the EU by the end of 2009 and the EESC feels its thorough implementation is instrumental to the region's prosperity. The Committee welcomes the strategy's support for the reduction of red tape and the emphasis it places on greater connections between research bodies. But there is a worry at the EESC that the strategy comes with no extra funding. Regional funds set aside for the Baltic's priorities are extensive, but need to be met proportionately by financing from national governments. The Committee fears that the countries which most need EU investment will not be able to pay their share.

One of the major threats to the Baltic Sea is eutrophication – excess nutrients from agriculture and untreated sewage flowing into the water, causing algal blooms which strip the water of oxygen and kill the species in the area.

**The World Wide Fund for Nature (WWF)** believes an integrated approach to managing the sea and its human uses is the only way ahead. The problem of eutrophication lands on the desk of ministers for the environment and yet the root cause is mainly agriculture – just one example of how ministries and levels of government need to work together.

The WWF welcomes the emphasis both the Strategy for the Baltic Sea and the Integrated Maritime Policy place on getting sectors to work together. From submarine cables to tourism, the WWF identifies a large variety of different sectors all of which want to use the sea. Each of these is controlled at various levels – national, regional, EU or global. No one organisation has the mandate to manage the whole picture and the pressure on the sea is ever increasing. So the strategy's understanding that the Baltic Sea is a regional issue and that each priority is interlinked with the next, is embraced by the WWF.

But the group flags a warning: when managing the sea it is vital to accept one cannot demand more from the sea than it can supply sustainably. Previously the environmental impact of each sector was considered separately. The WWF points out that this approach misses the big picture – that all the activities and impacts collectively need to be measured and action carried out with the understanding that each sector must be integrated into a wider picture. This leads to what the group feels should be a key action, maritime spatial planning, which will help illustrate how all users are, and should be, using the sea simultaneously based on the capacity and limits of the ecosystem.





### European Commission links:

EU Strategy for the Baltic Sea Region

[http://ec.europa.eu/regional\\_policy/cooperation/baltic/index\\_en.htm](http://ec.europa.eu/regional_policy/cooperation/baltic/index_en.htm)

The Northern Dimension Policy

[http://ec.europa.eu/external\\_relations/north\\_dim/index\\_en.htm](http://ec.europa.eu/external_relations/north_dim/index_en.htm)

European Neighbourhood and Partnership Instrument (ENPI) for cross-border co-operation with Russia

[http://ec.europa.eu/europeaid/where/neighbourhood/index\\_en.htm](http://ec.europa.eu/europeaid/where/neighbourhood/index_en.htm)

Directorate General for Maritime Affairs and Fisheries

[http://ec.europa.eu/dgs/fisheries/index\\_en.htm](http://ec.europa.eu/dgs/fisheries/index_en.htm)

### Links to projects/organisations mentioned in this issue:

HELCOM

<http://www.helcom.fi/>

JOSEFIN

<http://www.josefin-org.eu/>

COHIBA

[http://meeting.helcom.fi/c/document\\_library/get\\_file?folderId=89317&name=DLFE-33722.pdf](http://meeting.helcom.fi/c/document_library/get_file?folderId=89317&name=DLFE-33722.pdf)

[http://www.helcom.fi/projects/on\\_going/en\\_GB/cohiba/](http://www.helcom.fi/projects/on_going/en_GB/cohiba/)

European Economic and Social Committee

<http://eesc.europa.eu/>

World Wide Fund for Nature

<http://www.wwf.org/>

Musikpark Mannheim

<http://www.musikpark-mannheim.de/web09/>

Swansea University Centre for NanoHealth

<http://www.swan.ac.uk/nanohealth/>

“Territorial Cohesion under the Looking Glass” author:

Prof Andreas Faludi (European Commission - Regional Policy – Inforegio

[http://ec.europa.eu/regional\\_policy/consultation/terco/pdflookingglass.pdf](http://ec.europa.eu/regional_policy/consultation/terco/pdflookingglass.pdf)

### Other useful links:

Actors in the Baltic Sea Region

[http://ec.europa.eu/regional\\_policy/cooperation/baltic/pdf/websites.pdf](http://ec.europa.eu/regional_policy/cooperation/baltic/pdf/websites.pdf)

Baltic portal

<http://www.balticsea.net/>

Baltic Environmental Atlas (interactive)

<http://maps.grida.no/baltic/>

Council of the Baltic Sea States

<http://www.cbss.st/>

### Link to key websites for the next issue:

Climate change

[http://ec.europa.eu/regional\\_policy/themes/environment/index\\_en.htm](http://ec.europa.eu/regional_policy/themes/environment/index_en.htm)



# TERRITORIAL COHESION – WHERE THE CONCEPT SPRINGS FROM

**Panorama considers issues of interest regarding Regional Policy. In this edition we outline a recent paper written by Andreas Faludi, Professor of Spatial Policy Systems in Europe at Delft University of Technology, on the history of Territorial Cohesion.**

## Territorial Cohesion – a goal worth pursuing

Even before the war, planners in north-western Europe were inspired by Metropolitan park systems in the US, garden cities and the drive for a UK green belt. In the devastation following the war, designing policy to fit regions became common. Creating new models for urban growth, planners wanted to get on board.

From the word go, two rationales were at the heart of European Spatial Planning/Territorial Cohesion Policy: balanced development and good territorial governance – cohesion and coherence. This was based on recognition of the effect the lifting of customs barriers would have on economic geography.

In the Treaty of Rome, the countries then in the European Economic Community went no further than declaring they were anxious to “strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions”.

Once the UK, Denmark and Ireland joined, the focus shifted. The UK could not benefit from the Common Agricultural Policy in proportion to its contribution, but it did have industrial areas in decline, so a minimalist Regional Policy was put forward, which subsidised national budgets.

### Possible definitions of Territorial Cohesion

Territorial Cohesion refers to a situation whereby policies to reduce disparities, enhance competitiveness and promote sustainability acquire added value by forming coherent packages, taking into account where they take effect, and the specific opportunities and constraints there, now and in the future.

Territorial Cohesion Policy refers to measures promoting good territorial governance with the aim of achieving coherence as described. European Territorial Cohesion Policy, in particular, refers to such measures taken by the EU institutions.

## Building on the initial interest

In 1949 the Council of Europe was established. Pointing to over-concentration of population and regional disparities, it passed a resolution stating ‘harmonious geographical development’ was a task for European institutions, and in 1968 a working party published a paper called ‘Regional planning, a European problem’.

With the establishment of a framework of goals and themes, the Community found itself with a real Spatial Planning/Territorial Cohesion programme which then provoked the question, «How does this fit in with other Community policies?» A question which still stimulates debate today.

## The role of Territorial Cohesion within the EU

In the present European Union, the European Parliament, the Committee of the Regions and the European Economic and Social Committee are supportive of Territorial Cohesion. They reiterate concerns over balanced and sustainable development and the need for proper regard to regional and local diversity and access to services of general economic interest. Since improving governance through co-operation can make policies more effective, they argue the case for making Territorial Cohesion an objective for all EU policies. For the European Parliament, it is a pillar of Cohesion Policy.

«Territorial Cohesion under the Looking Glass»

Author: Professor Andreas Faludi

European Commission – Regional Policy – Info regio

[http://ec.europa.eu/regional\\_policy/consultation/terco/pdf/lookingglass.pdf](http://ec.europa.eu/regional_policy/consultation/terco/pdf/lookingglass.pdf)

### New Commissioner for Regional Policy

Following the resignation of Mrs Danuta Hübner, who has been elected to the European Parliament, Mr Pawel Samecki has been appointed European Commissioner for Regional Policy. The appointment of Mr Samecki, currently a member of the management board of the National Bank of Poland, will be looked at in more detail in the next edition of Panorama.



**Our regular update from...** In each edition, Panorama finds out how two projects are unfolding from the perspective of the people managing them. We look into the highs and lows of managing ERDF funded projects: identifying the problems and sharing solutions.

### PROJECT 1

## INSIDE THE MUSIKPARK MANNHEIM

Musikpark, Mannheim – a project that gives start-up SMEs in the music sector their first step on the ladder. Musikpark's 4 300 square metres provide space for a choreography and performance room, workshop, several sound studios, TV studio and stylish meeting room for negotiating that all-important first commission.

#### Facts and figures

Just over €5 million is to be invested in Musikpark under Objective II. The funding started in 2004 and runs over 15 years.

### Weathering the economic crisis

As economies reel under the impact of the economic crisis, Musikpark is not only staying afloat, it's doing better than ever before. For the first time in its history, the park is having to create a waiting list of SMEs who want to rent space under its roof. "We are very pleasantly surprised," says Panorama's regular contact, managing director Christian Sommer. "More people are seeking to come in than wish to leave – it's very encouraging," he explains.

### A greenhouse for young SMEs

Since the park offers SMEs access to services and groups them together for more successful marketing, the fact that people are queuing to become part of its success is not surprising.



Earlier this year, two SMEs were offered a new 'start-up package' enabling them to access phone lines, set up internet connections and occupy offices at a preferential rate, along with free marketing and financial advice. They are going from strength to strength. One man is now touring with the band he manages and they seem to be pulling in good numbers, the other is a young woman who has designed a webpage for creative services and is seeing her business start to take off. "She hit a problem with her internet service provider, but we found her a new one and things are going smoothly for her," explains Sommer.

The year is unfolding well for those renting space at the Musikpark. Sommer and his team have also managed to find a business angel to put up some investment capital – a make or break moment for a young SME. "€20 000 may not seem like too much to raise, but it was a lot of money for one young company to find," says Sommer. But establishing mutually beneficial contacts is what the park is all about and the young company not only is still in business, but also has the benefit of the involvement of an old hand to guide it.

The connection between the PopAkademie degree course, Baden-Württemberg, and the Musikpark is also working well. Five graduates have set up shop in the Musikpark and a further four have come in from Mannheim's music conservatory.

### Learning to make the most of the services on offer

Although the project is essentially doing very well, there are some thorns in the bed of roses. One intriguing, if frustrating factor, is the user's subjective appreciation of the facilities the park has to offer. Despite Sommer's extensive experience as a musician and manager of artists, he is nonetheless frustrated at the perception that the park is not doing enough.

"An SME will complain that they haven't been given enough help finding an investor for example", explains Sommer. "And yet, I can pull out their file and show them when they were counselled on the subject." Somehow what is on offer is not being exploited by the SMEs 100 per cent and their feeling is that something is lacking.

"The phenomenon is genuinely interesting," explains Sommer who has spoken to two professors in economic psychology – both intrigued enough to want to carry out research into this type of dissatisfaction.

The PopAkademie Baden-Württemberg in Mannheim provides students the chance to get a BA in pop music. Two possible courses exist, a 'conservatory' approach for instruments not covered at the more traditional music schools or a course in management. By moving from the course to the Musikpark, young graduates have a nurturing environment in which to start up. Panorama will take a closer look at the PopAkademie in its next issue.

### Outgrowing the Musikpark

While trying to keep his clients satisfied might not always be the easiest of tasks, Sommer has at least the gratification of being faced with another problem, significant but more positive. "Some companies are growing too big. They need to expand and find more space."

Although there is land surrounding the Musikpark that is lying idle, it belongs to the municipality, which is not interested in developing it to this end. "A major goal for the second half of this year will be to get the political will to build and create space which can be used by those who have successfully outgrown us," says Sommer.

## PROJECT 2

# INSIDE THE CENTRE FOR NANOHEALTH (CNH) AT SWANSEA UNIVERSITY

By bringing together the worlds of academia, the private sector and the National Health Service, the CNH works to apply nanotechnology to the detection of disease and identification of appropriate treatment.

### Facts and figures

Just over €21 million is to be invested in the Centre for NanoHealth under the Convergence Objective. The funding started in 2009 and runs over 5 years.

## CNH – boosting local employment

A major step forward was celebrated on 9 June as the project reached out to local SMEs at its official industry launch. “We are setting out to make SMEs interested in spin-out companies,” explained Panorama’s regular contact Dr Tim Claypole, member of the executive committee.

Thirty companies came to the launch and heard keynote speaker, Professor Mauro Ferrari, internationally recognised for his expertise in the field of development, refinement and application of biomedical nanotechnology.

The CNH will not only see breakthroughs in medicine and science, but also give a much needed shot in the arm to the local economy. It is expected to bring up to 450 jobs over the next five years to the Swansea Bay area. Based on the University of Swansea campus, it will be a state-of-the-art facility bringing together clinicians, life scientists, engineers and industry.

The Centre for NanoHealth plans to assist around 400 companies – more than 300 will be small and medium-sized businesses in Wales, representing a real boost for the region.

## Putting Swansea at the heart of the nano revolution

The Centre’s work was welcomed by Ferrari who inspired the audience at the industry launch with his own commercial experience of nanotech and nanohealth.

In his keynote speech he urged industry to ‘think out of the box’ and look to applications in technology such as NASA’s forthcoming two-year voyage to Mars. The astronauts will need to rely on nanohealth applications for early detection and intervention and personalised medicine.

“Nanotech only recently graduated from sci-fi into science, yet the tools we already have available, and can still develop, will transform medicine for the better,” explained Ferrari.

## Patients and patents

As someone with more than 30 U.S. and international patents awarded to his credit, Ferrari was a good choice for heading the official launch, as one of the Centre’s key goals, apart from the thirst for knowledge, is to harness the results of innovative research for business development.

Ferrari has established several companies and is the scientific founder of NanoMedical Systems (NMS) in Austin, Texas and Leonardo Biosystems. It was this experience that he conveyed to the audience to galvanise them into creating new products.

He ended his talk by reminding the audience that nanotechnology on its own is not enough, but it is a “set of tools to be integrated with many other disciplines and developed in partnership with both industry and patients”.

## Other milestones

Although pleased with the launch, Claypole explains the project is hitting the buffers when it comes to state aid. “We are grappling with funding issues,” he explains. Hiccups in the flow of financing are interfering with the Centre’s ability to get the equipment it needs.

Hopefully the glitches will be ironed out in time for the planned intake of new staff this autumn.



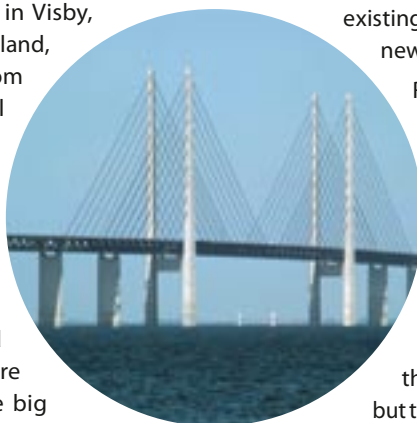


# NETWORKING CONFERENCE IN VISBY, SWEDEN, 11–12 JUNE 2009

## The new face of European collaboration

The EU has a new role to play in the Baltic Sea Region, as it oversees a host of collaborative projects between many different countries. The Networking Conference in Visby, 11–12 June, on the Swedish island of Gotland, brought together all the key players, from environmental organisations to financial institutions. It was a chance to see the details of the first projects within the Baltic Sea Strategy, meet the people involved and understand the vision for the ambitious goals set for the region.

In this region, the EU is pioneering a strategy that relies more on people and ideas than on budgets. EU authorities are playing a strategic role, looking at the big picture for the region and coordinating project leaders from many different fields and countries. This is the first macro-regional strategy, where initiatives funded by the Structural and Cohesion Funds are harnessed together to achieve a bigger impact across Member States and beyond.



## Moving from the good to the extraordinary

The region boasts many natural assets, wide-ranging business opportunities and people who are open to new ideas. Many countries surrounding the Baltic Sea share a number of common themes running through history and can look forward to a strong common future. At the same time, national boundaries and a challenging natural environment throw up many practical problems, so what makes an EU strategy the best way forward?

Projects are grouped together under the four big goals of improving the environment, promoting prosperity, increasing access and developing higher safety and security standards. Some 80 flagship projects are already up and running with detailed business plans and close support from Managing Authorities who are experts in these fields. The Visby conference was an opportunity to showcase these and see the faces behind the names. Even at this early stage, it was clear how the strategy was encouraging a new level of openness between different countries and a sense of partnership in achieving big gains for the region.

## EU speakers bring policy to life

Keynote speakers from the Directorate-General for Regional Policy showed how EU expertise and good management can unite the business community from across the region and bring new prosperity through co-operation. Dirk Ahner, Director-General of DG Regional Policy, reminded delegates that the

strategy will add a new dimension to EU Cohesion Policy, creating a powerful synergy between existing projects benefitting from the Structural and Cohesion Funds. As they forge ahead with their own business projects, they can be confident of being part of a much bigger picture, where existing finance is made to work harder and deliver new benefits for local people.

Rolandas Kriščiūnas, Undersecretary of the Lithuanian Ministry of Finance, showed how the organisations which are acting as Managing Authorities have a solid track record of guiding and advising on effective planning, finance and project management. They make sure discussions stay on track and help project partners to build good networks and pull together. Their experience ensures the best approach to financing new ventures, but they also advise on effective business procedures and keep abreast of legislative developments.

Other Commission speakers outlined the exciting projects that are already underway, ranging from maritime surveillance to developing more efficient fuels. The conference saw projects on display and was attended by representatives from some of the projects. Those participating could make their own face to face contacts, often the most productive side of any conference. There was then insight offered into how EU involvement in regional programmes allows different nationalities to work together and take their projects to new levels.

## Workshops to showcase the cutting edge of collaboration

From the key principles of the strategy, delegates turned their attention to the details of progress so far. On day two of the conference, four workshops put project leaders in the spotlight, as they explained how their teams were delivering new benefits. In Poland, for example, the University of Technology is bringing new expertise to building projects and regional planning with the help of experts from Germany. In Lithuania, investment in the road network is being managed by the Ministry of Finance in Latvia. Swedish environmental technology is being used to improve waste management in Lithuania, while developments in energy-efficient fuels in Sweden are benefitting from collaboration with Finland.



## EU – mentor, not ruler

The range of international partners and areas of expertise drawn together by a common passion for the region reinforces the message that this is a strategy, not a programme. The EU authorities do not directly control the budget or legislation, rather they are a catalyst for new alliances to be forged, even between unlikely partners. Businesses, universities, organisations and public bodies are already applying their specialist skills and the EU can play the role of mentor, achieving more value added for each euro of public money committed.

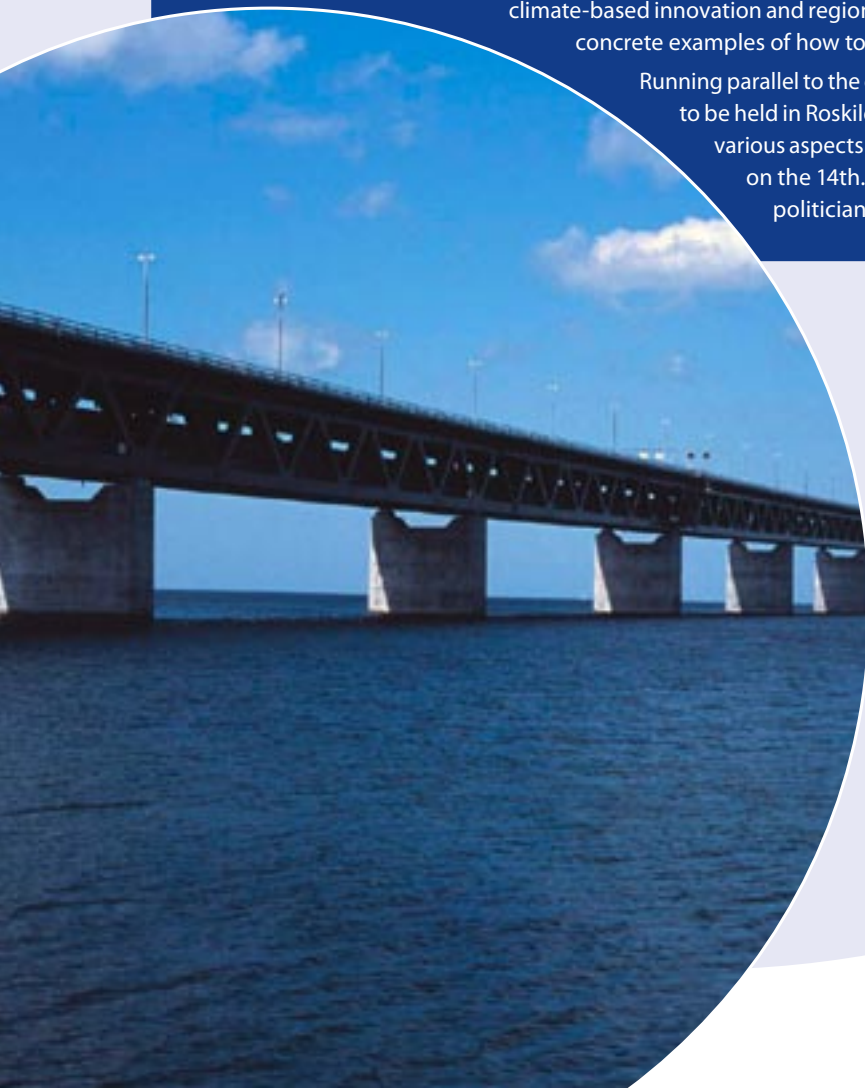
This new approach to collaboration between Member States and Russia is set to grow in strength and effectiveness with each new project that is completed. Visby marked the beginnings of the Baltic Sea Strategy, put faces to names and set out the scope of the work ahead.

### **The Baltic Sea States Subregional Co-operation (BSSSC) – 17<sup>th</sup> annual conference**

The BSSSC is a political network bringing together regional authorities from the 10 Baltic Sea littoral states at a time when the regions in the area can have a real impact on policies being made at national and EU level. A key role is the support it gives to the Lisbon Agenda for growth and jobs offered through close co-operation with other pan-Baltic organisations such as the Union of the Baltic Cities, the Baltic Development Forum and the Baltic Chambers of Commerce Association.

The network's 17th annual conference will be held in the region of Zealand, Denmark, 13 to 15 October, and focuses on the two big issues facing the countries around the Baltic today: the EU's strategy for the region, and climate change. Climate change is already making its impact felt in the Baltic and the BSSSC member regions will respond to this challenge by reviewing and launching initiatives on renewable energy systems, energy-efficient public transport, climate-based innovation and regional climate planning. The 2009 conference will present concrete examples of how to turn development in a climate-friendly direction.

Running parallel to the conference is the Youth Event on Sustainable Societies, to be held in Roskilde, Denmark. Fifty young people will gather to discuss various aspects of sustainability and will then join the main conference on the 14th. A discussion between three young people and three politicians is scheduled.





## LAST ISSUE

The last edition of Panorama covered The Year of Creativity and Innovation, as 2009 has been designated. The year's challenges include how to measure creativity and its effects on a society, and how to foster innovation in its broadest sense – going beyond the laboratory and considering how creative thinking leads to innovation. Around the EU, countries are taking a creative approach to promoting the Year and its goals: innovation classes for Hungarian secondary students; heritage and the environment being promoted through Open Gardens throughout Poland; a Hispano-French seminar on innovation supported by the Structural Funds, to name but a few. Innovation will also play a key role in the annual European Week of Regions and Cities (5–9 October 2009): "Innovation in Europe's regions and cities" will be one of the four main themes of this year's Open Days: [http://ec.europa.eu/regional\\_policy/conferences/od2009/themes.cfm?sub=1&nmenu=2000](http://ec.europa.eu/regional_policy/conferences/od2009/themes.cfm?sub=1&nmenu=2000)

## NEXT ISSUE

The next issue of Panorama will be on climate change – arguably the biggest challenge facing us at this time. The EU adopted an integrated energy and climate change policy in December 2008, including ambitious targets for 2020. It hopes to set Europe on the right track – towards a sustainable future with a low-carbon, energy-efficient economy – by cutting greenhouse gases by 20% (30% if international agreement is reached), reducing energy consumption by 20% through increased energy efficiency, and meeting 20% of our energy needs from renewable sources. Panorama will look at how the EU's Cohesion Policy contributes to enabling these ambitious goals to be met. From solar panels on the French island of Réunion to the (Austria) Burgenland's plans for energy independence, Panorama will consider what regions across the EU are doing to slow down and mitigate climate change.



DATES	EVENT	PLACE
<b>31 August-1 September 2009</b>	18 <sup>th</sup> Baltic Sea Parliamentary Conference <a href="http://www.baltasam.org/">http://www.baltasam.org/</a>	Nyborg (DK)
<b>14-15 September 2009</b>	European Cities and the Global Climate Challenge <a href="http://www.se2009.eu/en">http://www.se2009.eu/en</a>	Stockholm (SE)
<b>17-18 September 2009</b>	Ministerial meeting on the EU Strategy for the Baltic Sea Region, organised by the Swedish EU Presidency <a href="http://www.se2009.eu/">http://www.se2009.eu/</a>	Stockholm (SE)
<b>24 September 2009</b>	Territorial cooperation and territorial cohesion <a href="http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm?nmenu=1">http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm?nmenu=1</a>	Brussels (BE)
<b>29 September 2009</b>	How does cohesion policy support rural development? <a href="http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm?nmenu=1">http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm?nmenu=1</a>	Brussels (BE)
<b>5-6 October 2009</b>	11 <sup>th</sup> Summit of the Baltic Development Forum, held jointly with the Swedish EU Presidency <a href="http://www.bdforum.org/">http://www.bdforum.org/</a>	Stockholm (SE)
<b>5-8 October 2009</b>	Open Days – European Week of Regions and Cities: Global challenges, European responses <a href="http://ec.europa.eu/regional_policy/conferences/od2009/">http://ec.europa.eu/regional_policy/conferences/od2009/</a>	Brussels (BE)
<b>13-15 October 2009</b>	Baltic Sea States Subregional Cooperation (BSSSC) Annual Conference <a href="http://www.bsssc.com/">http://www.bsssc.com/</a>	Zealand (DK)
<b>30 Nov–1 Dec 2009</b>	New methods for Cohesion Policy Evaluation: Improving evaluation methods <a href="http://ec.europa.eu/regional_policy/conferences/evaluation2009/index_en.htm">http://ec.europa.eu/regional_policy/conferences/evaluation2009/index_en.htm</a>	Warsaw (PL)
<b>10-11 December 2009</b>	A Conference on Cohesion Policy and Territorial Development: Make Use of the Territorial Potential! <a href="http://www.se2009.eu/en/meetings_news/2009/12?tab=1">http://www.se2009.eu/en/meetings_news/2009/12?tab=1</a>	Kiruna (SE)
<b>3 March 2010</b>	Fifth Stakeholder Conference on the HELCOM Baltic Sea Action Plan <a href="http://www.helcom.fi/">http://www.helcom.fi/</a>	Helsinki (FI)

Find out about key Regional Policy events at [http://ec.europa.eu/regional\\_policy/conferences/agenda/index\\_en.cfm](http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm)

# MAKE YOUR VOICE HEARD

Panorama welcomes your comments and questions. The topic of the next edition will be **climate change**, one of the greatest challenges facing us today. What is the EU doing to limit damaging emissions? How does Cohesion Policy contribute to mitigating their effects? Tell us how your programmes are making a difference in your region.

Panorama also invites you to put forward questions on practical project issues and policy. We will select some of your comments and questions and put them to experts on the subject in our new Troubleshooting section.

So if you have something to say, say it. Get in touch to ask questions or express your views by contacting:

[regio-panorama@ec.europa.eu](mailto:regio-panorama@ec.europa.eu)

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**European Commission, Directorate-General for Regional Policy**  
Unit B.1 - Communication, Information and Relations with Third Countries  
Raphaël Goulet  
Avenue de Tervuren 41, B-1040 Brussels  
Fax (32-2) 29-66003  
E-mail: [regio-info@ec.europa.eu](mailto:regio-info@ec.europa.eu)  
Internet: [http://ec.europa.eu/regional\\_policy/index\\_en.htm](http://ec.europa.eu/regional_policy/index_en.htm)



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