"NORTHERN DIMENSION" OF EUROPEAN UNION

The last decade of the XX century saw the establishment of many organisations and institutions for regional co-operation in northern Europe linking states earlier divided into two blocks, NATO and the Warsaw Pact, by the 'iron curtain' with Finland and Sweden geographically and politically located in between. At the beginning of the nineties the Council of Baltic Sea States was established, Nordic Council of Ministers, Arctic Council and the Barents Euro Arctic Council just to name some.

Among many projects and visions for co-operation in this part of Europe the concept 'Northern Dimension' was developed. 'Northern Dimension', the initiative of the European Union, is at present a point of convergence for EU overall policy towards northern Europe and multilateral international co-operation in the region. It features development of a network for cross border co-operation and integration across Europe and outside its borders in areas cutting into the region. This initiative unites four types of states: European Union member states - Germany, Denmark, Sweden and Finland, well developed Scandinavian countries strongly linked with the European Union (part of the European Economic Region and Schengen zone), non members - Norway and Iceland, candidate countries - Poland, Lithuania, Latvia and Estonia, and Russia which plays a significant role in this part of Europe. Therefore, one of the most important targets of 'Northern Dimension' in the next few years will be support for enlargement of the European Union in the Baltic region in a way that does not create a division line on the new border of UE and Russia.

The political objective of the 'Northern Dimension' is according to Bo Lindroosa preparation of EU and the Baltic region to the new round of EU en-

2 Councillors in the Northern Dimension Unit in the Ministry of Foreign Affairs in Finland.
largement. On Poland's and the Baltic States' accession to EU the Baltic will become an 'internal basin'. Kaliningrad will remain a Russian enclave in European Union. The geopolitical and economic situation in the Baltic Sea region will be subject to further changes in the next few years.

Russia is considered to be the main partner of the 'Northern Dimension'. The Europe orientated Russian Federation and EU with its new northern flank required a policy, which would meet the interests and challenges in the region covered today by the 'Northern Dimension'. The key words used in this context are developing integration' between expanding EU and Russia.

Thanks to the 'Northern Dimension' the centre of gravity has moved northwards and what is still more important a similar shift has taken place in EU foreign policy.

Discussions on the 'Northern Dimension' started before the initiative was officially presented in the European Union by the Prime Minister of Finland Paavo Lipponena in April 1997. From the start of negotiations with EU, Finland emphasised the growing importance of the Union's northern dimension on accession of the Nordic countries to the Union. The northern direction was not solely a geographical fact but also referred to certain Nordic values such as a welfare state, care of a high quality natural environment and the clarity of public administration procedures.

In negotiations of Finland and Sweden with the EU, emphasis was put on the influence of the harsh climate, large distances, lessor population density in northern Europe. These conditions pose specific barriers for the development of economy.

The term 'Northern Dimension' was first voiced in 1994 at an Estonian University in Tartu by the Prime Minister and the President of Finland. The Prime Minister, Esko Aho, stated that enlargement of the European Union towards the north may enhance the significance of the Nordic dimension within the EU framework whereas the President, Martti Ahtisaari, underlined the fact, that membership of Nordic countries in EU will ensure sustainable development of the 'Northern Dimension' in EU and create the possibility of including Russia in the integration process in Europe.

According to the general Nordic concept the 'Northern Dimension' initiative gradually evolved into the Finish proposal specifying concrete objectives and plans for co-operation.

In September 1997, during the conference of the Barents Euro-Arctic Council in Rovaniemi, the Prime Minister of Finland Paavo Lipponen proposed the establishment of European Union 'Northern Dimension'. The initiative was to be an integral part of EU external relations, taking advantage of existing cooperation structures in this part of Europe, use of the support funds designated for the area without establishing new institutions.
In December 1997, Finland presented the 'Northern Dimension' project at the European Council meeting in Luxembourg. The European Council committed the European Commission to prepare a report on the issue.

The Finnish government argued that the 'Northern Dimension' initiative was formulated to develop and define the interests of European Union in Northern Europe from Island to north west Russia, from the Barents Sea to the southern coast of the Baltic. The main addressees of the project were Russia (north west part), Lithuania, Latvia, Estonia and north-east Poland. Apart from Finland other Nordic states: Sweden, Norway, Denmark and Island became involved and in case of some arctic regions there are plans for co-operation with countries beyond Europe i.e. USA and Canada.

The area covered by the 'Northern Dimension' initiative is rich in natural resources: crude oil and gas, iron ore, bauxite, cobalt and nickel and features woods and forests with waters rich in fish and 'fruits of the sea'.

On one hand there is a huge human and economic potential and on the other the region has to solve many problems like that of a devastated natural environment, smuggling, weapon trade, crime and downgraded nuclear power stations, significant disparity in economic and social development. Economic development of the region requires development of transport, telecommunication and mail infrastructure, information systems to support business development, and legal provisions preventing unfair practice.

The 'Northern Dimension' aims at improving co-ordination of EU policy in northern Europe and eliminating economic disproportion particularly between EU and Russia and former eastern block countries. This concept was presented by the Finnish as a platform for dialogue for EU member countries and those remaining outside its structures. This step is to eliminate the risk of another split in Europe, after Poland, Lithuania, Latvia and Estonia become part of the European Union with this option excluded for Russia in a realistic perspective.

Actual differences and contrasts are particularly vivid. The 1300 long Russian-Finnish border is not only the longest EU border with Russia but also features the greatest contrasts in living standard and social conditions of the population of any trans-border regions in the European Union.

The 'Northern Dimension' initiative presented to the European Council by the Finnish in 1997 projects investments and modernisation in six strategic sectors: energy, mining, forestry, transport infrastructure, protection of the natural environment and nuclear safety. The project presents a detailed analysis of each priority sector, possible development, necessary investments and an estimate of costs and profits for partners involved in realisation of the projects.

\[3\] In the Leningrad district on Kola peninsula and in Lithuania there are three post soviet nuclear power plants (10 reactors, 6 of the same type as in Czarnobyl).
Under the program an investment of 82 milliard Euro would be required during a period of 20 years. Investments in the exploitation of oil and gas resources comprise on estimate 45% of overall costs.

In December 1998, the European Council at a meeting in Vienna, a year after Finland presented the 'Northern Dimension', declared on the basis of a report prepared by the European Council, that the North Region of Europe is very important for the European Union. Russia and candidate countries round the Baltic were invited to join in the co-operation. The report emphasised that the new dimension did not require additional funds or new regional organisations.

The 'Northern Dimension' was assigned the rank of the Union's political concept aimed at better co-ordinating of co-operation, problem solving and needs of northern Europe relying on existing Union funds and other support programmes for the region.

The European Parliament also expressed its opinion on the report in May 1999 underlining primarily the regional significance of the Finnish concept contrary to that voiced by the Commission and European Council.

The extent and priorities of the project were specified by the European Union Council of Ministers in Conclusions dated May 31, 1999. During studies on adapting the Finnish initiative to the European Union policy the scope of the 'Northern Dimension' was extended. The programme was additional supplemented by sectors such as; education, scientific research, training and human resource development, development of welfare, health protection, trade and investments and fighting crime. Thus, the realisation plans of the 'Northern Dimension' expanded beyond the economic sphere.

The next step, recognition by the addressee non EU countries of the need to be involved in the project was achieved during the European Council meeting in Cologne in June 1999. The 'Northern Dimension' was said to be construed as a co-operation instrument for countries in the region to improve business environment, safety and eliminate threats resulting from degradation of the environment, radiation risk and organised crime.

From the point of view of concept development the conference of ministers of foreign affairs of EU member states with the participation of representatives from Estonia, Iceland, Lithuania, Latvia, Norway, Poland and Russia which chaired by Finland in Helsinki in November 1999 was an important event. All participants of the conference recognised the usefulness of the 'Northern Dimension' concept and its impact on enhancing European safety and stability, stability of democratic reforms and development of Northern Europe as well as promoting generally European interests. Common priority sectors specified in Conclusions of May 31, 1999 were agreed upon during the conference and the need to develop an action plan was approved. The European Commission expressed readiness to participate both preparation and implementation stages.
The priority sectors of the 'Northern Dimension' include: nuclear safety, sustainable and ecological exploitation of natural resources, communication and transport, environmental and health protection, fighting crime, cross border cooperation, regional trade and solving of social problems. Special significance was assigned under the programme to the Kaliningrad District due to its special geographical and political position.

According to the European Commission the 'Northern Dimension' should not be treated as just another initiative for establishing a regional organisation in this part of Europe but as a new platform for co-operation and dialogue with non-member states. The European Commission believes there is no need of establishing new institutions to implement the 'Northern Dimension' as reliance on the three main existing contractual relations, institutions and regional organisations in the Baltic region is sufficient. These include accession negotiations with candidate countries from Central and Eastern Europe, Partnership and Co-operation Agreement with Russia and existing contractual regional relations, e.g. Council of Baltic Sea States, co-operation within the frame of Barents Euro Arctic Council and the Baltic Agenda 21.

During the conference of EU Foreign Ministers in 1999 in Helsinki the European Commission expressed full readiness to participate in the implementation of 'Northern Dimension Action Plan'. However emphasis was put on the leading role of EU presidency and the limited competency of the Commission in involvement in the work of regional co-operation of states suggesting that successfulness of the initiative should result from engagement of relevant regional actors also from the private sector. Regional organisations already operating and designated for project implementation specified by the Commission followed the Finish proposal naming the Council of Baltic Sea States, co-operation within the frame of Barents Euro Arctic Council and the Arctic Council.

The implementation of the 'Northern Dimension' initiative is based on co-operation and co-financing by states, regions, local and international institutions, the public and private sectors and also EU support funds. The European Commission believes that implementation of the 'Northern Dimension' should proceed based on existing forms of regional co-operation as well as co-ordination of existing budgetary instruments such as the programmes: TACIS, PHARE and INTERREG with a contribution from partner states' budgets involved in programme realisation.

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4 Baltic Agenda 21 was adopted by the countries around this basin in 1996. It assumes a steady and sustainable development of the Baltic Sea region. This refers particularly to six most important sectors for co-operation in the area: agriculture, energy, fishing, forestry, industry, transport and tourism.
At the end of Finland's term of office, during the EU summit in Helsinki (11-12 December 1999), the European Council called the European Commission to draw up the Northern Dimension Action Plan in co-operation with countries to which it is addressed. In the Portuguese town of Feira, on June 10 - 11 2000, the European Commission presented to the European Council the Action Plan and by June 13 the European Union expressed support for the document.

The document refers to the principal challenges facing the region of Northern Europe, indicates the priorities agreed upon by partner countries and embraces the project in legal, institutional and financial frames. The second part of the document specifies the objectives and perspectives for the years 2000-2003 in sectors where the biggest effects are expected.

'Action Plan' confirms earlier agreements reached by the European Union. The 'Northern Dimension' is to be implemented within the framework of existing community legal instruments (Agreement on Associations, Partnership and Co-operation Agreements and also Agreement on European Economic Zone) as well as relevant financial means from TACIS, PHARE, SAPARD, ISPA, INTERREG and TEMPUS.

The Feira meeting confirmed the conclusions of the EU Council of Ministers dated May 31 1999 referring to most of the priority sectors within the project, i.e. transport infrastructure, energy, telecommunication, scientific research, environment and nuclear safety, education, training and human resource development, public health and social administration, cross border trade and co-operation, investments and fighting crime.

At the Schwerin conference on August 31- September 1, 2000 the City of Hamburg, federation states Mecklenburg-Vorpommer and Schlezwig-Holstein organised a 'Northern Dimension Forum'. During the meeting the Finnish Prime Minister, Paavo Lipponen, summed up the "Northern Dimension" policy and outlined the framework for political actions. Such issues as economy and logistics, ecology, education, and IT society as well as co-operation of public administration and business became the key issues. The success of the resolution passed in Feira by the European Union in development for Northern Europe was emphasised as the first case of addressing issues relating to northern Europe and the Baltic Region in both a complex and detailed manner.

The presidency of Sweden in EU Council in the first half of 2001 resulted in developing further awareness of the significance of northern Europe for the Union as a whole and closer integration of candidate countries and Russia in the 'Northern Dimension'.

Several important meetings and international conferences took place at the time where a number of details and development directions were worked out within the 'Northern Dimension' frame. In March 2001, the Helsinki meeting pointed out the necessity to give priority to environmental, infrastructure and
energy sectors. A proposal was made to establish a 'Northern Dimension Environmental Partnership'. In April 2001 'Northern Dimension Business Forum' was organised in Talin. The same month, at Luxembourg Foreign Ministers session of EU and seven partner countries\(^5\) participating in the 'Northern Dimension' accepted the proposal of Anny Lidh, Foreign Affairs Minister of Sweden, on enhancing support and better co-ordination of financial support for big projects related to environmental protection of the Baltic Sea. The value of existing and planned projects is assessed at 7 milliard EURO. New projects may contribute to financing the construction of a sewage treatment plant for Kaliningrad and Sankt Petersburg and improvement of nuclear waste management on the Kola peninsula. EU strongly supported co-operation with Russia, Poland and Lithuania on protection of the environment.

The next EC meeting devoted to the issue was held on June 15-16 2001 in Goteborg where the 'Northern Dimension' report was adopted. The EC was then committed to prepare annual reports for the European Council on development of the project. A decision was also taken to convene regular meetings of Foreign Ministers, top level experts for business and non governmental organisations. The first international Forum was held in Finnish Lappeenranta at the end of October 2001.

The Riga meeting of ministers responsible for the IT and telecommunication sectors (ITC) in September 2001 adopted the Northern eDimension Action Plan. Implementation was initiated in November that year.

Denmark's presidency in the second half of 2002 marked further decisions on the 'Northern Dimension' for the year 2003 taking into account the near accession of Poland and the Baltic States to the EU.

During the meetings and discussions held by various EU bodies and Baltic countries on interrelations under the 'Northern Dimension' project the question of Russia and its enclave on the Baltic -Kaliningrad always came to light. The Kaliningrad District was also a special issue during meetings held in Copenhagen on May 17 and 18 2000. The Danish ministry of Foreign Affairs, Nordic Ministers Council together with the European Commission organised a conference entitled 'Northern Dimension and Kaliningrad' followed by a meeting organised by the German land Schleswig-Holstein, on June 19, 2000 in Kiel. The next conference 'Northern Dimension and Kaliningrad District', under the patronage of Baltic Sea Council organised by the Conference Secretariat for Subregional Co-operation of Baltic States took place in March 21-22 2001 in Kaliningrad. The future of Kaliningrad was also discussed during the tenth minister session of Baltic Sea Council on March 6 2002 in Swietlogorsk.

\(^5\) Russia, Poland, Lithuania, Latvia, Estonia, Norway and Iceland
Objectives of the 'Northern Dimension'

Regional and cross border co-operation

Eliminating barriers and opening up of partners on the other side of the border, bringing an end to stereotypes and prejudice. Development of cross border co-operation in many fields starting from SME, tourism, youth exchange programmes, etc. The integration process is to lead to economic activation, elimination of barriers in trade and increase in investments, developing support for SMEs. Promotion and support for development of existing and the establishment of new Euroregions particularly between Finland, Estonia and Latvia, Eastern Finland and Karl Republic, Southern Sweden and Lithuania, Latvia and Estonia and Kaliningrad, as well as Poland, Lithuania and Bielorus. Support for existing and establishment of new IT information centres on EU. Up to date two such centres were opened in Estonia, Latvia and Lithuania, 12 in Poland 5 in Norway and one each in Iceland and Kaliningrad.

Energy

As Western Europe is dependent on supply of natural resources from external sources, the natural resources in north east Russia have a strategic meaning for EU. Even today EU is the main purchaser of Russian raw materials and energy. Sustainable exploitation of energy resources requires long term investments in building pipelines. The development of energy network in the eastern part of the Baltic basin, development of the Baltic Energy Ring are considered to be key issues similarly as the linking of present network with the European energy network. A concept has been put forward to develop a Baltic Gas Ring. At the same time it was stated that use of alternative energy sources and increase of effective energy consumption in Baltic States and in Poland are a necessity.

Transport and communication

Transport infrastructure in northern Europe and particularly in the Baltic Sea Region is of fundamental importance to commerce and travel. Rapid increase in both passenger and cargo traffic must be parallel to developing the infrastructure and European agreements on modern and sustainable planning of traffic. Improved regional co-operation is necessary in the transport sector. In future the Baltic Sea will not be perceived as a natural border between countries but as a transport route and 'inland waterway'. This requires development of multimodal communication systems and logistic chains where the public administration and the private sector can concert actions.
For development of trade and cultural relations the whole regional network is important. Development of transport links in the Euroarctic region is deemed necessary. The priority significance *Via Baltica* and the Helsinki - St. Petersburg - Moscow routes will become clear as well as the importance of *Via Hanseatica* and the necessary modernisation of the transport corridor IX D Kaliningrad-Kowno-Kaisiadorys. It is also indispensible to construct a second gas pipeline from Lithuania to Kaliningrad. Upgrading of telecommunication networks is also required similarly as development of cellular phone networks, satellite links and the Internet. Thanks to agreements on development ICT the European Commission and the Council of Baltic Sea Countries developed the *Northern eDimension Action Plan*. It aims at including Poland, Baltic States and north west Russia to some EU programs on IT technology and telecommunication. The objective is to provide internet access in every school in the Baltic region and limit the digital divide in the Baltic region.

**Environmental protection**

European union will actively participate in environmental protection in the Baltic and Barents Sea regions (sustainable development) and closely co-operate with Russia on the issue. The Action Plan refers to discharging hazardous substances to the Baltic and the Barents Sea by production works and sewage treatment plants and also refers to waste management. Protection of the marine environment requires complex action in view of developing shipping and tanker traffic and other ships carrying cargo dangerous for the environment. Studies on present effects of ship traffic and new projects on Baltic ports in Russia keep in view the issue of minimising risk and casualties. Co-operation in this sphere means Helcom and IMO and also Baltic Agenda 21. Gradual elimination of air pollution sources, the so called 'hot spots' is projected. EU has assigned 2.4 milliard EURO from TACIS for constructing an air and water monitoring system in Kaliningrad.

**Forestry**

Protection of forests against degradation, excessive exploitation, air pollution and fire. Reduction of hazardous effects of exploiting natural resources in forested areas.

**Fishing**

Sustainable development of fishing, protection of the salmon and introduction in areas where it has become extinct, monitoring of salmon rivers. Sustain-
able development of aquaculture and marine culture to reduce environmental effects. Monitoring with use of satellites fish harvest by fishing vessels.

**Nuclear safety**

It is necessary to improve nuclear safety, among others by developing monitoring systems, observance of the treaty on nuclear power, observance of safety rules in nuclear power stations and in proceedings with nuclear materials.

The present instruments in the region for nuclear safety are insufficient and should attract the attention of top political powers in Russia, the Baltic States and representatives of countries - members of G-8. Countries in the region should undertake joint efforts to convince and commit Russia and Lithuania to improve safety of nuclear power plants identified as dangerous (Sosnowy Bór - RBMK, Kola - W E R, Ignalina - RBMK) and to shut down these plants in the near future and turn to alternative and complementary energy sources. These items require extensive investments.

Both a threat and a problem have come to light on withdrawal from military services of Russian nuclear submarines presently corroding in the fiords of the Kole peninsula in Iokanda near Gremichy. According to EU experts their number reaches approximately 300 atomic reactors, i.e. 20 % of the existing number. In Andreev Bay a deposit quarter for nuclear waste stores over 20 thousand used fuel rods. The port of Rosliakowo near Murmansk in Kola Bay, the shipyard Nerpa in Śnieżnogorsk - a town built in 1970 for repairing and overhauls of the Northern Navy vessels. In October 2001 - 65 nuclear submarines were waiting for scrapping. 57 of them contained nuclear fuel. In 2001 six nuclear submarines (besides Kursk) were scrapped in shipyard Nerpa. Apart from EU other countries like United States, Canada, Norway, Switzerland and Japan have offered assistance in eliminating the radioactive threat. At present negotiations are in progress on implementing in northern Russia the 'Multilateral Nuclear Environmental Program in the Russian Federation' program on nuclear waste and proceeding with nuclear fuel.

**Scientific research**

Scientific research on environmental issues by countries in the region are of special importance. New technologies are necessary for continuous and sustainable development. Development of regional research programs. Studies on possible consequences of the warming effect in the Barents Sea region, use of information and test results obtained through satellites for shipping and oil exploitation in the arctic area. Project for establishing an Arctic University (jointly with Canada).
Public health

Fighting diseases widely spread particularly in Russia and candidate countries such as tuberculosis, hepatitis virus, diphtheria, HIV/AIDS, syphilis etc. Prevention and protection against disease. Prophylactic action has been initiated by the Baltic Sea Task Force on communicable diseases.

Social problems

In order to reduce the differences in living standard in Northern Europe it is necessary to develop closer relation and co-operation in such sectors as social policy, labour relations, employee issues, social security and healthcare. These changes will have a favourable impact on market development. Sustainable economic development will result in better health and prosperity in the whole region.

Fighting crime

In accordance with the Visby summit in 1996 steps were undertaken to fight organised crime (Baltic Sea Task Force against Organised Crime) Drug trade, economic crime, illegal migration, money laundering, car thefts and human trade. A partnership and co-operation treaty between EU and Russia constitute the grounds for co-operation in fighting crime. The expected agreement on readmission would be very useful. Countries associated in Baltic Sea Council have started co-operation on protection of EU borders both present and future borders after enlargement eastwards. Co-operation is also necessary in protection of civil rights. Agreement on mutual recognition of judiciary decisions would be welcomed.

Education

Education and training for EU candidate countries is to be supported with such instruments as LEONARDO, SOCRATES, YOUTH and TEMPUS. October 1999, the two year program TEMPUS was initiated for Baltic States and Poland. Support for eurofaculty at the University of Kaliningrad. Equipping schools and universities in IT technology and relevant knowledge on operation.

Others

Development of student and youth exchange programmes and cultural exchanges. Thanks to these forms of co-operation it is possible to develop better understanding of common values, improved transparency of relations in the
public sector and a growing awareness of responsibility for the environment. The improved human relations contribute to a sense of belonging in the region and can provide grounds for economic development.

Presently the 'Northern Dimension' remains a well grounded official element of EU foreign policy aimed at ensuring durable peace through economic co-operation and positive interrelations. A coherent policy of the EU in this respect is still required. Javier Solana sees the relations of EU with Russia as the key issue in this century.

Conclusions

- The 'Northern Dimension' is a project linking EU member states both with candidate countries (Poland, Lithuania, Latvia, Estonia) and countries remaining beyond EU structures (Norway, Iceland). This initiative is the common platform for policies and financial instruments for northern Europe linking even organisations and initiatives which are not an integral part of EU.
- The 'Northern Dimension' proposed by Finland was a reaction to lack of EU strategy towards Russia. The initiative is for Finland an instrument, which the country tries to use for promoting and securing own interests. Implementation of the project is very beneficial for Finland, a direct neighbour of Russia and the only EU member state bordering with the country.
- Relations with Russia are the crucial part of the 'Northern Dimension' and are to strengthen EU foreign policy in Northern Europe.
- The project is of great importance to Europe as a whole, which would welcome a stable and democratic Russia. For this reason the 'Northern Dimension' was included into the common strategy towards Russia and adopted in June 1999.
- Implementation of the 'Northern Dimension' is in the interest of Baltic countries, which joined the project in December 1998. The project provides another significant integration platform for Baltic Europe. A stable and rich Russia may be the key to full Baltic integration.
- Kaliningrad has the opportunity to become, under the project, a model region for close and trustworthy co-operation between EU and Russia.
- Poland accepted the 'Northern Dimension' concept and declared readiness to actively participate in 8 main sectors. An active policy approach in this area strengthens our position in NATO and in EU. For Poland it is important that Baltic countries come under European and Atlantic influence. Poland should stimulate development of infrastructure in the region and promote
intensified cross border co-operation, which is and important instrument in building trust among the population inhabiting the area.

- Inclusion of Kaliningrad District into the project is particularly important for our country as Poland is interested in developing an environment for solid mutual trust in the region.

- The 'Northern Dimension' shifts the focus of EU from the Mediterranean towards the Baltic and Barents Sea.

- The 'Northern Dimension' project is one of the crucial elements in building a Europe of regions.

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Streszczenie

WYMAR PŁONOCNY" UNII EUROPEJSKIEJ