

**BCCA
Statement.
EU Baltic
Sea Policy.**

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**Contribution to discussion about prosperity
– Rostock 5 February 2009**

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Mr Chairman, distinguished guests, ladies and gentlemen, I am honoured to be invited here today to address this session as a representative of the industry and business community around the Baltic Sea. The theme for my speech is prosperity - more precisely, prosperity within the context of the Baltic Sea Region.

We are gathered here today in a period of economic problems, the financial crisis. When this negative development will end nobody can know, but it will end!

But in this bleak economic period we should remind ourselves that we during the last decades have created one of the most impressive periods of economic growth in history.

The Baltic Sea Region is already one of the most competitive regions in Europe. In terms of market size the coastal region is 50% larger than the Chinese market. Today several companies define the Baltic Sea Region as their new home market. We now also see examples of companies moving production closer to this home market to guarantee supply and quality.

The positive development in the Baltic Sea Region has gone hand in hand with strong visions for the region. But the region has changed, with the EU-enlargement in May 2004 marking the final step towards a new scenario. This situation has been further underlined by the global downturn in the economy.

We have followed the discussion about a possible EU-strategy for the Baltic Sea Region during a number of years and to put it in a direct language: "It's time for action!"

This is also a reason why we welcome the up-coming EU-strategy which has the potential to be a strong tool for further development in the region precisely since it aims to be action oriented.

The success of the strategy is to a large extent dependent on the implementation and continuous follow-up of the action plan. We consider this to be the most important part of the EU-strategy.

The heading "To make BSR a more prosperous place" covers areas which are very promising.

To better implement the single market has been a cornerstone in the message from the BCCA and there are still problems with barriers for trade, mostly administrative.

To foster innovation is naturally important and to combine the scientific strength of the region will enhance the competitiveness not only of the Baltic Sea Region, but of all Europe. This is a difficult field. More co-

operations between universities is important but the enhancement of different clusters is much tougher issue which deserves special attention.

Entrepreneurship is the foundation of the business life and our prosperity. To promote entrepreneurship is a very important topic. There is probably no single European solution to this, but there is an important message in the fact that the European Commission puts focus on this issue. Venture capital is a key issue in the short run.

To integrate the labour market is also a key piece of the puzzle. We all know that we need to meet the demographic changes in the future. To make this possible simpler regulations and more exchange programs are necessary.

To reinforce economic relations with Russia and better integrate Russia in the development in the Baltic Sea Region can in the longer perspective be the most important tool to further strengthen the region's competitiveness. The ambition of the European Commission to make better use of the internal programs and the co-operation agreements with Russia is promising.

To reinforce sustainable agriculture, forestry and fishing is another area of indicated action. It is probably necessary to focus more on sustainable business in classical sectors as for instance agriculture and sustainable development in these sectors has also a connection to the tourism that should not be underestimated.

In terms of process we would like to commend the open and action-oriented work of the European Commission in connection with the EU-strategy. It has been worked out in a very positive and creative way.

Many of these issues can be handled on the ground in the region. But in our experience - for instance in relation to our campaign 2 hours 2000 regarding border crossing - the highest formal EU level also needs to be involved in some issues.

To fully utilise the action plan, it is important that the plan is followed-up on a regular basis by all concerned parties.

Let me make a final observation. Since the integration process of the Baltic Sea region started almost twenty years ago we have been very focused on what is on the other side of the sea. One area to focus on now is the sea itself. clusterS for innovation and entrepreneurship in a maritime framework is also a very promising area to focus on where we certainly have a lot to offer. The common waters are after all why we are here in the first place.

Thank you for your attention!