

Northern Dimension



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The brochure has been prepared by the Unit for Regional Cooperation in the Department for Russia, Eastern Europe and Central Asia in cooperation with stakeholders.

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Foreword

Since the very beginning of our EU membership, one goal of Finland's EU policy has been to draw the Union's attention to the special features of its northern regions, and especially to the challenges and possibilities presented by having Russia as a neighbour. The core of the Northern Dimension policy is mutual dependence between the EU and Russia in the joint border regions. The Northern Dimension also encompasses the 'Arctic window', which means cooperation on issues concerning the whole circumpolar Arctic region. The Northern Dimension policy aims to promote stability, well-being and sustainable development through concrete cooperation benefiting the region.

Over the years, activities and modes of cooperation important to the northern regions of the Union, such as cross-border cooperation and Northern Dimension partnerships, have been developed within the scope of the Northern Dimension. The Northern Dimension has developed into a common policy of the EU and its partners – Russia, Norway and Iceland – and is now an established element of relations between the EU and Russia.

The Northern Dimension includes several areas of cooperation that have concrete importance to the region's citizens. One example of these is the mitigation of risks endangering the environment, health and social well-being. Effort to promote economic prosperity is made, for instance, by improving transport and logistics networks. In the cultural sector, cooperation is deepened at the same time as universities, other institutes of higher education and business are encouraged to network and to take part in realising the Northern Dimension objectives. Business interests are supported by the Northern Dimension Business Council, which strengthens networking between companies in the region.

The EU Baltic Sea Strategy adopted by the European Council in October 2009 is an internal policy declaration of the EU, but it also shares important common interests with the Northern Dimension. The Northern Dimension and the EU Baltic Sea Strategy are mutually complementary and reinforcing processes. Through the Baltic Sea Strategy, the EU brings clarity to its objectives in the Union's northern regions. Through the Northern Dimension, countries outside the EU, especially Iceland, Norway and Russia and in some cases also Belarus, which is part of the Baltic Sea catchment area, have the opportunity, if they wish, to take part in cooperation to reach joint goals.

During the past decade, the Northern Dimension's practical-oriented approach and multidimensional activities have meant significant contributions to the well-being of the region's citizens and to their exertion of influence. In future the Northern Dimension will face even greater expectations. Finland, for her part, is committed to continuing work to develop the northern regions in cooperation with our neighbours also in the years to come.



Alexander Stubb
Minister for Foreign Affairs



What is the Northern Dimension?

- *Activities of the Northern Dimension are practical-oriented and strive to achieve concrete results improving citizens' well-being.*
- *The central objectives of the Northern Dimension are environment protection, health promotion and ensuring the requirements for the region's economic development.*
- *The Northern Dimension contributes to maintaining and enhancing relations between the EU and Russia regionally, especially in North-West Russia and the Baltic Sea region.*

History

- **1997** Luxembourg European Council; Finland's initiative for a Political Declaration on the Northern Dimension Policy.
- **1999** Finnish Presidency of the EU; the first Foreign Ministers' Meeting on the Northern Dimension.
- **2000** Feira European Council; the First Northern Dimension Action Plan.
- **2001** Northern Dimension Environmental Partnership.
- **2003** Northern Dimension Partnership in Public Health and Social Well-being; the Second Northern Dimension Action Plan.
- **2006** Northern Dimension Summit in Helsinki. Endorsement of the Political Declaration on the Northern Dimension Policy and the Northern Dimension Policy Framework Document.
- **2007** Northern Dimension Senior Officials' Meeting in St. Petersburg.
- **2008** Foreign Ministers' Meeting on the Northern Dimension in St. Petersburg.
- **2009** Northern Dimension Senior Officials' Meeting in Stockholm. Northern Dimension Partnership on Transport and Logistics, Partnership on Culture, the Northern Dimension Institute, the Northern Dimension Business Council.

Photo: Joris Van Ostaeyen Photo: Brian Raisbeck



With the accession of Finland and Sweden to the European Union in 1995, the EU expanded to beyond the Arctic Circle and acquired a 1,300 km border with Russia. In consequence, the need arose for the EU to chart the northern region and define a policy for the North. The Northern Dimension was on the EU agenda for the first time at the Luxembourg European Council in December 1997, where Finland presented an initiative on the matter. Underpinning the initiative was the wish to support sustainable development, stability, well-being and security in the northern regions, to strengthen cooperation between Russia and the European Union, and to prevent the rise of dividing lines.

During the Finnish Presidency of the EU, in November 1999, the first Foreign Ministers' Meeting on the Northern Dimension was held in Helsinki, where the concrete content of the Northern Dimension was outlined. The First Northern Dimension Action Plan was subsequently approved at the Feira European Council in June 2000. Both the First and the Second Northern Dimension Action Plan focused on four priority sectors: care of environmental issues; nuclear safety; the fight against organised crime; and special questions of the Kaliningrad Region.

The Northern Dimension policy was revised during the Finnish Presidency of the EU in 2006. The new Northern Dimension policy documents negotiated between the EU, Russia, Norway and Iceland entered into force at the start of 2007 and now serve as the basis for Northern Dimension cooperation. At the first Foreign Ministers' Meeting on the Northern Dimension following the reform, held in St. Petersburg in autumn 2008, it was decided in addition to establish the Northern Dimension Partnership on Transport and Logistics and to launch investigation concerning a partnership on culture and a Northern Dimension institute. The basic document establishing the Northern Dimension Partnership on Transport and Logistics was signed in October 2009. Similarly, establishment of the Northern Dimension Partnership on Culture and the Northern Dimension Institute was decided in late 2009 and the Northern Dimension Business Council was being prepared.

Northern Dimension is a common policy of EU, Russia, Norway and Iceland where all partners are equal.



Northern Dimension Policy

The Northern Dimension Policy was revised at the Northern Dimension Summit held in Helsinki on 24 November 2006, during the Finnish Presidency of the EU. The new basic documents define the Northern Dimension as a common policy of the EU, Iceland, Norway and Russia where all partners are equal.

The Framework Document states that the Northern Dimension is a regional expression of the Common Spaces EU/Russia in four sectors (economic cooperation; freedom, security and justice; external security; and research, education and culture).

On this basis, the priority sectors of the Northern Dimension include economic cooperation, freedom, security, justice, external security, research, education, culture, the environment, nuclear safety, natural resources, social welfare and health care.

The highest decision-making bodies of the Northern Dimension are the Foreign Ministers' Meetings and the Senior Officials' Meetings. Between these meetings, activities are coordinated by the Northern Dimension Steering Group made up of civil servants.

Northern Dimension Summit in Helsinki in November 2006. Endorsement of the Political Declaration on the Northern Dimension Policy and the Northern Dimension Policy Framework Document.

Photo: Prime Minister's Office / Lehtikuva



Geography

Effort has been made to define the region of the Northern Dimension as flexibly and openly as possible. Activities at present focus on cooperation in North-West Russia, the Kaliningrad Region, the Baltic Sea Region and Arctic areas. At the same time, however, cooperation is also carried out with the United States and Canada.

The participation of Belarus, a country in the Baltic Sea catchment area, in the Northern Dimension Environmental Partnership is being prepared. Belarus has played an active role also in preparations for the Northern Dimension Partnership on Transport and Logistics. The Northern Dimension partnerships offer an excellent instrument for incorporating Belarus in Baltic Sea regional cooperation.

The expanding Northern Dimension

The United States and Canada are Northern Dimension observer countries. Canada, for example, has been active in the Northern Dimension Partnership in Public Health and Social Well-being. Several EU Member States and Canada have also financed nuclear safety projects under the Northern Dimension Environmental Partnership.



How does the Northern Dimension operate?

- *The Northern Dimension partnerships are an effective and productive way of organising and implementing cooperation in practice.*
- *The structure, nature and tasks of partnerships vary from project-centred financing cooperation to expert-oriented cooperation.*
- *The Northern Dimension Institute, the Northern Dimension Business Council, the Northern Dimension Forum and the Northern Dimension Parliamentary Forum complement the cooperation and increase awareness of it in wider circles within society.*

St. Petersburg Southwest Wastewater Treatment Plant was the first completed project within the Northern Dimension Environmental Partnership.

Photo: EBRD

Northern Dimension partnerships

Partnerships are a concrete way of putting the Northern Dimension policy into practice. They differ in nature and modes of operation, but they all strive to combine policy-making, the work of experts and practical-level project activities. All EU Member States, Russia, Norway and Iceland, as well as the United States and Canada can take part in partnerships in accordance with their interests and their wishes. Belarus, too, is beginning to take part in partnership activities.

The partnerships are based on open, equal and broad-based participation. In addition to the participating States, regional councils in the North and other international organisations and international financial institutions can take part in their activities. Thanks to their great diversity, the partnerships have proved to be a productive way to carry out concrete cooperation.



The partnerships offer cooperation networks and a wide resource base for expert-level work, which is one key reason underpinning the establishment of the Northern Dimension Partnership in Public Health and Social Well-being and the Northern Dimension Partnership on Culture. The participation of international financial institutions, in turn, ensures that even large infrastructure projects can be realised in cooperation. Large projects have been carried out especially in the scope of the Northern Dimension Environmental Partnership.

Northern Dimension Environmental Partnership (NDEP)

- *Established:* 2001
- *Participants:*¹ Belarus, Belgium, Canada, Denmark, Finland, France, Germany, Netherlands, Norway, Russia, Sweden, United Kingdom, European Commission and international financial institutions (EBRD, EIB, NIB, NEFCO)

¹ Belarus and Belgium are donors.

The goal of the Northern Dimension Environmental Partnership, launched in 2001, is to strengthen and coordinate financing for important cross-border environmental projects in the Northern Dimension region. The central idea of the partnership is to link resources of the EU, its Member States, other countries and international financial institutions (EBRD, EIB, NIB, NEFCO) for jointly agreed projects.

To support the Northern Dimension Environmental Partnership, in 2002 the NDEP Support Fund was established within the EBRD. The NDEP Support Fund finances environmental and energy efficiency projects in North-West Russia and Kaliningrad as well as nuclear safety projects especially in the Kola Peninsula. Expansion of environmental cooperation to Belarus is under preparation. A total of 275.9 million euros has been allocated for the NDEP Support Fund; of this sum, 126.2 million euros can be used for environmental projects and 149.7 million euros for nuclear safety projects (situation in November 2009).

Finland has allocated 18 million euros of neighbouring area cooperation funds to the NDEP Support Fund; 2 million euros of this amount is reserved for nuclear safety projects and 16 million euros for other environmental projects. In addition, Finland has supported the implementation of NDEP projects through bilateral financing.

Fourteen environmental projects with financing from the Fund have been approved (see Appendix 3). The total value of approved projects exceeds 3.2 billion euros. NDEP assistance generally accounts for 1–30% of a project's total costs. The remaining financing comes from loans and local actors.

Of the NDEP environmental projects, the St. Petersburg Southwest Wastewater Treatment Plant has been completed. The next major project is the Neva Closure of Direct Discharges of Untreated Wastewater in St. Petersburg; once the project is finished in 2012, 94% of the city's wastewater will be purified in accordance with the recommendations of HELCOM.

In the sector of nuclear safety, support through the NDEP has been allocated, among others, for projects in North-West Russia involving the processing of radioactive wastes and the storing of spent nuclear fuel. So far, financing totalling 95 million euros has been allocated for eight projects.

- Website of the Northern Dimension Environmental Partnership: www.ndep.org

Northern Dimension Partnership in Public Health and Social Well-being (NDPHS)

- *Established:* 2003
- *Participants*²: Canada, Denmark, Estonia, Finland, France, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Russia, Sweden, European Commission as well as BEAC, BSSSC, CBSS, ILO, IOM, NCM, UNAIDS and WHO

² Some are observers.

The Northern Dimension Partnership in Public Health and Social Well-being (NDPHS) was established in 2003 at the initiative of Norway and Finland to reduce the spread of communicable diseases, prevent lifestyle-related diseases and enhance the well-being and quality of life of the region's inhabitants. The Northern Dimension Partnership in Public Health and Social Well-being serves to strengthen coordination in the social welfare and public health sector, reinforce the exchange of information, e.g. on best care practices and promote project activities.

The core of the NDPHS is made up of Expert Groups on HIV/AIDS, healthy lifestyles, primary health care and prison health. At present Finland leads two Expert Groups (HIV/AIDS and healthy lifestyles).

The Northern Dimension Partnership in Public Health and Social Well-being has no project fund; instead, interested countries and other interested bodies finance projects on a case by case basis. An internet-based project pipeline has been developed in order to help project financiers and those carrying out projects get in touch with one another. By allocating neighbouring area funds, Finland supports both NDPHS project activities and the work of Expert Groups. Through the project pipeline, Finland has granted about 1.5 million euros in financing for projects in North-West Russia.

- Website of the Northern Dimension Partnership in Public Health and Social Well-being: www.ndphs.org

Northern Dimension Partnership on Transport and Logistics (NDPTL)

- *Established:* 2009
- *Participants:* Belarus, Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, Russia, Sweden, European Commission

Endorsed at the Foreign Ministers' Meeting on the Northern Dimension in St. Petersburg on 28 October 2008, the Northern Dimension Partnership on Transport and Logistics starts its activities at the beginning of 2010. The goals of the Northern Dimension Partnership on Transport and Logistics are to promote cooperation in order to remove bottlenecks, accelerate transport channel-related projects in the North and coordinate cooperation on major issues in transport and logistics policy. The Partnership Secretariat will be set up within the Nordic Investment Bank (NIB) in Helsinki.

It is hoped that the Northern Dimension Partnership on Transport and Logistics will accelerate the implementation of major infrastructure projects. With regard to expert work, the intention is for the Partnership to serve as a regional forum for transport and logistics issues, and to complement the work of cooperation structures already in existence. A project fund is not envisaged for the Partnership; instead, plans are for financing to come from national budgets, the EU and financial institutions.

Northern Dimension Partnership on Culture (NDPC)

- *Established:* 2009

The decision to establish the Northern Dimension Partnership on Culture was taken at the Northern Dimension Senior Officials' Meeting held in Stockholm in November 2009. In addition, a culture forum organised in Helsinki in autumn 2009 discussed the Partnership's content and implementation. From the very beginning, the Nordic Council of Ministers has given strong support for establishment of the NDPC and has assisted in setting up the Partnership Secretariat.

The Northern Dimension Partnership on Culture will promote the rise of economically viable cultural activity and increase the exchange of information on possibilities for cooperation and financing. The Partnership will strive to assist the networking of people active in the arts and culture and will help make cultural activities economically profitable. Enhancement of the creative economy in the Northern Dimension region is one way to increase growth and well-being. A fundamental goal is to further international awareness of cultural life in the Northern Dimension region.

Other forms of cooperation

Besides intergovernmental cooperation the Northern Dimension also encompasses cooperation among various stakeholders, such as universities, research institutes, parliamentarians and business. Regional and local actors also play a central role.

The Northern Dimension Senior Officials' Meeting held in autumn 2009 gave its support to the establishment of the **Northern Dimension Institute**. Its purpose is to act as a university network open to all interested higher-level educational institutions, researchers and research institutes. Establishment of the Northern Dimension Institute facilitates coordination of research and teaching as well as the collection of financing for research projects.

The **Northern Dimension Business Council** strives to gather together businesses operating in the Northern Dimension region. Its purpose is to strengthen networking among companies in the region and to promote dialogue between companies and the authorities. The initiative to establish the Northern Dimension Business Council came from the corporate world.

The **Northern Dimension Parliamentary Forum**, held for the first time in 1995 at the initiative of the European Parliament, also operates within the scope of the Northern Dimension.

The Northern Dimension as an aspect of regional cooperation

- *Regional councils are the voice of the regions in the Northern Dimension policy. There are many regional associations and cooperation structures in the Baltic Sea and Barents regions, which for their part support achievement of the Northern Dimension's objectives.*
- *The Northern Dimension is an overarching structure for actors in the North. One of its central goals is to reduce overlapping functions and to sharpen regional cooperation.*
- *Recently the EU has strengthened its presence in the Northern regions; examples are the Communication on the European Union and the Arctic Region (2008) and the Baltic Sea Strategy (2009).*

The Northern Dimension policy views the entire Northern region as a whole. Tens of different cooperation forms operate in the Baltic Sea and Barents regions, and the Northern Dimension strengthens their coordination and synergy.

The Communication on the European Union and the Arctic Region and the Baltic Sea Strategy reflect the Union's increasing interest towards its Northern regions.

Regional Councils

The Northern Dimension regional councils are the Council of the Baltic Sea States, the Barents Euro-Arctic Council, the Arctic Council and the Nordic Council of Ministers. All four councils are intergovernmental cooperation forums that operate in their own geographical region. Their task is to introduce their own development targets to the scope of the Northern Dimension policy and to support the implementation of Northern Dimension projects in various ways.

Council of the Baltic Sea States (CBSS)

- *Established:* 1992
- *Members:* Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Russia, Sweden, European Commission
- *Observers:* Belarus, France, Italy, the Netherlands, Romania, Slovakia, Spain, Ukraine, United Kingdom, and United States; in addition, regional cooperation organisations as special members.

The Council of the Baltic Sea States (CBSS) was established to promote positive democratic and economic development in the Baltic Sea region. The Council's original role has changed in step with the region's political situation; today nearly all member states of the CBSS also belong to the European Union. The CBSS has a role in the Baltic Sea region as a forum for political dialogue.



In addition, a wide range of regional cooperation structures in different sectors (e.g. energy and youth issues, efforts to combat organised crime and protection of cultural heritage) operate under the umbrella of the CBSS. The goal of the ongoing CBSS reform is to redirect the Council's activities to the implementation of concrete projects.

Arctic Council (AC)

- *Established:* 1996
- *Members:* Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, the United States (Through six organisations, indigenous peoples participate in the Arctic Council's activities as equals).
- *Observers:* France, Germany, the Netherlands, Poland, Spain, and the United Kingdom; in addition, 18 intergovernmental and nongovernmental organisations.

The Arctic Council is an intergovernmental forum for cooperation among its eight member states. Arctic indigenous peoples can voice their views through their Permanent Participant status.

The objective of the Arctic Council is to promote environment protection in the Arctic and to further the economic, social and cultural well-being of the region's population. The Council produces scientific data and scientific evidence-based recommendations for the use of national decision-makers.

The practical work of the Arctic Council is carried out in expert working groups that focus, among others, on monitoring of the Arctic region environment, preparedness for environmental accidents, protection of biodiversity and furthering marine safety.

Barents Euro-Arctic Council (BEAC) and the Barents Regional Council (BRC)

- *Established:* 1993
- *Members of the BEAC:* Denmark, Finland, Iceland, Norway, Russia, Sweden, European Commission
- *Members of the BRC:* From Finland, Kainuu, Lapland and Oulu Region; from Norway, Finnmark, Nordland and Troms; from Russia, Arkhangelsk and Murmansk Regions, the Karelian and Komi Republics, and Nenets Autonomous Area; and from Sweden, Norrbotten and Västerbotten.
- *Observer States:* Canada, France, Germany, Italy, Japan, the Netherlands, Poland, United Kingdom, United States
- *BRC observer:* North Karelia Region (Finland)

The objective of the Barents Euro-Arctic Council (BEAC) is to promote stability, sustainable development and security in the most densely populated Arctic area – the Barents Region.

Founded simultaneously with the Barents Euro-Arctic Council, the Barents Regional Council (BRC) represents the counties, regions or similar sub-national entities of the Barents Region. The members of the BRC are 13 counties, regions or similar sub-national entities from the Northern areas of Finland, Sweden, Norway and Russia.

Together the BEAC and the BRC constitute an important cooperation forum for regional administrative officials, nongovernmental organisation and Northern indigenous peoples.

Nordic Council of Ministers (NCM)

- *Established:* 1971
- *Members:* Denmark, Finland, Iceland, Norway, Sweden

The Nordic Council of Ministers is a cooperation organ between the Governments of Finland, Sweden, Norway, Denmark and Iceland. Within the Northern Dimension, the Nordic Council of Ministers has paid particular attention to Arctic issues and cultural projects. The Nordic Council of Ministers takes part in the Northern Dimension Partnership in Public Health and Social Well-being and has played an active role in developing the Northern Dimension Partnership on Culture.

Other regional organisations

The energy ministers of the Baltic Sea Region countries and the European Commission decided in Helsinki in 1999 to establish the Baltic Sea Region Energy Co-operation (BASREC) in order to introduce a regional perspective to energy policy. The objective of cooperation is to bring together business actors and administrative officials. BASREC also produces studies and publications, and organises seminars and workshops. This cooperation has helped to develop environment-related regulations for energy markets and regulations pertaining to a more effective energy supply.

The Helsinki Commission (HELCOM, The Baltic Marine Environment Protection Commission) has been the central cooperation body protecting the marine environment of the Baltic Sea for over 30 years. All Baltic Sea coastal states have participated in the Helsinki Commission's works since its inception; today the European Commission is also a participant. The Helsinki Commission's activities are anchored in Conventions concluded between the member states, of which the first were agreed at a conference held in Helsinki in 1974. The main tasks of the Helsinki Commission are to outline the main policies concerning the Baltic Sea, to make recommendations and to monitor jointly approved regulations. In its activities the Helsinki Commission strives to protect the entire Baltic Sea area, including inland waters, the sea bed and biodiversity.

EU Baltic Sea Strategy

The European Commission Communication concerning the European Union Strategy for the Baltic Sea Region and the associated Action Plan were made public on 10 June 2009 and endorsed at the European Council during the Swedish Presidency of the EU in October 2009. The Strategy has four components for activities: 1) the Baltic Sea as a region of sustainable environment policy; 2) the Baltic Sea as an economically prosperous region; 3) the Baltic Sea as an accessible and attractive region; and 4) the Baltic Sea as a safe and secure region.

The EU Baltic Sea Strategy is basically an internal strategy of the EU, but in many sectors the attainment of concrete achievements requires cooperation with Russia and other third countries. The European Council's original assignment concerning the Baltic Sea Strategy, dating from December 2007, states that the Strategy's external dimensions are implemented through structures of the Northern Dimension.

EU and Arctic cooperation

The European Commission Communication on the European Union and the Arctic Region was completed in November 2008. The Communication defines the EU's priorities in the Arctic region. These priorities are: protecting and preserving the Arctic region; promoting sustainable use of resources; and contributing to enhanced Arctic multilateral governance.

The EU notes the Arctic region's central importance to the Union especially as regards energy production, fishing, other traditional livelihoods and tourism in the region. These substantial economic opportunities, however, must be utilised on the basis of the principles of environment protection and sustainable development without compromise. In its Communication the Commission recognises the fundamental role of the Arctic Council in dealing with Arctic issues.

Financing of the Northern Dimension

- *The Northern Dimension is based on co-financing. The Northern Dimension partnerships and the European Neighbourhood and Partnership Instrument, cross border cooperation (ENPI CBC) are good examples of financial instruments.*

- *Finland provides financing for Northern Dimension activities mainly through funds for neighbouring area cooperation.*

- *International financial institutions participate in Northern Dimension projects through the partnerships.*

The principle underpinning the Northern Dimension is co-financing. Financing is provided by several different sources (individual countries, EU instruments, international financial institutions, the private sector). The bulk of financing for large projects is generally in the form of loans and local funds, and a small portion can be so-called donor funds. The Northern Dimension partnerships provide a good tool for implementation of financing.

National financing

The State of Finland provides funds for Northern Dimension projects from appropriations for neighbouring area cooperation. In 2009 Finland allocated 19.5 million euros for neighbouring area cooperation. The most important sectors are economic cooperation and the environment. Agriculture and forestry, social welfare and health care, nuclear safety, and education and civil society are also sectors that continue to be important.

International financing

The importance of international financial institutions is underscored particularly in the Northern Dimension partnerships. Implementation of large projects would be impossible without their contribution. The key financial institutions are the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Nordic Investment Bank (NIB) and the Nordic Environment Finance Corporation (NEFCO).

EU financing

EU financing and the EU's European Neighbourhood and Partnership Instrument, cross border cooperation (ENPI CBC) as well as the Baltic Sea Region transnational Interreg programme are among the European Union's most important sources of financing for regional cross-border cooperation.

Alongside the Northern Dimension Environmental Partnership, the ENPI CBC and the Tacis and Interreg programmes that preceded it can be considered one of the first concrete achievements of the Northern Dimension. The ENPI CBC and the neighbourhood programmes preceding it combined EU external and internal financing for the first time.

The ENPI CBC programmes strive to develop cooperation on the basis of the common and mutual interests of the EU and its neighbouring countries. The departure point is national match funding as well as a self-financing share by those implementing the project.

EU cross-border cooperation in the Northern Dimension region

In its present form, European Neighbourhood and Partnership Instrument, cross border cooperation (ENPI CBC) covers all the Union's external land and sea borders in the East and the South. Eight programmes are being realised in the Northern Dimension region.

According to the Commission's strategy document, three ENPI CBC programmes are implemented in the frontier area between Finland and Russia during the programme period 2007–2013: South-East Finland – Russia, Karelia and Kolarctic. Total financing for these programmes during the programme period 2007–2013 is just short of 190 million euros; the share of EU financing is 50%. In addition, 22.6 million euros of ENPI external relation funds is reserved for the Baltic Sea region multinational programme, to be used for Russian and Belorussian partners' participation in the programme projects. The geographical area of the Northern Dimension also encompasses Estonia/Latvia/Russia, Latvia/Lithuania/Belarus, Poland/Belarus, Lithuania/Poland/Russia (Kaliningrad) and the Baltic Sea region transnational Interreg programmes. The intention is to launch the programmes in 2010.

Photo: Finnish Tourist Board



Appendices

Appendix 1. Political Declaration on the Northern Dimension Policy

The European Union, the Republic of Iceland, the Kingdom of Norway, and the Russian Federation,

- Recalling the Guidelines for the Northern Dimension policy adopted at the Ministerial meeting in Brussels on 21 November 2005,
- Considering the broad geographical definition of the Northern Dimension area from the European Arctic and Sub-Arctic areas to the southern shores of the Baltic Sea, including the countries in its vicinity and from North-West Russia in the east to Iceland and Greenland in the west,
- Proceeding from geographic proximity, economic interdependence, common cultural heritage, common challenges and the possibilities to reap together the benefits in one of the most dynamically developing areas of the world,
- Reaffirming their shared responsibility for the prosperity of Northern Europe, its sustainable development, and the well-being of its population, and their commitment to create favourable conditions for the development of the region and for further strengthening of mutually beneficial multilateral cooperation in Northern Europe, including cross-border and sub-regional cooperation,
- Supporting the existing multilateral co-operation within the framework of different regional councils, such as the Arctic Council, the Barents Euro-Arctic Council, the Council of the Baltic Sea States and the Nordic Council of Ministers,

1. Declare their firm commitment to cooperate actively within the framework of the Northern Dimension policy on the basis of good neighbourliness, equal partnership, common responsibility and transparency;

2. Confirm their desire to make the Northern Dimension policy a regional expression of the four EU – Russia common spaces with the full participation of Iceland and

Norway also focusing on issues of specific relevance in the North, such as the fragile environment, health and social issues and indigenous peoples' issues;

3. Confirm their readiness to contribute efforts to ensure that the Northern Dimension Policy provides concrete and pragmatic activities with the objective to achieve tangible results, taking into account the need to endeavour to ensure synergies with other regional programmes and initiatives;

4. Acknowledge the principle of co-financing by Northern Dimension partners and, when appropriate, from other sources, including the International Financing Institutions, as the general rule;

5. Confirm their readiness to cooperate with all international, regional, subregional and local organizations, institutions and other actors, including the business community and NGOs, that are ready to contribute to the development of the region;

6. Express their willingness to continue and further develop cooperation within the framework of the two existing ND partnerships – the Northern Dimension Environmental Partnership (NDEP) and the Northern Dimension Partnership in Public Health and Social Wellbeing (NDPHS) and to examine possibilities to apply the partnership model to other sectors. In this context, they will ask ND senior officials to examine the desirability of a Northern Dimension Partnership on Transport and Logistics, and to examine enhanced cooperation in the field of energy efficiency and renewable energy, inviting for this purpose also experts and international financing institutions."

7. Take note of a list of projects submitted by the Russian Federation for possible implementation under the Northern Dimension framework.

8. Welcome the intention of various bodies and institutions to participate in the cooperation within the Northern Dimension framework, considering inter alia the proposed Northern Dimension Parliamentary Forum;

Adopt the Northern Dimension Policy Framework Document which will be the basis of practical implementation.

Appendix 2.

Northern Dimension Policy Framework Document

1. Introduction

1. The Northern Dimension covers a broad geographic area from the European Arctic and Sub-Arctic areas to the southern shores of the Baltic Sea, including the countries in its vicinity and from North-West Russia in the east to Iceland and Greenland in the west.

2. The Northern Dimension focuses increasingly on North West Russia, the largest territory covered by this policy, with its specific challenges and opportunities for the whole Northern Dimension region.

3. The Baltic Sea, the Kaliningrad oblast with its opportunities for development given its particular geographical situation, as well as the extensive Arctic and Subarctic areas including the Barents Region, are priority areas for the Northern Dimension policy.

4. The present policy framework document is a joint achievement of the partners. The Northern Dimension partners recognize that their cooperation framework can only be driven by the spirit of partnership and based on shared confidence. The Northern Dimension policy is henceforward a common project and a common responsibility. It will help to ensure that no dividing lines are established in the North of Europe.

2. Actors

5. The Northern Dimension partners are the European Union, Iceland, Norway and the Russian Federation.

6. Other participants are:

A) The regional councils in the North:

- the Barents Euro-Arctic Council (BEAC),
- the Council of the Baltic Sea States (CBSS),
- the Nordic Council of Ministers (NCM),
- the Arctic Council (AC)

All four Northern regional councils, with their different memberships, identify needs for development and cooperation in their respective areas and support project implementation in different ways.

B) The International Financing Institutions active in the North, notably the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Nordic Investment Bank (NIB) and the World Bank (IBRD) which contribute to supporting the policy, and any other International Financing Institution that may in the future implement programmes in the area.

C) Other European Union institutions and bodies and those of the other Northern Dimension partners.

7. Other Northern Dimension actors are: the regional and sub-regional organizations and commissions in the Baltic and Barents area, the sub-national and local authorities, non-governmental organizations and other civil society organizations (including notably indigenous peoples' organizations), universities and research centres, business and trade union communities, etc.

8. Belarus could be encouraged to participate in expert level cooperation in the Northern Dimension framework.

9. The Northern Dimension provides also a frame of reference for intensified transatlantic cooperation of the Northern Dimension partners in matters concerning the northern regions of the world, through the observer status of USA and Canada. Other interested countries may be invited to participate as observers.

3. Objectives

10. The Northern Dimension policy will aim at providing a common framework for the promotion of dialogue and concrete cooperation, strengthening stability, wellbeing and intensified economic cooperation, promotion of economic integration and competitiveness and sustainable development in Northern Europe.

11. The Northern Dimension policy will seek complementarity among its partners and participants. The Northern Dimension will enhance regional cooperation, improving synergies of regional organizations in the North of Europe while avoiding possible duplication and will facilitate people-to-people contacts. The Northern Dimension will maximize the use of the available human and financial resources in the region, ensuring that they are used in the most effective way. Best practices for solving issues and addressing challenges will be established as examples to follow.

12. The Northern Dimension policy framework will focus on areas of cooperation where a regional and sub-regional emphasis brings added value. Priority will be given to result-oriented proposals, seeking support from the European Union and national financing instruments, from international and private financial institutions as well as the private sector. National and regional development programmes will be respected and promoted: any new initiatives will complement the efforts deployed by national and regional authorities in the relevant areas.

13. The Northern Dimension policy will be characterised by transparency and openness towards all its actors and will take due regard of the subsidiarity principle. It will be based on the internationally recognized principles, such as good governance, transparency and participation, sustainable development, gender equality, the rights of persons belonging to minorities, cultural diversity, social cohesion, fair working conditions and corporate social responsibility, nondiscrimination, the protection of indigenous peoples and supports the further strengthening of civil society and democratic institutions.

14. The Northern Dimension will be a regional expression of the Common Spaces EU/Russia. Russia and the European Union will make the Northern Dimension policy a cross-cutting topic and a tool where appropriate for the implementation of the road maps for the Common Spaces with full participation of Iceland and Norway in matters relevant to Northern Dimension. The Northern Dimension policy will continue to address some objectives of specific relevance in the North, i.e. its fragile environment, indigenous peoples' issues, cultural diversity, health and social well-being, etc.

15. Cross-border cooperation will be a cross-cutting theme producing added value at the sub-regional and transnational level, enhancing sustainable regional development, the involvement of civil society and people-to-people contacts keeping in mind progress made towards the objective of visa free travel as a long-term perspective between the European Union and Russia as stipulated in the St. Petersburg Summit of May 2003. Iceland and Norway associate themselves with this objective in their relations with Russia. The Northern Dimension policy will encourage municipal and regional authorities on both sides of land and sea borders to engage in concrete co-operation projects of mutual benefit.

16. The Northern Dimension policy will aim to improve the conditions for border crossing of people and goods. This will facilitate economic cooperation and people-to-people contacts.

17. The Northern Dimension policy will support cooperation also between areas in the region not immediately adjacent to each other on different sides of a national land or sea border. Consequently the Northern Dimension will support sub-national and governmental cross-border and trans-boundary cooperation as one of the instruments for promoting regional development.

18. The Northern Dimension policy will promote cooperation between urban areas in the region to create a strong urban network and a well functioning territorial structure facilitating the development of a globally competitive area.

4. Priority sectors

19. In line with paragraph 14, the following priority sectors of the Northern Dimension are agreed:

- Economic cooperation, including promotion of trade, investments, customs, SMEs, business, innovation, well-functioning labour markets, financial services, infrastructure, energy, agriculture, forestry, transport and logistics, telecommunications and information technology.
- Freedom, Security and Justice, including facilitation of people-to-people contacts, development of border management, good governance, efficiency of the judicial system and judicial cooperation in criminal and civil matters, fight against organized crime, trafficking in human beings, drugs trafficking, illegal immigration and other cross-border crime.
- External security: civil protection.
- Research, education and culture, including increased cooperation in research and education exchange programmes, youth policy, promotion of people-to-people contacts, links between cultural and economic life, visibility of regional and local cultural identity and heritage.
- Environment, nuclear safety and natural resources, including reduction of the risk of nuclear and other pollution, maritime safety, protection of the marine environment in the Baltic and Barents Seas, biodiversity, forests, fish stocks and protection of the Arctic ecosystems; cooperation in the field of water policy, climate change, environmental legislation and administrative capacity building.³

- Social welfare and health care, including prevention of communicable diseases and life-style related diseases and promotion of cooperation between health and social services.

5. Institutional arrangements

20. Northern Dimension Ministerial meetings will take place with the participation of the four partners at Foreign Minister or equivalent level of the European Union Member States / Commission, Iceland, Norway and the Russian Federation. They will be held every two years at a location agreed by the partners. The partners can agree to call for an extraordinary Ministerial meeting at any time.

21. Northern Dimension Senior Officials Meetings, in a similar composition to the Ministerial level, will be held whenever necessary and at least every alternate year between Ministerial meetings.

22. Partners, observers and participants will be invited to both Ministerial and Senior Officials Meetings. Other actors may participate on the basis of a special invitation.

23. Ministerial meetings will provide policy guidance and monitoring to Northern Dimension implementation. The agendas of the meetings within the Northern Dimension framework will be prepared in full consultation between all Northern Dimension partners. Ministerial and Senior Officials Meetings may have a special theme for discussion agreed on their agenda

24. To provide continuity between the meetings referred to in paragraphs 20 and 21 a Steering Group, composed of representatives of the European Union, Iceland, Norway and the Russian Federation, will be established at expert level. It will meet normally three times a year at a location agreed by the partners and avoiding duplication with the Ministerial and Senior Officials meetings referred to above. Invitations for the meetings may be sent to other interested councils, organisms and organizations on the basis of agreement of all the Northern Dimension partners.

6. Project Implementation and Monitoring

25. The Northern Dimension partners favour the model of Partnerships, notably the Northern Dimension Environmental Partnership (NDEP), as an effective way to organise practical implementation of projects in the agreed priority sectors. Any new partnership should

enjoy support from the Northern Dimension partners, be ensured appropriate funding from the start, be self-sustainable in terms of management and supplement the efforts of national authorities as described in paragraph 12.

26. Apart from the partnerships a realistic number of themes and concrete projects in the agreed priority sectors with detailed financial and operational parameters can be approved at a meeting of Foreign Ministers or Senior Officials. They will be implemented in the Northern Dimension framework on the principles of co-financing provided they receive support from the Northern Dimension partners. Involvement of International Financial Institutions and private funds would be most desirable.

27. The Steering Group shall keep itself informed of the implementation of agreed projects. This project monitoring will form a basis also for the reporting stipulated in paragraph 28.

7. Information tools

28. A permanent flow of information is a key element of the Northern Dimension policy. The Steering group will prepare an activity report before every Foreign Ministers' meeting.

29. Updated and harmonized information on projects implemented within the framework of the Northern Dimension will be accumulated in the Northern Dimension Information System established at the European Commission's "Relex" website on the basis of information sent by Northern Dimension partners. Other participants may provide information to be displayed under their own authority unless a partner objects. Any additional material displayed at the site and presented as a common opinion by Northern Dimension partners needs to be approved by the Steering Group.

8. Financing

30. The principle of co-financing from Northern Dimension partners, as well as from international and private financial institutions where appropriate, will be the general rule. Northern Dimension activities are implemented by various actors and financed from different sources, including the existing and future European Union financing instruments

and programmes, national budgets, international regional organizations, international financial institutions, regional and local public organizations, other public bodies, such as universities, and private sources, including civil society. The Northern Dimension will pay special attention to possible problems arising from the use of different financing instruments in regional and cross-border cooperation.

9. Review

31. This Northern Dimension Policy Framework document will have a permanent nature. Nevertheless it will be subject to review as appropriate. All Northern Dimension actors should provide their assessment to the Northern Dimension Ministerial and Senior Officials Meetings in order to facilitate the reviews.

³ The work of HELCOM, Baltic 21 and the regional councils are appreciated

Appendix 3

Northern Dimension Environmental Partnership (NDEP) projects in brief

(situation in November 2009)

Project	Total cost	NDEP grant
St. Petersburg Southwest Wastewater Treatment Plant	€ 193.6 million	€ 5.8 million
St. Petersburg Flood Protection Barrier	€ 2000 million	€ 1 million
St. Petersburg Northern Wastewater Treatment Plant Incinerator	€ 90.4 million	€ 6.35 million
Municipal Environment Investment Programme in the Leningrad Oblast Phase 1	€ 23.2 million	€ 4 million
Komi Municipal Services Improvement Project	€ 31.8 million	€ 6.035 million
Kaliningrad District Heating Rehabilitation	€ 21.8 million	€ 7.3 million
Archangelsk Municipal Water Services Project	€ 25.5 million	€ 8.2 million
Murmansk District Heating Project	€ 29.6 million	€ 5 million
Novgorod Cross Municipal Rehabilitation	€ 14 million	€ 3 million
St. Petersburg Neva Closure of		
Direct Discharges of Untreated Wastewater	€ 546.4 million	€ 24 million
Kaliningrad Water and Environmental Services	€ 110 million	€ 10 million
Vologda Municipal Water Services	€ 18.4 million	€ 3.68 million
Kaliningrad Project Implementation Unit	€ 3.8 million	€ 3 million
Sosnovyi Bor Municipal Water Services	€ 3.3 million	€ 0.5 million

Appendix 4

Abbreviations

<i>AC</i>	Arctic Council	<i>IOM</i>	International Organization for Migration
<i>BASREC</i>	Baltic Sea Region Energy Co-operation	<i>NCM</i>	Nordic Council of Ministers
<i>BEAC</i>	Barents Euro-Arctic Council	<i>NDEP</i>	Northern Dimension Environmental Partnership
<i>BRC</i>	Barents Regional Council	<i>NDPHS</i>	Northern Dimension Partnership in Public Health and Social Well-being
<i>BSSSC</i>	Baltic Sea States Subregional Co-operation	<i>NDPTL</i>	Northern Dimension Partnership on Transport and Logistics
<i>CBSS</i>	Council of the Baltic Sea States	<i>NDPC</i>	Northern Dimension Partnership on Culture
<i>EBRD</i>	European Bank for Reconstruction and Development	<i>NEFCO</i>	Nordic Environment Finance Corporation
<i>EIB</i>	European Investment Bank	<i>NIB</i>	Nordic Investment Bank
<i>ENPI CBC</i>	European Neighbourhood and Partnership Instrument, cross border cooperation	<i>ND</i>	Northern Dimension
<i>EU</i>	European Union	<i>UNAIDS</i>	Joint United Nations Programme on HIV and AIDS
<i>HELCOM</i>	Helsinki Commission, Baltic Marine Environment Protection Commission	<i>WHO</i>	World Health Organization
<i>ILO</i>	International Labour Organization		
<i>Interreg</i>	an initiative aiming to stimulate interregional cooperation in the European Union		

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