5th BALTIC SEA STATES SUMMIT Laulasmaa, Estonia, 21 June 2004

CHAIRMAN & CONCLUSIONS

At the invitation of the Prime Minister of Estonia, the Heads of Government and representatives of Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Russia and Sweden met in Laulasmaa on 21 June 2004 for the 5th Baltic Sea States Summit. The Presidency of the European Union and a member of the European Commission also participated.

The 5th Baltic Sea States Summit took place after the important enlargement of the European Union (EU) on 1 May this year. Today the majority of the Baltic Sea states are members of the EU. The Heads of Government expect the EU membership of Estonia, Latvia, Lithuania and Poland to further enhance stability and security in the region, augment the interest of the EU in the regional and sub-regional co-operation among the member states of the Council of the Baltic Sea States (CBSS), and thus give new impetus to this co-operation.

Future of Baltic Sea Regional Co-operation and the Role of the CBSS

The Heads of Government expect that the enlargement of the EU will create new opportunities for deepening regional co-operation among the Baltic Sea states and all partners involved in enhancing the prosperity of the Baltic Sea region. The Baltic Sea region should further strengthen its position as one of the most dynamic areas on the continent and provide a model of sustainable economic and social development.

The Heads of Government welcome the results of the EU-Russia Summit in Moscow on 21 May 2004 and express their conviction that joint activities by the enlarged EU, other members of the European Economic Area, and the Russian Federation will enhance political stability and economic dynamism around the Baltic Sea. The presence of all Baltic Sea countries in the WTO will make an important contribution to the regionøs economy. The Heads of Government underline that regional policy initiatives among the Baltic Sea states will contribute to the EU-Russia strategic partnership through intensified cross-border cooperation at regional and sub-regional levels, encompassing civil society at large.

The Heads of Government trust that the CBSS will use its advantage of encompassing both members and non-members of the EU and will intensify co-operation to achieve cohesion in all areas of mutual interest. The CBSS provides a valuable additional framework for constructive interaction between the EU and Russia. It should continue and develop this role as appropriate, for example in the context of and drawing on the experience of the EU's Northern Dimension policy, with respect to the interests of all countries in the Baltic Sea region.

The Heads of Government are confident that the co-operation within the CBSS will prove to be flexible, dynamic and innovative, and respond promptly to new demands. The Baltic Sea region will remain a testing ground for ideas and mechanisms aimed at reaching agreed objectives. This experience could be relevant also to other regions in Europe.

The Heads of Government underline the importance of integrating the principles of sustainable development into policy making by all relevant stakeholders. They take note of the Five-Year Report on the work of the Agenda 21 for the Baltic Sea Region (Baltic 21) and

express their interest in the concept of making the Baltic Sea region an Eco-Region for Sustainable Development covering the economic, ecological and social spheres.

The Heads of Government welcome and encourage increased co-operation between the CBSS, the Nordic Council of Ministers (NCM), the Barents Euro-Arctic Council and the Arctic Council, together with the European Commission, aimed at improving co-ordination and enhancing implementation of specific priorities and projects in the context of the Northern Dimension. They appreciate the growing co-operation between the CBSS and the NCM in developing cross-border co-operation. They underline the importance of co-operation between the CBSS and the international financing institutions in the identification of regional projects.

The Heads of Government take note of the recent measures to strengthen the EUøs cross-border co-operation programmes in the Baltic Sea region, and look forward to a continuing enhancement of the opportunities provided by these programmes.

The Heads of Government stress that the CBSS will continue to promote the rule of law, respect for human rights and people-to-people contacts across borders in the region.

Economic Co-operation, Investments and Infrastructure

The Heads of Government welcome the Tallinn Declaration adopted at the 5th meeting of the CBSS Ministers of Trade and Economy on 20 April 2004. They confirm the importance of continuing to build upon the positive complementarities and comparative advantages of the Baltic Sea region to make full use of its economic potential and increase its international competitiveness.

The Heads of Government are confident that the economic co-operation in the Baltic Sea region will be adjusted to address successfully the new opportunities and challenges which EU enlargement and global economic developments bring to the region. The economic initiatives of the CBSS for the region will follow the principle of sustainable development and help bring positive spillover effects for the European economy.

The Heads of Government emphasise the need to improve business conditions in the region, both jointly and individually, in order to increase trade and investment. CBSS members will continue their efforts towards removing remaining barriers to trade and investment.

The Heads of Government took note of the CBSS Achievement Report on developments in the fields of border crossing, combating corruption, and improving investment conditions in the Baltic Sea region. They underline the essential importance of good governance, concerning both legislation and public administration, in increasing the economic attractiveness of the Baltic Sea region.

The Heads of Government emphasise the importance of further development of common regional economic infrastructure, especially transport and energy networks.

The Heads of Government underline the important role played by the Northern eDimension Action Plan (NeDAP) in strengthening information society and fulfilling the objectives of the CBSS. They welcome the progress achieved by NeDAP to date, note the necessity to further intensify efforts and agree on its prolongation for the next period of 2005-2006.

The Heads of Government request from the CBSS recommendations for continued strengthening of economic co-operation.

Maritime Safety and Environment Issues

The Heads of Government emphasize the need to further protect and preserve the sensitive marine environment of the Baltic Sea area and indicate that ensuring maritime safety is the common responsibility of all the Baltic Sea states. Taking note of the initiative by a number of participating states within the IMO and the decision by the Marine Environment Protection Committee (MEPC) to designate in principle a large part of the Baltic Sea as a Particularly Sensitive Sea Area, the Heads of Government undertake to follow up on the identification of Associated Protective Measures in line with IMO decisions.

The Heads of Government welcome the steps taken by the IMO to accelerate the phasing-out of single-hull tankers, and support a ban on the carriage of heavy grades of oil in single-hull tankers to/from all the ports of the Baltic Sea no later than 5 April 2005 in accordance with IMO regulations. The Baltic Sea states have in several for voiced their concerns over the traffic of such vessels.

The Heads of Government stress the need to maintain a proactive approach to avoid irreparable damage to our marine environment by enacting further measures and providing fully adequate resources in order to prevent and respond to pollution from land-based sources, shipping and other marine activities, i.a. oil drilling and extraction. They are committed to enhance co-operation and capacity-building in this regard. The Heads of Government also call for more effective measures against illegal oil discharges and emphasise the need to develop information exchanges against offenders and on legal proceedings.

The Heads of Government confirm the importance of the work of the Baltic Marine Environment Protection Commission (HELCOM). They welcome co-operation to protect the Baltic marine environment as established by the HELCOM ministerial meeting in Bremen 2003 and followed up at the 25th annual meeting of the HELCOM in March 2004.

The Heads of Government welcome the progress made through efforts within the Northern Dimension Environmental Partnership (NDEP). The environmental and nuclear windows of the NDEP Support Fund have become successful tools for mobilising resources for priority environmental investments in north-west Russia, including Kaliningrad Oblast. Consideration should be given in due course to an appropriate replenishment of the Support Fund.

The Heads of Government note the entry into force of the Baltic Sea regional testing ground agreement for flexible mechanisms of the Kyoto protocol and the complementing financial facility for energy sector investments that reduce anthropogenic emissions of greenhouse gases which will permit the accomplishment of concrete joint implementation projects in the near future.

Issues of the Social Dimension of Regional Co-operation

The Heads of Government note with concern that the spread of HIV/AIDS in the Baltic Sea region still shows alarming growth, and point to the need for immediate measures to be taken.

The Heads of Government welcome the establishment of the Northern Dimension Partnership in public health and social well-being. They call upon all actors to turn the Partnership into an effective instrument for realising the objectives of the Oslo Declaration.

The Heads of Government welcome the final report from the Task Force on Communicable Disease Control in the Baltic Sea region. The networks within the framework of the Task Force should be maintained, as appropriate, within the Northern Dimension Partnership in public health and social well-being. They thank the Government of Norway for its particular contribution.

The Heads of Government call for increasing global, regional and national efforts as well as cross-border co-operation to prevent and combat trafficking in human beings, especially of women and children. Activities should focus on victim protection, rehabilitation and legislative and preventive measures. The Heads of Government welcome the adoption of the Plan of Action on Unaccompanied and Trafficked Children and call for its effective implementation.

The Heads of Government underline the importance of continued joint efforts in combating organised crime, international terrorism and illegal migration. They take note of the valuable results as regards the operative co-operation achieved by the Task Force on Organised Crime in the Baltic Sea Region, and approve the recommendations concerning its future structures and work. The Heads of Government decide to prolong the mandate of the Task Force to 31 December 2008.

The Heads of Government pledge to strengthen civil society in the Baltic Sea region by fostering cross-border and inter-regional activities, i.a. cultural contacts, human resources development and youth exchange.

The Heads of Government thanked Estonia for chairing the CBSS during 2003-2004, and welcomed Poland as the incoming Chair for the period 2004-2005. They welcomed the invitation of Iceland to meet next in 2006.