Evaluation of the Nordic Council of Ministers’ activities in the Adjacent Areas

Throughout 2004, the Nordic Council of Ministers will continue to develop cooperation with Estonia, Latvia, Lithuania and Northwest Russia, in the light *inter alia* of the accession of the three former countries to the European Union. As a result, relations with the Nordic countries and with Nordic cooperation have also changed.

Dr. Hanna Ojanen of the Finnish Institute of International Affairs has been commissioned by the Nordic Council of Ministers to evaluate cooperation so far with the Adjacent Areas. This is her report.

The report forms part of the background material for the Council of Ministers’ work to develop guidelines for continued cooperation with Estonia, Latvia and Lithuania, and Northwest Russia respectively. It should be regarded as an internal working document.

Dr. Ojanen herself is naturally answerable for the conclusions and observations expressed in the report.

Copenhagen, 13 May 2004

Per Unckel

Nordic Council of Ministers
Assessment of the
Nordic Council of Ministers’
Policies for the Adjacent Areas:

SMALL BUT SMART?

8 May 2004

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First of all, we would like to warmly thank all the interviewees for their time and involvement. With equal warmth, we would also like to thank the NCM Secretariat in Copenhagen and the personnel of the Information Offices for all the contact information they provided and their helpfulness in finding all the necessary material, particularly those who managed with amazing efficiency to put together impressive programmes for our many visits to the neighbouring countries. The Finnish embassies in Oslo and Stockholm were also of particular help.

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Personally, I am also greatly indebted to the swift and dedicated research team whose efforts went above and beyond merely examining their own particular fields. The final outcome has benefited enormously from our numerous discussions – on board the Repin, at the airport check-in desk, in cyberspace and, last but not least, around the office table.
1 Preface: On the method and goals

Our goal has been to provide an overview of the political function, current situation and future visions of the NCM’s neighbourhood policies. While not tackling each individual question mentioned in the mandate with equal vigour, leaving aside notably the role of other Nordic institutions which are currently evaluated elsewhere, we have included some considerations from outside the mandate that seem particularly important for a full understanding of the policies, notably culture and the role of the Advisory Boards. The conclusions of the report can also be read as a summary.

As for the division of labour in the research team, the appendices on energy and environment, on gender equality and on cross-border cooperation have been written by Teemu Palosaari. Mikko Väyrynen has written the appendices on the social and health sector, as well as the one on grants and exchange schemes. Vadim Kononenko has contributed to the report with a chapter on the Russian administrative system, while also being our invaluable interpreter of the situation in Russia.

Our working method has been one of observation and listening to the views of people who are connected to these activities in various ways. During our many trips to the countries in question, we interviewed in all 180 persons.¹ The report draws on these interviews, and consequently on the knowledge and interpretations of the interviewees. However, no direct quotations are included. In addition, written sources have been used, notably the NCM documents mentioned in the mandate, as well as other documents that we have had access to during the process.

We apologise for any errors in the text that might have resulted from the lack of time to check the details. In some cases, timetabling problems also made it impossible to meet everyone that we would have liked to meet. In particular, we lament the lack of opportunity to visit the Information Points in Russia. We did, however, receive very helpful answers to our questions via their e-mails.
Helsinki, May 2004
Hanna Ojanen

1 See the list of interviewees in appendix 6.
2 The political background

2.1 Origins of the neighbourhood policies

The Nordic Council of Ministers (NCM) has had a special policy for its neighbouring areas – primarily for the Baltic states and subsequently for Northwest Russia – since 1991. These policies, formally called policies for the Adjacent Areas, receive a very positive general evaluation from their beneficiaries, not least for their symbolic value, which has clearly surpassed their rather modest financial value. Among the few critical voices, one can, however, hear the opinion that a clearer strategy might have made the policies even more efficient. With hindsight, it has been said that more emphasis could have been placed on developing the administrative and judicial systems. For a proper assessment, one needs to know how, and why, the policies were conceived, and what might have been seen as the goals.

Nordic parliamentarians took the initiative in establishing contacts with their Baltic counterparts and exerted pressure on the Nordic governments to do something tangible to help their smaller neighbours achieve their goal of political independence.\(^2\) The Nordic countries differed in their political disposition, however: while Finland was very cautious, Iceland came to be honoured by a street bearing its name in Vilnius for its initiative in recognising the independence of Lithuania. For all the Nordic countries, however, the NCM was found to be a suitably neutral tool for achieving something. The Secretary General paid an initial visit to the Baltic capitals in January 1990. Demonstrating a certain flair and capacity for rapid action, the NCM established Information Offices in the capitals, putting up signs and flags bearing the Nordic swan. The Nordic ministries for foreign affairs, and the one and only Nordic consulate in situ at the time, may have felt that their toes were being stepped on by a newcomer, but the Nordic countries chose not to go and wave their own flags in the politically unstable situation. The NCM thus became the first international actor in the region. Eventual problems with the Soviet Union, and subsequently with Russia, were resolved as they arose – acting through the NCM was a smart way for the Nordic countries to divide the political risks by five.

\(^2\) They initiated cooperation between 1989 and 1990, but did not procure visas to travel to the Baltic countries at first. In 1990, however, they visited Moscow and the Baltic capitals.
Northwest Russia itself was soon embraced by the neighbourhood, and formally so in the mid-1990s. Several countries lay claim to launching political initiatives, at least to those which were successful. Norway can be mentioned in this connection, having already established the Barents Council in 1993, even though Russia itself may also have been a driving force in this respect. It must be stated that progress has been much less evident in Northwest Russia, however, and a reverse development might even have occurred in that when the cooperation started, the regions were more powerful than they are now. Nevertheless, the aim has been to extend the neighbourhood policies to that region as much as possible. The typically Nordic bottom-up approach and grass-roots action have also proved useful in that area.

2.2 Goals of the neighbourhood policies

The neighbourhood policies may have served several different goals. Consequently, there are different ways of evaluating them. A primary goal concerned the political mission that the Nordic countries had vis-à-vis the Baltic countries: supporting them in gaining independence and assisting in the transformation process. This goal has now been fulfilled and thus some would say that the motives for cooperation with the Baltic countries need to shift, perhaps more towards something that the Nordic countries might also benefit from.

A second goal has been to improve the living conditions in the neighbourhood, broadly speaking, and to increase mobility between the Nordic countries and the adjacent areas. This is a task that is still relevant.

A third, later goal consisted of helping the Baltic countries fulfil the membership criteria of the European Union (as well as NATO). Today, this goal is reflected in the Baltic countries’ expectations of the Nordics: they welcome tangible help in applying for EU funds.

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3 Lithuania was the first to declare its independence in March 1990. The Soviet Union recognised the independence of the Baltic states in September 1991, and was itself dissolved in December that same year.
A fourth goal may be purely internal. The neighbourhood policies revitalised Nordic cooperation to a large extent, as it had fallen prey to the malaise of having already achieved everything that could conceivably be achieved in the 1950s and 1960s, including the goal of furthering EC compatibility in the late 1980s and early 1990s. At the same time, the new mission was far from contrived: there was good reason to believe that Nordic policies would not be particularly efficient in the region if there were huge differences, for instance in living standards, between the Nordic and the Baltic countries, or between the Nordic countries and Russia.

There might even be “hidden” goals related to security, both to “hard” military security and to “soft” security considerations. Assistance and cooperation would be a way for the Nordic countries to safeguard themselves against possible problems stemming from the neighbourhood, be they contagious diseases or pollution. The relations between the Baltic states and Russia also have clear security implications.

The first real strategy for neighbourhood policies was prepared in 1996. With the actual strategy papers, the official goals or objectives of neighbourhood cooperation came to be defined as follows:

- to contribute towards development which is safe and stable in all respects,
- to strengthen democracy,
- to widen the community of shared values with the northern parts of Europe,
- to contribute towards the development of a market economy and
- to further sustainable development in the region.

Today, the entire Adjacent Area programme amounts to 86 MDKK annually. In addition, the “sectors” spend 60 MDKK on their projects in the adjacent areas. In total, therefore, some 150 MDKK is allocated to the adjacent areas per year by the NCM.

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6 These are the different formations of the Council of Ministers, of which there are now 19. The reason for such overlap lies in the fact that at least the largest Councils of Ministers have their own resources for policy activities, for instance in the form of neighbourhood projects.
The three Baltic countries, now members of the European Union, have undergone a remarkable transformation, and their relations with the Nordic countries are also somewhat different today. A new form of Nordic-Baltic “advantage” is seen by some to lie in cooperation within the EU, the so-called 3+3 cooperation, which would enhance the position of the individual countries.

Thus, one can conclude that there is no single goal behind the policy. Rather, the question which now remains is – who defines the goals? While the terms “pro-active”, “visible” and “Nordic advantage” are increasingly used, it is also evident that the neighbourhood policies should be meaningful for all and jointly arrived at, if not completely “recipient-led”. If neighbourhood policies used to refer to the policies of the Nordic countries towards the Baltic countries and Northwest Russia, the term would now seem to point to emerging future policies of the Nordic and Baltic countries towards Belarus and perhaps even Russia.

3 The institutional context

3.1 The NCM’s place in the range of organisations

The NCM is one of many international, regional and subregional organisations in the Baltic and Barents Sea areas. The institutional web, often portrayed as unnecessarily complex, is largely a result of the Nordic zeal in the 1990s for establishing new organisations suited to the new political situation. Neither the Arctic Council (AC), the Barents Euro-Arctic Council (BEAC) nor the remaining “cacophony of Arctic initiatives” will be dealt with in this report.

For the most part, the new organisations were also interested in similar activities and similar policy fields. Various efforts have been made to coordinate their activities or to arrive at

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a division of labour between them. One of the first steps towards coordination was a meeting in September 2001, organised in Oslo, between the NCM, the BEAC, the CBSS and the AC. The cooperation takes different forms; for instance, a link between the EU and the NCM, although slow to emerge, was established when the NCM provided its own input for the 2nd Northern Dimension Action Plan. Some have advocated pruning the organisations, for instance by merging the Baltic Assembly and the Nordic Council. Every concrete proposal to abolish one of them has, however, met with considerable resistance.

By and large, cooperation between international organisations seems to be rather difficult; the organisations have not been constructed with that kind of cooperation in mind. Even coordination becomes difficult if one does not know what the others are doing, if there are no adequate channels of communication. Yet some would regard the overlap as not necessarily negative. In the evaluation of the Arctic Council, it was noted that the existence of numerous institutions can be a positive sign: “the many initiatives and activities taking place in the Arctic Region can be seen as a resource and human capital for the future of the Arctic.” Each organisation might have its own raison d’être, and the variety of fora may help in finding some mode of communication for each need and situation.

Among these organisations, the EU and the CBSS are the ones most readily in a position to make the NCM redundant in neighbourhood policies. The CBSS is characterised by the political advantage of having Russia as a member, which is seen as making it more important for the latter. The EU is also a member and, to avoid overlap, it encourages the CBSS to work in fields outside the competences of the Commission, such as civil society or investment promotion. These two influential members might, however, be simply too important to meet the others in such a forum. The Russian attitude has been ambivalent; Russian ministries do not always seem willing to allocate money for representatives to take part in the meetings. Some have envisaged that the NCM could be the Nordic component of

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9 See more below.
11 Ukraine is an observer, while Belarus applied for observer status some years ago.
the CBSS, thereby constituting an interesting but, at the same time, politically improbable case of joint representation in another organisation.12

The EU is the most powerful actor in the region, particularly through its “Northern Dimension” (ND) and the “European Neighbourhood Policy” (ENP). The ND is often referred to by the NCM, and its partnerships are seen as particularly successful. The ND, however, does not seem to have any independent dynamism of its own, and is entirely driven by the Nordic countries. One might even argue that the Finnish official optimism makes it possible that too much reliance is placed on the ND, as if it were ultimately the most stable perch to occupy. Within the EU, the whole concept is apt to cause a glimmer of amusement on occasion.

Both the ND and the ENP are problematic for the EU. When it comes to the ND, the rather original idea of giving “partner countries” a voice in decision-making may not have gone according to plan,13 and now the whole partner-country concept is in jeopardy since it actually only implies Russia. In the new ENP,14 Russia is being placed in yet another category where it feels like a square peg in a round hole, seeing itself more as a strategic partner than a neighbour. One of the EU’s main problems lies in finding ways to make the vicinity stable and prosperous and in encouraging the new neighbours to follow the EU’s guidelines without any firm promises of membership. This is also reflected in the European Security Strategy15 where building security in the neighbourhood is mentioned as one of the three strategic objectives.

At the end of the day, the “competing” entities or frameworks, the ND and the CBSS, might both be characterised simply as additional forms of Nordic cooperation: the Nordic countries are offering different frameworks to possible partners, but in the final analysis they are also in charge of ensuring that they function. No-one can undertake this task for them, it

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12 Other potential forms of cooperation appear in the appendices.
13 It is very difficult to accept the notion that outsiders would formulate policies for the EU, after all.
15 http://ue.eu.int/pressdata/EN/reports/78367.pdf
seems – even though some help might be expected from the Baltic countries, should they
dee m it useful now that they are searching for suitable strategies and partners in the EU.

Compared with the EU and the CBSS, the NCM has some distinctive characteristics.
In comparison with the CBSS, the specificity of the NCM lies in the fact that it divests itself
of an independent budget and does not need to apply to the capitals for funding. In
comparison with the EU, the NCM is flexible and has very little bureaucracy, which in
practice means that it is easy to apply to it for funding. Instead of high-level political
coordination (such as the ESDP, and EMU), it works at lower levels and with concrete
goals, albeit on a very small and politically innocuous scale. It stresses person-to-person
contacts even in its interaction with Russia, which, for the EU, falls more into the category
of “strategic partner”. Nordic cooperation, which after all has longer roots, focuses more
on culture and education than the EU. It is also organised differently in that the Secretariat
personnel in Copenhagen rotate: there are no separate ‘Nordic careers’ but Nordic
experience forms part of the national careers of civil servants.

3.2 The variety of “Nordic” actors

In addition to the NCM, in practice all the other Nordic institutions are also active in the
neighbouring areas. In the mid-1990s, initiating projects in the neighbouring region was the
only way in which they could receive additional funds, being under pressure to save money
otherwise.

All five Nordic countries also act independently through their bilateral relations with the
Baltic countries and Russia. It has been pointed out that common Nordic policies might be
perceived as more legitimate than those of individual countries, where national interests
would be more clearly visible.

Nevertheless, bilateral relations may be much more important in terms of funds. This is true
in the case of the new EEA-based Financial Mechanism at least. Norway will pay 210 M€
per year to the new EU members between 2005-2009 in return for the new agreement on
access to the internal market of the enlarged EU. Lithuania, for instance, will receive 13.5 M€ per year for five years from Norway. Iceland, which has a similar arrangement, pays about 1 M€ to the new members annually.

What sort of impact this funding will have and whether combining efforts with the Nordic and Baltic institutions is feasible remains to be seen. The agreement between Norway and the European Community lists the priorities for which this money is to be used, but they are very broad. The details will be agreed on bilaterally between the donor and the receiver.

While the NCM contributions might pale in comparison with these funds, the Financial Mechanism also highlights some problems that are relevant for all the actors. The problem of absorption – the inability of the recipient states to actually use the available money – may worsen. It will also be interesting to see whether this money can be used, for instance, for cross-border projects which the recipient has with other countries – eventually even with the Nordic countries, and whether some coordination or even cooperation with the NCM could take place. This is seen to depend in the final analysis on the recipients, as the mechanism is said to be “recipient-led”.

### 3.3 The problems of coordination and decision-making rights

Coordination appears to be dogged by at least three problems. Coordinating the various organisations seems the most arduous task of all, as the function of coordinator is easily interpreted as an attempt at subordination. As an alternative, it has been proposed that the responsibility for coordinating the various organisations’ activities be allotted to the recipient country – which would accordingly acquire some “ownership” of the policies.

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16 Nordic ministerial meetings have taken place in one form or another since the 1930s.
17 The priority sectors are implementation of the Schengen acquis, environment, regional policy and cross-border activities, and technical assistance for implementation of the acquis communautaire. See Agreement between the Kingdom of Norway and the European Community on a Norwegian Financial Mechanism for the period 2004-2009, art 3. The Adjustments to Protocols to the EEA Agreement list environment, sustainable development, conservation of cultural heritage, human resource development, and health and childcare.
18 Iceland lists among the priorities for the use of its EEA funds: a sustainable environment (geothermal energy), the fish processing industry, health care and the administrative infrastructure.
Coordination also seems to be needed within the NCM itself, as regards the sectors and the adjacent-area policies. Finally, it is necessary to coordinate the bilateral and Nordic activities.

As an example of the latter, the case of the Advisory Boards shows how the goal of coordination can easily turn into a question of decision-making power. When a new structure is created, some kind of power struggle, or a process in which power relations are reviewed, ensues. In all, four such Advisory Boards – Arctic, Nordic, Baltic and Russian – have been established. Their activities have almost come to a standstill already, however: curiously enough, each party involved seems to be accusing some of the others of misinterpreting the original aims of the Boards.

The basic goal seems to have been to make the coordination of bilateral Nordic contributions and the NCM’s activities easier, while simultaneously increasing the foreign political experience of the latter, by establishing a body that consists of representatives of the Nordic Ministries for Foreign Affairs together with the NCM Secretariat and the IOs. Before long, however, the Baltic ministries, as well as representatives from Russia, were also invited. This was regarded as a mistake in some quarters. Another mistake was detected in the selection of civil servants: they represented the departments responsible for Eastern Europe, which meant that they would not fully appreciate the differences between national and Nordic methods.

The Baltic countries were, however, initially very positive. In Estonia, the overall sentiment at first was that their proposals were being listened to; then, however, the meetings ceased to take place, “for unclear reasons”. The situation was later described as a “catastrophe”. The promises had been big – cooperation on the contents of the programme, assurances of prior information and of a willingness to listen to the Baltic points of view – yet not honoured. In reality, the Baltic participants were sent a ready-made programme which made no mention of Baltic or Russian items.

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19 With the exception of the Arctic Advisory Board.
20 This can be partly explained by the fact that earlier on, for some time at least, the IOs were told not to be in direct contact with national foreign ministries, but only with the NCM Secretariat. This was somewhat exceptional when compared with the established Nordic practice of direct trans-border contacts.
The Latvians saw that the Advisory Boards should not only coordinate the national and the Nordic activities, but also set priorities. In view of the outcome, dissatisfaction was expressed with the low ranking of the Nordic officials who were participating. In Lithuania, it was erroneously assumed that the NCM believed that the Baltic countries no longer wanted to convene a meeting.

From the Nordic point of view, it was “painful” to acknowledge the fact that the Nordic presence was weak and that the available funds were actually very scarce. The fact that an Advisory Board does not have any mandate also came in for criticism; yet, the Advisory Boards seemingly also made recommendations to the NSK, which only served to irritate the members as the NSK did not take them fully into account.

In Russia, there have been two meetings thus far, during which time the Russian delegation has already changed (the Federal District is in charge of its composition). Moreover, as little progress was made – compared to the Baltic countries, the Russian authorities had not prepared their priorities well, and had only written four lines – subsequent meetings were deemed unnecessary from the Nordic side. The Russians also seemed to prefer to organise the meetings on their home turf to avoid having to leave the country. Yet, the Russian side is quick to complain about the fact that, as all subsequent meetings have been cancelled, the eventual cooperation next year cannot be taken into account when their internal budgets are prepared. Moreover, the Russians expected the Nordics to explain their policies in these meetings, and were surprised to find that they were, in fact, aiming at a discussion where both sides would contribute.

Few ideas have been presented as to what should be done instead. One alternative would be to establish a broader Nordic-Baltic NSK to take care of coordination. This would constitute

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21 In national programmes, the recipients’ influence is greater and public tenders are organised, while in the Nordic programmes, the aims are political and the actors are usually public, not private.

22 Another PR mistake was committed by the NCM when it announced that the Baltic countries would get an additional 6 MDKK in the budget for 2004 for free activities. The Baltic counterparts listed their priorities accordingly. It was then decided that the money would be given to the IOs for their activities – but in the end the sum did not find its way into the budget at all.
a step towards equal Baltic participation in Nordic institutions, but would not resolve the question of the Russian Advisory Board.

4 The “new” Baltic EU neighbours

4.1 “Norden” in the Baltic countries’ neighbourhood policies

The Nordic countries are part of the Baltic countries’ neighbourhood. EU membership changes the foreign policy priorities of the Baltic countries, inserting, for instance, elements of the EU’s neighbourhood policies. Membership of the EU also seems to open up new possibilities for cooperation with the Nordic countries.

Neighbourhood has re-emerged as a key issue in Lithuanian foreign policy, having been relegated while membership of the EU and NATO took centre stage. Lithuania sees itself as a hub of regional cooperation (notably the “Vilnius 10” lobby of NATO candidates, to which Ukraine and Georgia have now informally been added). Kaliningrad and Belarus are particularly important. Even though the Kaliningrad issue is now seen to have shifted from the bilateral Lithuanian-Russian sphere to that of the EU, Lithuania still regards itself as responsible for assisting the region. A vice-ministerial-level Commission between Kaliningrad and Lithuania meets regularly in this respect. The Lithuanian government also courageously supported the democratic movement in Belarus through concrete measures such as inviting to Vilnius parts of a school that had been closed down and driven underground in Minsk. There is also an official support group for Belarus in the Lithuanian parliament.

Estonia has “enlarged its neighbourhood into neighbours of our neighbours”, Ukraine, Belarus, Moldova and Georgia, and even Armenia. An important facet of the cooperation lies in sharing the experience gained from cooperation with the Nordic countries with new neighbours, particularly with regard to the adoption of EU norms. Georgia is now the “acute priority”, especially when it comes to the fields of justice and law, state administration and defence policy.25
In this context, Latvia would still appear to be seeking a role; continuing political changes and instability might contribute to this. Yet, Latvia seems prepared to leave relations with Russia to a bigger entity such as the EU, although they have misgivings about the large EU countries taking Russia’s side in the language question. Estonia and Lithuania also seem to find that, when dealing with Russia, being part of a bigger group is preferable. This group might consist, for instance, of Nordic-Baltic cooperation. The Baltic countries emphasise their expertise on Russia, but they might also have rather different views from some of the Nordics in this respect. For instance, the EU plans about border-region regimes for third-country nationals’ rights in border areas might be too liberal for Estonia to accept. Finland, though, might find support for its reticence on the question of the abolition of visas.

As for Poland, the three do not seem to have any immediate interest in closer cooperation, nor do they envisage opportunities for this within the EU. Poland “has its own priorities” and is “a special case”, the Baltic countries are at pains to point out. Indeed, the small Baltic countries would be in a weak position vis-à-vis their large neighbour. On the other hand, Poland has not shown much interest in invitations from the BCM, for instance.

A third, more distant, big player is the United States. Through e-PINE, the Enhanced Partnership in Northern Europe, which was launched in 2003 (as a successor to NEI, the Northern European Initiative), it has a vague presence in the area – but a presence that is highly valued. The partnership aims at democracy, “healthy societies” and “vibrant economies” but does not necessarily have much practical content; each country has to allocate resources, on a small scale only, and the concept has not yet been fully elaborated.

The EU is becoming the most important forum for the Baltic states’ foreign policies. They will be looking for partners within the Union, and the Nordic EU members seem to rank high on their list.

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23 On this last issue, Estonia would cooperate with the United Kingdom.
24 On the other hand, the Latvians praise the Swedish foreign minister Laila Freivalds for her willingness to defend their position when meeting Russian authorities.
25 The dislike seems to be mutual when listening in Russia to the Federal District level referring to the low cultural level of the Baltic countries as hampering their international contacts.
Indeed, the Baltic countries seem to look forward to the continuation of the “3+3” cooperation within the EU. It is seen as promising in that it is more intimate than the all-encompassing EU framework of 25 countries. If Iceland and Norway were to participate in this, one could even speak about “NB8” here.

4.2 Intra-Baltic cooperation

In the early phase of their independence, the three Baltic states established Baltic institutions along the lines of the Nordic models. When it came to EU membership negotiations, where they were originally placed in two different categories, their relations functioned less smoothly and were characterised by rivalry. EU accession is once again seen as improving intra-Baltic relations and making the countries recognise that they actually share the same problems and interests.

At present, the Baltic Council of Ministers (BCM) and the Baltic Council are undergoing (difficult) reforms; their very necessity has been questioned. The BCM will be downsized to cover foreign ministers and prime ministers only, concentrating on what concretely links the three countries: networks, defence planning, environment; energy, and infrastructure. It is said that all remaining matters would be handled in the EU.

Possibilities of merging the Baltic and the Nordic Council have also been debated. As for possible mergers with Nordic institutions, the Baltic way of putting things would be to say that there should be “no rushing into the unknown, let the Nordics make up their minds first”. No-one seems to consider a merger feasible, for the simple reason that it would be too difficult for the Nordics to accept the Balts. Even though full equality of the Baltic countries with the Nordic ones would only ensue from full membership of the NCM, the argument has been shied away from, using the numerous particularities of Nordic cooperation as an excuse.27 The financial burden has been another, yet seemingly less important, problem. The

20 http://www.state.gov/p/eur/rt/epine/
27 In every other context, Nordic cooperation would be expressed in much more gloomy terms, as dying, or as having lost its original importance. As soon as it came to taking in new members, however, everyone would instantly see the same cooperation as tremendously successful and confirm how important it was for it to continue unaltered in the future.
Nordics would be quick to point out that the Nordic institutions are not only regional but historical and cultural entities, and that adding new members would water them down.28

Another way of tying the existing organisations more closely together could be to groom the Baltic Sea Parliamentary Conference for a role within the CBSS, a body which it actually predates. Yet, it seems that the contacts between the parliaments are already fairly good, as the assemblies invite each other to meetings, and cooperation also takes place at the committee-level. The different party groups would also be prepared to meet, but as there are no big social democratic parties in the Baltic countries, the “pairing” is more difficult. Moreover, grant schemes for parliamentarians also exist (a system later extended to Russia), under which the first group of Baltic parliamentarians was invited to Norway back in December 1990, and which, for example, support meetings of young politicians – “who in Russia tend to be rather old”.

All in all, the Nordic countries have made a substantial contribution to intra-Baltic relations. What is particularly interesting to note in this context is that there is no coordination comparable to 3+3 among the Baltic countries. It has also been said that it is vital for the Baltic countries to cooperate, and that the Nordic countries could serve as a reason for them to cooperate with one another if they lacked incentives of their own. As for future possibilities in this respect, the intra-Baltic borders have been singled out as a field in which more work could be done by the NCM: they are not on a par with the Nordic borders as yet, but could be made more like them.29

28 It was also pointed out that in Nordic circles, the Conservatives who first voiced the idea of a merger changed their minds once they were no longer in opposition.
29 Arguably, without EU membership, they might have remained even less “open”.
Regional authorities

It was the regional authorities which became the centres of power and policy-making in the eighty-nine subjects of the Russian Federation after the disintegration of the Soviet Union in 1991. As the centralised and politically homogeneous Soviet state ceased to exist, Russia’s constitutive units – oblasts, republics, krais, autonomous okrugs, the cities of Moscow and St Petersburg – acquired a say in the planning and implementing of the regions’ economic and social policies, as well as representing the regions’ interests abroad. On the other hand, the regions’ capacity in external affairs was limited. According to the Federal Law on Coordinating International and Foreign Economic Relations of the Subjects of the Russian Federation (1998), regional authorities are entitled to cooperate only with regional and local governments of foreign states.

For the regional authorities of Northwest Russia, communication with neighbouring regions across the border has become a part of everyday business. All regional administrations have committees for external affairs whose heads are normally members of regional governments or deputy heads of the regions. Likewise, there are similar committees in the regions’ legislative assemblies – sakonodatelnoe sobranie or duma. In their capacities, these committees for external affairs maintain contacts with their foreign counterparts such as neighbouring municipalities and regions or provinces in the adjacent or more remote areas. Most of the regions of the Northwest have established working relations with neighbouring regions in the Nordic countries and, to a considerably lesser degree, the Baltic states. Twinning is one of the most usual forms of relationship between the Russian regions and their foreign partners.

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In practical terms, the conduct of the regions’ external relations is very much reminiscent of the traditional Russian state-to-state diplomacy including obligatory exchange of high-ranking delegations, lengthy preparations, and respect for protocol issues and diplomatic rituals. It is important to note that Russian bureaucratic culture – highly visible in the regions – is very sensitive to hierarchical subordination and status, especially with regard to negotiating with foreign counterparts and concluding formal agreements.

The Ministry for Foreign Affairs Representative Office and the Federal District Administration

In the early 1990s, there was a general view in Moscow that the “paradiplomacy” of Russia’s regions required guidance and coordination at the federal level. Therefore the Russian Ministry for Foreign Affairs opened its representative offices in the Northwest in Saint Petersburg, Arkhangelsk, Pskov, and Kaliningrad. The MFA Representative Office in St Petersburg is the largest in the Northwest and is headed by a Plenipotentiary Ambassador-Representative who is a member of the Central Committee of the Ministry for Foreign Affairs. Despite their high status, the MFA Representative Offices in the regions have very little say in the actual strategy-making and policy-planning and their role in the regions’ external affairs is largely symbolic. In St Petersburg, for instance, the Representative Office deals with practical matters such as hosting the general consulates of other countries in the city. In addition, the Representative Office also deals with Russia’s visas for foreigners and acts as the local “troubleshooting” agency for foreign organisations based in St Petersburg.

Another important actor is the Plenipotentiary Representative Office of the President of the Russian Federation in the Northwestern Federal District. The institute of the President’s Representatives gained political importance after the country was divided into seven big federal districts in 2000. Geographically, the jurisdiction of the President’s Representative extends to Saint Petersburg, Leningrad, Pskov, Novgorod, Murmansk, Vologda, the Arkhangelsk and Kaliningrad oblasts; the Karelia and Komi republics, and the Nenetz autonomous district. However, it is important to note that so far it is extremely difficult to pinpoint the exact prerogatives and political functions of the President’s Representative Office. Experts see the envoys as the primary conduit between Moscow and the regions, as
they have a grasp of a wide array of issues, such as gubernatorial elections, the economic situation, and even investments inflow to the regions.31 One has to take into account that, in legal terms, the prerogatives of the President’s Representative Office are limited, as its recommendations to regional authorities are not legally binding. On the other hand, the President’s Representative Office, as the federal-level policy body, is accountable only to the President and his Administration, the centre of political power in the country. The head of the President’s Representative Office in the Federal District is a member of The Presidential Administration. The apparatus of the Representative Offices grew larger over the years and now includes a plethora of subdivisions and instruments of monitoring and control, such as that of federal district inspectors. Federal district inspectors are located in every region of the federal district and act as liaison officers reporting to the President’s Representative about the situation in their regions. It is not unusual for federal inspectors to take part in gubernatorial elections, thereby influencing regional politics. In general, the role of inspectors can be seen as strengthening the position of the federal district administration in the regions.

*Trends towards centralisation between 2000 and 2004*

To a great extent, the political process in Northwest Russia appears to be in a state of flux. As a result of the regionalisation and decentralisation that took place in the last decade, regional and local administrations enjoyed the relatively benign attitude of Moscow as to their contacts with foreign counterparts. A notable exception would be the Kaliningrad Oblast.32 In other cases, Moscow showed a willingness to respect the regions’ privileges as to their external activities as long as their “paradiplomacy” went hand in hand with the state foreign policy.

This state of affairs was altered during Putin’s first presidency. The emergence of new forms of, and programmes for, cooperation with Russia in the EU, embedded in the Northern Dimension process, and the initial reformist intentions of President Putin to modernise

Russia’s economy were important factors which determined the more proactive and instructive Moscow’s policy course towards the regions in the Northwest. Between 2000 and 2002, a number of strategic documents envisioning new socioeconomic development for the Northwest was prepared by the analysts closely associated with the Moscow-based liberal think-tank Centre for Strategic Research, the then economic policy planner for Putin’s administration. One of these strategic documents – the Doctrine for development of Northwest Russia33 – presents a “megaproject” of remaking or “assimilating” Russia’s Northwest into an economically and politically integrated “macro-region”. According to this reasoning, the process of macro-regional integration should concern the regions’ external affairs and require central coordination and management of all the regions’ international projects, especially those concerning trans-border cooperation, transport and social-sector development. These new tasks of macro-regional building and governance were seen to be performed by the concert of regional, local and federal-district authorities, the latter being responsible for coordination and priority-setting. This strategic design has not been implemented as yet.

The presidential elections of 2004 launched a new phase of administrative reforms, the effect of which remains to be seen. Although the administrative reforms have, up to now, led to major structural changes at the federal level, such as in the Presidential Administration, the Government Office, and the federal ministries, some changes do take place in the regions, too. In April 2004, the committee for external affairs of St Petersburg city administration was merged with the committee for tourism34 and will from now on deal with, for example, tourism development and management. External affairs and foreign investments will be administered by other institutions, most likely at the federal district level.35

Implications for priority-setting

As far as international cooperation is concerned, the trend towards growing centralisation in Northwestern Russia is most apparent in priority-setting. The federal district administration

perceives itself as the essential strategic link between the federal centre and the regions, acting not only as a plenipotentiary representative of Moscow’s interests in the district but also as a policy-making body that takes care of the regions’ priorities and interests vis-à-vis foreign counterparts. However, it is dubious whether the President’s Representative Office – a rather opaque organisation with a strong semi-military culture – possesses the essential capacity and expertise to serve as a strategy link between the federal centre and the regions in terms of integrating together the priorities of the federal centre and the regional agendas.

At present, the priorities mentioned by the federal district administration include logistic and transport development, construction of new ports and energy transport terminals. The realisation of projects in these fields is seen to serve Russia’s “national interests”. On the other hand, the federal district authorities are concerned with the widening gap in living standards between Northwest Russia and the neighbouring regions across the border, and welcome smaller projects for the social and health sector and the environment. The general view expressed by the federal-level authorities, however, is in favour of somewhat “grand” and bulky projects.

5.2 Implications for the NCM

As an international actor in Northwest Russia, the NCM is faced with an administrative entity of a very special, even amorphous kind. Northwest Russia is not a state, yet St Petersburg has elements of possibly becoming a second diplomatic capital. Contacts with the “state” are needed to operate in the region, but it is not clear who the state actually is. Is it the ministries in Moscow, the President, or something else? Even the Parliament does not compare with its Nordic counterparts in terms of its position and power.

Uncertainties extend to the civil society as well. In addition to the socio-economic problems, the political problems are also considerable: in particular the near absence of a free media and the difficulty in locating reliable partners in the NGO field make it even more difficult to monitor the situation.
Judging by the interviews, there would seem to be no point in trying to fit all the pieces together to form a whole whereby the relations between the different levels of authority could be neatly explained. In fact, it seems that every piece lives in its own, seemingly well-functioning world, and tries not to get involved in the affairs of anyone else. For this reason too, the NCM should perhaps not favour any one level in its contacts with any other. They clearly avoid speaking about the policies, contacts and possible priorities of other levels\textsuperscript{36}, and it is difficult enough to encourage them to express their own priorities.

It would now appear that the NCM has chosen the Federal District as the authority responsible for expressing the Russian priorities. They understandably take on this task gladly, but may not have the real authority to act in the name of the others.\textsuperscript{37} The question of who they actually represent is unclear; they naturally represent the President, but at the same time they assume the role of representing the regional interests. Some see their role as being to ensure that there is agreement between the Russian regions. According to their own estimates, they would receive the local priorities from local authorities, compare them with their own priorities, and then make the decisions.\textsuperscript{38} On the other hand, the Committee of External Relations of the Government of St Petersburg would argue that they also deal directly with ministries (of transport, for instance) in neighbouring countries, and emphasise that all the power is in the hands of the Governor, while the Federal District has a supervisory function and informs the President about regional issues, but has no authority to enforce laws on the city administration. Nor would they agree that cooperation projects are decided on in the Federal District, as the latter would maintain. Be that as it may, as noted above, the External Relations Committee ceased to exist as such in April 2004.

All the official levels are steadfastly united in their appreciation of high-level representation, however. Yet, there may be difficulties in reaching a consensus of agreement on which levels actually “correspond”. A couple of prime examples which came up were the contacts that

\textsuperscript{36} As yet another example, the Federal District also stated that they did not cooperate with the EU, while the EU Delegation Liaison Office said their relations were very good.

\textsuperscript{37} The Federal Districts are themselves also on somewhat shaky ground – they still have no legal basis – and are anxious about their position (which might explain the representatives’ unwillingness to travel abroad, which in turn makes cooperation more difficult).

\textsuperscript{38} In fact, the Representation of the Ministry for Foreign Affairs would say “but my point of view [on priorities] will not be taken into account anyway”.
the President of Iceland has with the Governor of Novgorod, and those which the President
of Finland maintains with the Governor of St Petersburg. One idea which surfaced in 2002
was that the President’s Representative would meet with the Nordic Co-operation ministers,
and the deputy with the Secretariat. Today, the idea of ministerial meetings seems to have
been “forgotten” or allusions are made to inadequacies on the Nordic side – also in respect
of their budget. The importance of control is also something which is often emphasised. For
instance, the Federal District regarded the IPs as an asset in that they bring the IO closer to
the end-users and consequently simplify the control of the projects. Experience in control
from above was even presented as a possible Russian contribution to NCM cooperation.

6 The Information Offices

6.1 General observations

In its full form, the name “Nordic Council of Ministers’ Information Office”, is
cumbersome for everyday use. Possible alternatives such as “representation” or “delegation”
have their own connotations. A mere “Office” might not sound important enough, the same
goes for “Information Office” in formal high-level contacts, and neither term translates well
into all the languages. Moreover, the IOs already use different names, albeit unofficially.
Perhaps their mission, however, is more important than their name. Yet knowing what they
should actually be doing, and who they are, is rendered even more difficult by the fact that
the image of the NCM itself is not that clear.

As for the place of the IOs within the NCM system, the guidelines which they have to
follow are seen as being rather vague. This increases the likelihood of personal
interpretations and differences in the way the IOs perceive themselves, also due in part to
changes introduced by successive directors. The ensuing freedom of interpretation can also
have a positive effect, but the shortcomings in the guidelines might ultimately prove
inadequate for long-term planning.

39 Or, illustrative of the kind of relations between different authorities, one would hear the reply “I do not
know whether they are taking place”.
40 See also further points in the appendices on the different policy sectors.
To highlight the point, one could mention the shortcomings related to archiving and the procedures for passing relevant information on to successors. In some IOs, archives have only recently been established and are not necessarily professional, a state of affairs which is aggravated by short transfer briefings. This might in part contribute to the general feeling that the image of an IO can shift perceptibly according to the director running it. In fact, the problem does not end there as the NCM does not have any archives of its own: information is filed in each clerk’s personal folders, which they then pass on to their successor.41 Still, the purpose of the archives is not only practical, but also symbolic in the sense that they testify to the self-esteem of the organisation and to the importance of the work being carried out.

Generally speaking, the exchange of information, as well as the gathering and archiving of the same, within the NCM and its Offices, should be easy to organise in a more efficient way today. With all the talk about “Northern e-Dimension” and the like, the NCM could itself become more of an “e-NCM”, and develop its e-management skills, establishing shared databases to which the IOs would also have access.

For the most part, the IOs would relish more contact with Copenhagen. Feedback would be particularly welcomed, for example on the progress and the outcome of the supported projects. Some complaints have been voiced regarding the fact that projects may pass over their heads. On the one hand, this can be interpreted as a sign of the ability of the NCM Secretariat to locate and directly establish contact with suitable counterparts in the neighbouring areas – a capacity no doubt built up with the experience gained through previous help from the IOs. On the other hand, however, even though the IOs might not (or no longer) actually be needed as contact mediators, such a method can be interpreted as belittling them, and may in practice also lead to confusion, if local partners contact the IOs about a project of which they are totally unaware. This, in turn, can damage the credibility and overall image of the office.

With their modest 3 MDKK budget, unchanged for several years now, the IOs actually manage to achieve a great deal. They each have about ten members of staff and, particularly in the Baltic capitals, very nice premises to work in. The relatively high staffing levels are

41 Curiously, the central archive was actually done away with 10 years ago.
facilitated by the comparatively low wage levels in the countries. Yet, the cost of living is rising and will continue to do so now that the Baltics have joined the EU.

A key aspect of the role of the IOs is that of increasing the international visibility of the NCM. Many are quick to point out that the NCM’s PR work could be improved, and that they could use the IOs much more in this respect. The problem now seems to be that good projects may ultimately be presented as, or appropriated by, individual Nordic countries, or they may be perceived as such (even without any active attempts at appropriation) by outsiders who are not so well-informed about the existence of Nordic institutions.

Another important function of the IOs is that they keep the NCM secretariat informed about the local situation. In this connection, throughout their ten-year-plus existence, the IOs have acquired a highly-experienced workforce. They also seem to value the continuous competence development and training of their personnel. One might also consider exchanges at this level too, so that the people working for the IOs could spend some time working for the NCM Secretariat, for example.

Another significant asset is that in all the offices, the locally-employed people, many with several years’ experience, have quite extensive personal networks of contacts with local civil servants at different levels, as well as with NGOs and other organisations.

The IO personnel are relatively young, which bodes well for their affinity with and management of future projects with a focus on children and young people. Time and again throughout the region, it was emphasised that there should be increased focus on the young.

The NCM has endeavoured to foster interest in the Nordic languages, but this has been diminishing since the early 1990s. The IOs are in a position to encourage young people to get acquainted with Nordic languages. Yet, there might also be an increasing need to undertake work and get acquainted with the NCM in the local languages, rather than expecting the local people to learn some Nordic language first. It is a distinct advantage that the IO staff have a command of Russian. In fact, Russian is sometimes used as the lingua franca in inter-IO communication.
6.2 Tallinn

The IO in Tallinn is located in an impressive building dating back to the 14th century, and it has a hall which can be used for public events. The IO also has an Information Point in Tartu and agreements on information exchange with other partners in Estonia, for instance with the regional administration of Pärnu and the city administration of Narva.\(^{42}\) The Tartu office is in charge of exchange programmes, as the Ministry of Education and the largest university in Estonia are located there. The IP employs a head and a part-time assistant, and it receives some 6-10 visits a day.

It is noted at the IO that the workload has been increasing during recent years. The work has also become more demanding in that the office has changed, by its own admittance, from an information office, open to all, to an office that implements the NCM policies for the adjacent areas. Yet the frameworks which the IOs receive from the NCM, and which indicate what they should be doing, are still considered very broad and not precise enough.

Up to now, the IO’s function has been to locate the right contact persons. This task is becoming less relevant, however. Instead, the tasks are now concerned more with spotting potential projects on the spot and bringing issues to the agenda. One such question might be awareness-raising about human trafficking. This has been among the efforts praised by the NCM, and its continuation is very much hoped for.\(^{43}\)

The Tallinn IO – which calls itself simply an “Office” – gives the impression of being particularly active in the field of culture. Culture is also the only activity for the general public; in other respects the IO does not assist individuals. The IO’s library has been turned into the National Library’s “Nordic Room”. Authors’ evenings are organised there, and a radio programme is broadcast once a month by the national broadcasting company on Nordic culture, in connection with which the IO has been responsible for expenses relating to journalists, literature cafés, and a Poetry Festival. In these and other cultural activities, the

\(^{42}\) See Resultatredovisning 2003, Nordiska Ministerrådets kontor i Tallinn (26.2.2004).

\(^{43}\) The project leader, Kristiina Luth, works at the Ministry of Social Affairs but is paid through the gender equality programme of the NCM. She spoke at the Nordic Council Theme Meeting 2004 “The Northern Dimension in an Enlarged Europe” in Helsinki 14-15 April 2004.
Danish and Finnish cultural institutes, the Goethe Institute, as well as Estonian festivals and theatres, are listed among the IO’s regular cooperation partners.

On its own initiative, the IO has organised “Nordic Forums”, seminars on different topics such as alternative energy sources, agriculture and food safety. On such occasions, the IO has reimbursed the travelling costs of the participants. The impetus behind such an initiative has been the IO’s “neutral player” image, which enables it to collect participants for seminars which even tackle controversial themes.

A pressing problem in Estonia concerns the continuing shortcomings in administrative capacity. With a small population and the brain drain to the EU, the situation might not improve. There are major problems in the countryside in particular. The programme on the development of local and regional administration and civil servant exchange may help to address these shortcomings. The idea with the exchanges would be to encourage more long-term cooperation between authorities, rather than individual short visits that might not lead to permanent contacts.

The language question is problematic in Estonia. Some of the personnel in the IO can speak Russian, which helps with activities in the Narva region. The IO provides information for the general public in Russian, English and Estonian, and it is happy to be able to use the web material produced by the IO in St Petersburg.

With regard to links between the IOs, Tallinn has offered to help St Petersburg alleviate their workload through the Tartu IP. Different cooperation initiatives exist. As part of cross-border cooperation, the IP in Tartu has initiated a project in cooperation with the IP in Petrozavodsk between the Universities of Tartu and Petrozavodsk, including the exchange of students and professors. New partners in Lithuania and Pskov have been included in 2003. There is also a project which links 12 Baltic and Russian border regions.
6.3 Riga

The youthful Riga office is almost exclusively staffed by women for the moment. Smaller events can be organised on its premises, and there is a small reference and video library, as well as computers with Internet access. Some 4,000 people visit the office annually.

The IO sees itself above all as an information-provider and contact-builder. Its own projects include a Newsletter, which is published quarterly in Latvian and English, and which has a circulation of 1000. It is regarded as important because many people in the countryside do not have access to the internet. The IO does not publish anything in Russian, but the local EU Commission Delegation does, however.

Instead of Information Points, the IO has a total of 14 points around the country where, by way of special agreement, a local authority takes care of disseminating information. The 14 partners include public libraries, universities and municipalities. The reason for this arrangement is that there are no such “obvious” second cities as in Estonia and Lithuania where an IP would be appropriate.45

Cooperation with the media is also an important part of the activities. Today, there is no longer a need to explain what the IO is all about when dealing with outsiders. The prevailing view, however, is that there is no such thing as too much publicity: the Nordic projects do not get enough attention, partly because there is no appropriate evaluation, and no measures are taken to make them visible to the general public. As a result, the latter simply ignores them.

Another problem of a tangible sort is that many projects do not go through the IO, and therefore it does not receive the final reports either. It might transpire, for instance, that the NCM has a project in which it contacts local authorities in Riga directly, without involving the IO.

45 The EU Delegation uses a similar network consisting of 34 infopoints.
The general view was that the Riga IO has evolved considerably over the years and duly improved its capacities – a fact of which the NCM Secretariat might not be fully aware. For instance, the IO now has the capacity to control projects on the spot – a task that could not be carried out from Copenhagen. Their ability to transfer local information about, say, the political situation and the political system is all the more important in a country which is still somewhat politically unstable.46

A detail which is also worth noting is the process of legislative cooperation where, with Nordic support, Latvia adopted a draft law relating to the appointment of an Ombudsman. In this connection, the IO was one of the counterparts which helped in procuring experts, organising an international seminar and then financing the work of lawyers, together with the CBSS, the UN and the OSCE. In fact, the IO sees that its cooperation in different political processes can be attributed to the particularly good relations its personnel have with the ministries, local authorities and different organisations.47 Nordic experience in legislation is also sought after and appreciated in somewhat more mundane fields, such as paper and pulp.

6.4 Vilnius

The Vilnius office has a library that is visited by 15-20 persons every day. The idea now is to change its profile somewhat from stocking mainly literature in Nordic languages to having more books on Nordic social science, geography and the like in Lithuanian and English. There are also plans for increasing cultural events, and showing films in a café.

There is also one person employed at the Klaipeda IP. The IP was founded in 2000 and is responsible for the programme on Local and Regional Government. It would probably get a couple of visitors each day but, as in the case of all the IOs and IPs, e-mail contacts and phone calls are much more the order of the day. Due to its location in the “Artists’ House”, the Klaipeda IP also enjoys good cultural contacts, and has hosted school visits on occasion.

46 Note in particular the frequent changes of government, 11 since 1991.
47 Årsredovisningen 2003, Nordiska Ministerrådets Informationskontor i Riga (10.3.2004).
Like the other IOs, Vilnius maintains regular contacts with the local Nordic embassies and consulates, generally through bi-annual meetings. It also manages the exchange of civil servants, a practice which has sparked considerable interest, particularly at the local and regional level of administration.\footnote{See Årsrapport 2003, Nordiska ministerrådets informationskontor i Litauen (26.2.2004).}

Vilnius also organises cultural events. Among them, the “Ultima Thule”, Icelandic, Greenlandic and Faeroese Cultural days in Lithuania in March 2004 was an event which attracted considerable media attention and resulted in the Lithuanian Minister of Culture phoning and suggesting that they could participate next time. At the same time, however, it is felt that the IO need not function merely in the capacity of a cultural organisation.

One can also point out that culture, in the broader sense, is as fundamental in Lithuania as it is in the other countries. The democratic process is at a stage where the institutions have already “arrived” so to speak, but there’s still a long way to go to a democratic civil society. The citizens do not know their rights, and there are problems regarding things like personal data security. Any serious contribution to the strengthening of democracy would still require investment therefore, perhaps in the NGOs to enable them to train people to use the institutions. Even in the Baltic countries, the support for the NGOs is almost non-existent; they would receive money for the project expenses, but not for travelling expenses, for instance. The situation might be ameliorated, for example, by the work of the local Human Rights Monitoring Institute, which could lean on Nordic expertise for help.

Cross-border cooperation is one of the main focal points of the Vilnius IO. It leads the CBC work for the whole area, and plans are underway for closer cooperation with the CBSS in this field. Relations with Belarus are of particular importance: the border is only 30 km away from Vilnius. The IO has been entrusted with the task of looking into the situation, and seeking out potential contacts. It is now felt that the IO can readily locate partners in Belarus for eventual projects, but the political situation impedes concrete action. Still, it seems that cross-border activities and NGOs would be something that the authorities in Minsk could agree on, and they would play a crucial role in strengthening democracy. It would also seem
that Lithuania would welcome Nordic support in its bilateral efforts towards Belarus. This kind of support could be channelled through the NCM, while the IO could supply the “headquarters”.

The IO is also poised for action when an IP is opened in Kaliningrad. It does not have projects of its own there, but in 2003 it organised training days for a target group of EuroRegion participants in Kaliningrad, together with the Öresund Commission and Kvarken Council.

Although the NCM does not burden the IOs with unnecessary bureaucracy in general terms, some improvements could still be made in this respect. As far as financial planning is concerned, there is a need for two different bookkeeping methods, as the reports which the NCM Secretariat needs are not the same as the ones the IO would itself need for supervising the use of money. Bookkeeping should be on-line, too. There is also an unnatural division between internal and external projects. A centralised data system and a common database incorporating all the projects would also be necessary to help the IO keep track of the NCM’s overall activities in Lithuania.

Some matters are seen as simply too technical and demanding for an office of this kind, such as the programme for young energy experts. Sometimes the IO resources might also be over-stretched if some actors feel the IO is there to serve their practical logistical needs for organising meetings and the like. In projects such as human rights monitoring, the short-term nature of the NCM projects makes the activities diffuse. One would need a 3-5 year perspective in the work to run sustainable projects, and achieve results.

6.5 St Petersburg

The St Petersburg office is the latest addition to the IO family, and was established in 1995 after considerable effort. Indeed, it started its activities before an official agreement was reached. The story of the IO, complicated as it is, also varies according to the teller. Negotiations started in 1993 with the St Petersburg City administration and Vladimir Putin, the then head of the External Affairs Committee. It was the Nordics who expressed the view
that, for reasons of fairness, offices should also be established in Russia. They were also regarded as important in the new political situation, and in 1991 Moscow expressed the wish for offices similar to those in the Baltic capitals to be set up in the Soviet Union. In any case, invitations appear to have emanated from the Russian side for the NCM to establish itself in Moscow rather than in St Petersburg, but this was rejected as it would have compromised the basic idea that NCM activities should be of a regional and cross-border nature. One of the things which complicated matters was that negotiations had to be carried out with many different ministries. The official inauguration took place in August 1997, and official registration in March 1998.

There are considerable differences between this office and those in the Baltic countries. St Petersburg is not the capital, but it does have an important consular presence. The director, having diplomatic status, is invited to diplomatic briefings to which, for instance, the EU liaison office is not. The Nordic consulates praise the IO's network-building as something which the consulates have also been able to benefit from. As an example of tangible contact-building, the Norwegian Ministry for Social Affairs turned to the IO to secure contacts in Pskov.

The premises are cramped and housed in an ordinary flat which is not really suitable for office purposes. In fact, the Office is about to move to a complex in which authorities such as the EU Delegation Liaison Office is also located.

In addition to a considerably larger population, the geographical area of Northwest Russia is huge compared to the Baltic states, as are the regional differences. This has two far-reaching implications. On the one hand, the IO has a heavier workload as it is no larger than the ones in the Baltic countries. On the other hand, it may be extremely difficult to apply the same action guidelines to the whole region, which also comprises the city of St Petersburg (larger than Finland in terms of population) and sparsely-populated areas such as Nenetz. Added to the various practical difficulties is the fact that foreign languages are generally not spoken.\textsuperscript{49}

\textsuperscript{49} Having to have recourse to (official) interpreters not only makes communication slow and cumbersome, but also makes it more difficult to develop person-to-person contacts, and may even be used as a way of manifesting (if not actually using) power over others.
Once again, this renders the task of reaching the remote corners and being able to interpret and understand their needs and expectations rather demanding. The exercise is further complicated by the existence of contradictory laws and by the intricacies of the administrative system and the division of power within it. There may be several claimants to the right to state what the priorities are in any given region – or indeed in Northwest Russia as a whole.

Moreover, the actual geographical limits of Northwest Russia are not that clear either. It was pointed out that the NCM itself has used different definitions in its various documents, sometimes excluding the oblasts of Pskov, Kaliningrad and Novgorod, and once even initiating a project in Moscow (which did not go through the IO). The IO itself sticks to the official definition of the seven Federal Districts, of which Northwest Russia is one.

To increase its own preparedness, and perhaps also because it was pleased to receive a large application supported by the authorities, the NCM has decided to fund a very large project (500 000 DKK) initiated by a Federal District think-tank called the Baltic Research Center, which is aimed at acquiring basic statistical information about the region for use by both the Federal District and the NCM/ the IO. At the same time, it was pointed out at the IO that it might be wise to leave the northern part of Northwest Russia to the BEAC and the AC.

Some cultural differences are also worth special attention. Indeed, they were often alluded to when explaining certain difficulties in, for instance, obtaining good applications or discussing shared interests and priorities with Russian authorities. For instance, it was noted that the notion of applying for money while being uncertain as to whether that money will be granted or not might appear strange to the Russians. It was also pointed out that it is difficult for them to tell the Nordics how they should use their own money, as such behaviour would be

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50 One must also keep in mind that when it comes to both postal services and roads, the infrastructure is not in very good shape. The St Petersburg IO actually uses a postal address in Finland (Lappeenranta) from where a courier brings the mail to the IO and the IPs daily. The condition of the roads is also revealed by the repair bill for the IO’s car, mentioned in Nordiska Ministerrådets Informationskontor i Sankt Petersburg. Verksamhetsberättelse, 26 mars 2004.

51 The representative of the centre stated that their task was actually to prepare priorities for the Federal District – priorities which the NCM has been requesting for some time.
regarded as offensive. Thus, the repeated request from the Nordic side that the Russians should present these kinds of priorities with precision is met with mixed feelings.

At all levels, there is huge competition for resources. The NGOs are no exception in this respect as the only money available for them comes from foreign sources, so they have to compete with themselves to acquire it. Consequently, they are unable to cooperate with each other, which is something which might otherwise be encouraged.

The IO does not offer services to the general public in the form of receiving visitors or organising events on its premises, and this year its library will be transferred to the city library. Instead, its main functions are information exchange, project management and management of exchange and grant schemes. Thus, having started out dealing quite concretely with visas and tickets linked to scholarships, the office now deals more with institutions than individuals.

Both the IO and the IP in Murmansk have been delighted with the opportunity to receive Nordic trainees, based on an agreement with Svenska Institutet, CIMO and Svenska Kulturfonden in Finland. The trainees have even been able to substitute for the personnel during vacations, and Nordic youngsters duly get an excellent opportunity to learn about Russia.

Practical problems crop up in the IO’s daily activities due to the need for two different forms of bookkeeping. The office does not have diplomatic status but is an employer under Russian law and therefore needs to report on its activities to 4 different ministries in Moscow. Yet, it was also emphasised that the office is on a “list of favourites” among grant-giving organisations, which means tangible fiscal benefits, both for the IO and the grant recipients. However, it is under some pressure to jettison small projects as it is very expensive to administer them. Furthermore, the possibility which the NCM sectors have of starting their own projects in Russia by bypassing the IO was something which came in for criticism. Similarly, project applications may in some cases go directly to the Secretariat, which does not have any obligation to consult the IO, and the reporting may even go the same way.
The Information Points in Arkhangelsk, Murmansk and Petrozavodsk

The IPs are small one-person offices, with the exception of Petrozavodsk, where there are two employees. The IP in Arkhangelsk is well-located in a business complex in the city centre, while the other two are located in the Universities – something which is not regarded as practical in the long run in the case of Murmansk.

The IP’s main task is to help implement the NCM’s projects in the region, and also to assist the local people in making applications, for instance. Interest seems to be growing in this connection, and therefore there is also a greater need for material to be distributed in Russian, both on the NC and the NCM in general, including the most important “Fact Sheets”. Sometimes an “advertisement” about the different programmes, such as the “Nordplus Neighbour”, is difficult to produce as there is no provision for advertising costs. It was also suggested that there could be a special training programme for NGO leaders and that, generally speaking, one should develop projects which are “possibility-driven” rather than “problem-driven”, in the fields of IT technology, transport, tourism and languages, for instance.

The IPs also provide assistance in assessing the applicants, including gauging the reliability of the NGOs. A dilemma emerges in that while more NGO involvement would be desirable, the problems of reliability are such that it sometimes seems safer to deal with governmental organisations instead. More generally, they provide the Secretariat with information about the region. This is also conducted via the weekly press overview which is compiled at the IO in St Petersburg. Furthermore, they also have their own internal budgets of 30,000 DK to support projects in the region.

In some cases, the IPs have experienced problems with the different levels of administration as well. While in Arkhangelsk, the Governor’s attitude has impeded the civil servant exchange process, in Murmansk, the attitude to the NCM is characterised as “sceptical”. The reasons for this scepticism might lie in either the modest sums involved or in the fact

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52 On the homepage, the IPs are called “contact centres”.
53 See also the appendix on grants and exchange programmes, and the chapter on Russia.
that the NCM is not funding salaries and administrative costs, such as the purchase of equipment – a problem noted in Petrozavodsk as well. The Murmansk IP regularly informs the Foreign Relations Department of the Regional Government, the representative of the Ministry for Foreign Affairs in Murmansk, about the number and titles of projects funded by the NCM. However, the new, more progressive administration established in Arkhangelsk after the elections in March 2004 has been greeted with enthusiasm, and the prospects for the future seem good.

All in all, communication and contacts both among the IPs, with the IO and with the NCM Secretariat seem to be adequate – distances notwithstanding – as there is always the possibility to email or phone. Yet, some improvements are indicated. The opportunity to meet the advisers from Copenhagen in Russia would be regarded as useful, and the IP people would also value training in Copenhagen to get better acquainted with the NCM as a whole.

The future NCM presence in Kaliningrad

The question of opening an IP in the Kaliningrad oblast has been discussed since 1999. The Russian authorities have come up with different reasons to explain why it is impossible, linking the question to broader problems of transit under negotiation with the EU, or connecting it to the status of the other IPs in Northwest Russia, which were suddenly regarded as problematic in March 2003. The latest reason for procrastination is said to be the fact that the number of ministries has recently been reduced, and therefore the agreement which all the relevant ministries had finally signed has to be reviewed with the new ministry structure in mind.

The position of Kaliningrad is problematic: the welfare gap between Kaliningrad and its neighbours is only deepening. While the locals might complain about the central authorities’ lack of willingness to really assist them in their development, the central authorities might be very concerned about seeing that region develop faster than other regions, for fear that it might lead to the population turning its back on Russia, and some kind of secession taking place.
There is already a hint of a Nordic presence as the Swedish consul general is taking up residence there, after a prolonged controversy. A TACIS office also exists. As far as the ND is concerned, Kaliningrad was initially presented as a kind of pilot project. The EU possibilities there, however, are greatly influenced by the general EU-Russia-relations conjuncture, on which no consensus has been reached. While some Russian authorities would welcome cooperation, others see the EU as alien and threatening.

Kaliningrad presents promising networking possibilities for the IOs. Due to its central location and considerable needs, it could become a point where all the IOs converge in essence, as they could form a chain of “headquarters” throughout the region. All the IOs have people who speak Russian, and together they might be able to draw on their experience and get the ball rolling.

7 Observations on selected policy sectors

7.1 Energy and environment

The environment has typically been a “Nordic” concern, which has now become of major concern for the EU as well. The ND Environmental Partnership is often referred to as a particularly important achievement as it has led some International Financial Institutions to start investing in Russia. Yet, the NCM emerges as a very small player in this particular field. Many of the issues might prove too technical and too large for its limited resources. In the field of energy, the predominance of Russia adds to the political sensitivities in the sector. In addition, practical problems exist in relation to the budget: the fact that decisions on projects are made for just one year is seen to give rise to discontinuity.

It would also seem that the Baltic actors would prefer to rely on their own capacity to establish the right contacts in this field rather than go through the IOs. The NCM has experienced its own problems in this respect: the Secretariat sees that they have managed to establish a variety of contacts, but the problem is often that the people in question are not able to take decisions, even at a low level.
However, joint Nordic efforts have been regarded as a great asset when it comes to bio-
energy, energy efficiency, sustainable development and electricity markets. The NCM has
also been able to advance expertise in some sectors, such as district heating, which is of
interest in Russia. Some would also claim that the NCM has contributed to environmental
awareness in Russia.

7.2 Social and health sector

Major problems still exist in the social and health sector in the adjacent areas, including the
Baltic countries. An overarching NCM objective has been to improve the living conditions
in the neighbourhood. Nordic values have emerged, especially in the emphasis being placed
on young people and on education. In some cases, the NCM has helped in putting important
issues on the agenda, like child prostitution in Northwest Russia. Nevertheless, cultural
differences are also apparent in the way the problems are viewed and the appropriacy of the
solutions presented.

Compared to other actors, the NCM’s assets in this sector would include its smoothness and
flexibility, and lack of excessive bureaucracy. Another advantage which makes the NCM
stand out in this respect is the fact that its counterparts are mainly local and municipal
authorities and NGOs. It has been working at the grass roots level with good results.
Reference groups have also ensured the relevance of the projects.

Criticism has mainly been levelled at the lack of monitoring and feedback. It is also observed
that the projects would profit from being longer, and that an equal distribution throughout
the countries would be appropriate in view of the vast differences between the cities and the
countryside.

The Baltic countries already co-finance the activities in this field: since 2002, they have been
contributing to the tune of 20-25%. With co-financing, there might be more need and
interest to involve their central authorities as well. For the moment, the role of the Baltic

54 These observations are based on the appendices dealing with the 5 sectors mentioned in the mandate.
ministries varies. In the future, however, there might be increasing possibilities for joint Nordic-Baltic efforts in this sector in Northwest Russia.

In Russia, the central authorities would like to be more involved. For some of them, social and health issues do not seem to be a real priority, though – or, alternatively, they may hope to get foreign actors to fund this sector on their behalf. The underdeveloped infrastructure and NGO sector also make it difficult to obtain good project applications. However, a distinct contribution to the development of the NGOs has been perceived, to the extent that, in Russia, the projects have succeeded in bringing the NGOs closer to the authorities, enabling interaction that might not have taken place otherwise. At the same time, potentially unreliable NGOs have been detected by the reference groups. It is seen that the modest sums of money involved also minimise the risk of financial wrongdoings.

7.3 Grants and exchange programmes

Exchange programmes are a fundamental part of all integration, not least for the Nordic countries. The grants have also been well-received, and there has been a broad spectrum of different target groups from parliamentarians to young businesspeople.

The possibility to travel to the Nordic countries was crucial for Baltic citizens in the early 1990s. Subsequently, they were particularly keen to learn about the EU via this channel, and the NCM actually sponsored study trips to Brussels, which the EU would not have funded. Similarly, there would now be interest in learning to apply for the EU structural funds. At the same time, the need for specific exchange programmes has diminished considerably in the Baltic countries, as people would prefer to establish their own contacts with different countries. In the case of Nordpraktik, for instance, the assumption that people from the Baltic countries would need to come to the Nordic countries to see how the market economy functions is no longer relevant. In a sense, the programmes may have unwittingly contributed to their own gradual obsolescence.

Changes in the administration of the programmes have prompted questions as to the role of the IOs, which see their expertise as no longer being employed. Further criticism has
stemmed from the fact that these programmes lack clear goals. “Clear and visible benefits” would indeed be difficult to demonstrate in this field. However, adult education and special needs education are often singled out as fields in which the results of exchanges have been particularly fruitful.

In general terms, a certain lack of reciprocity has characterised the exchanges. They have not aroused very much Nordic interest; for instance, the grant scheme for parliamentarians has been a Nordic Council activity where Nordic parliamentarians have not been that keen to participate. In a sense, this “bias” is positive, as one should not be financing “the rich”, but at the same time, true reciprocity would be even better, as some of the experiences of EU twinning programmes indicate.

As far as Russia is concerned, the exchange programmes seem particularly relevant. Some problems have been encountered in this quarter, especially as regards civil servant exchanges. The NGOs’ representatives have now been accepted into the programme as well, which can be regarded as positive, even though a special programme focusing on their needs would also be required.

Interestingly, the Russian Nordplus NABO participants require a partner from one of the Baltic states in addition to the two usual Nordic partners regarded as the minimum. There might be possibilities to broaden the notion of exchange in this direction. Moreover, one could envisage giving Russian and Baltic government officials the possibility to work at the NCM Secretariat, a practice which could also be extended to the Information Office personnel.

All in all, grants and exchange schemes should perhaps not be viewed as a separate sector but rather as tools which enable mobility and network-building in all sectors, leading at best to the establishment of permanent contacts.
7.4 Gender equality

Again, gender equality is seen as a typically Nordic preoccupation. It is also a field where the different Nordic countries demonstrate similarity in their approaches. In the Nordic contribution to this field, awareness-raising has been all-important. The NCM is seen to have played an essential role in introducing the subject of gender into Baltic politics. Today, the Balts possess their own expertise, and make their own contributions – most notably that of highlighting men’s interests and problems, too. If we compare the Baltic countries, they are somewhat dissimilar, however. New contacts are still being sought – as in the case of women police officers in the Baltic countries looking for Nordic contacts through the IOs.

Gender equality is also seen as one of the most promising – if not the only truly promising – field for 3+3 cooperation within the EU. It could also be a field where joint Nordic-Baltic efforts exerted in Northwest Russia might be envisaged. In Russia, the NGOs in this field are seen as promising. Yet, one has also detected problems in cases where some have started to dominate the field at the expense of others.

7.5 Cross-border cooperation

Cross-border cooperation is one of the cornerstones of Nordic cooperation. Nowadays, it is also pivotal for the EU and for the CBSS. Plans for cooperation between the CBSS and the NCM are also advanced in this field. The NCM, however, still seems able to provide some “added value” in the field despite being much smaller than the EU. Notably, it can plug some gaps in the EU CBC schemes which exclude some Nordic-Baltic combinations. It is also more accessible to small local actors than the EU.

A relevant question pertains to which borders should actually be crossed – and whose border-crossing should be encouraged. For the Nordics, cross-border cooperation between Russia and the Baltic states would seem to be particularly relevant if it can contribute to building better relations between the countries. For the moment, the Russian federal level at least would not view cross-border cooperation with the Baltics as positively as with the

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55 See Sleipnir below.
Finnish regions. Similarly, for the capabilities to work in Kaliningrad, the CBC might be a valuable tool. However, other important borders also exist, notably with Belarus and Ukraine, but also those between the Baltic states themselves. Between the Nordic and Baltic countries, the CBC is clearly becoming a two-way project: the Estonians, for instance, suggest that the Estonian municipalities could share their experience of e-services and e-democracy with their Nordic counterparts.

Among the projects, one could mention the “Development of Local and Regional Administration” as well as the coordination of EuroRegions, where even Belarus and Poland participate. The CBS may contribute to strengthening democracy as well as administrative capacity. Yet, an adequate administrative capacity is also a prerequisite for being able to take part in such cooperation. In this regard, particularly in the Baltic countries where difficult administrative reform processes are currently underway, there are still practical problems in being able to identify the entities which would actually qualify for such cooperation.

7.6 Culture

Culture is a central part of Nordic cooperation and of the activities of the NCM, as well as those of the IOs. By and large, if the IOs might to some extent compare locally to other international organisations’ offices, in the sphere of culture, the IOs compare to institutions such as the British Council or the Goethe Institut. Their cultural activities have also gained important recognition: in St Petersburg, the “ROHTO – Medicine Art” media art event of 2003 was chosen by critics as one of the five most important cultural projects of 2003 in the whole of Russia. In Estonia, an anthology of poetry published in 2003, with contributions from the Nordic Poetry Festivals, was singled out as one of the 10 most important new literary publications in Estonia.

Cultural events are where much of the visibility sought by the NCM stems from, and they are also a way of reaching out to the broader public, thereby enhancing the overall awareness of the presence of the NCM.
The role of culture in neighbourhood policies is seen as particularly relevant for the simple reason that it is a field which differs from almost all the others in one important respect: both parties are truly equal, and the Nordic side does not necessarily have the upper hand – quite the opposite, in fact. This redresses a balance that would otherwise be somewhat negative, as cooperation is often concentrated on issues where the neighbouring areas are seen as sources of problems. In this field, it might also be easier to find the right counterparts, as in the case of Russia for instance, where the IO links are directly with institutes and academies, essentially bypassing administration; there are no language problems and no suspicions.

The NCM is not really competing with any other actor in this realm either. The EU has been hesitant to move into this field, as it is regarded as particularly sensitive: for a long time, it used to state that education and culture would not be harmonised. The Nordic approach is almost the opposite in the sense that the very roots of their cooperation were cultural. While the Nordic institutions spend half of their budget on culture, the EU spends half of its budget on agriculture.

Cross-organisational cooperation is also taking shape in the field. A working group composed of the AC, BEAC, CBSS, NCM and the Sámi councils had their first meeting with the IO in March 2004 in St Petersburg.

Among the different projects, the Sleipnir programme seems very successful. It is also an example of a programme where there would seem to be a demand for Russian artists to visit the Baltic states – perhaps 10% of the applications currently relate to this. Yet, this kind of exchange is not possible according to the current rules.56

Culture can also be approached in a broader sense, comprising, for instance, administrative culture – the change from a culture of corruption to good governance – or certain societal values, such as the position of children, or minorities. In such fields, the EU might not be

56 Other similar examples where Baltic-Russian bilateral exchange is not yet envisaged could be found, for instance, in NorFa’s visiting professor scheme.
equipped to deal with the eventual shortcomings, as it is difficult for it to tackle the internal issues of its member countries.

8 Conclusions

8.1 The future relevance of neighbourhood policies in the Baltic states and future forms of cooperation

The relations of the NCM with the Baltic countries can increasingly be characterised as cooperation rather than neighbourhood policies. Reciprocity and equality are replacing policies made by the Nordic countries towards the Baltic countries. However, some of the problems which have been addressed by the NCM’s policies may still remain, at least for the time being. Even after EU membership, it will be necessary to improve administrative capacity – particularly at the local level, and to continue to develop social welfare and health care. Even issues such as the protection of citizens’ rights or combating human trafficking will demand further work.

One might think that the EU would now offer assistance in resolving these issues. Yet, one cannot necessarily count on there being a counterpart at the EU level which will replace all the activities that have thus far been carried out by the Nordic countries and where further work is still needed. The NCM seems in many respects to be complementary to the EU, for instance by being accessible to smaller actors.

In the EU, the Baltic countries are equal members, which is not the case in the Nordic framework. The question has been raised as to whether the Baltics might lose interest in Nordic projects once they have to contribute to them financially, without being correspondingly upgraded as far as their formal decision-making position is concerned. There might also be increasing differentiation among the Baltic states if the interest of one flags more than the others. Still, it is also recognised that a “price tag” may make projects seem more worthwhile, and that any eventual investment on the part of the Baltic states will show that they are really committed: it will in effect act as a “validity test for the priorities”. Talk of cooperation based on “an equal footing” may also add weight to demands for increased decision-making power. The experiment conducted by the Advisory Boards was
none too successful in that it created confusion as to where this power resided. A simpler but politically difficult solution would be Baltic membership of the Nordic institutions, and consequently the conversion of these into Nordic-Baltic – or Northern – institutions. Ideas have been presented about the possibility of investing in helping the Baltic countries join the Nordic institutions. In the future, should Nordic-Baltic cooperation deepen, one could think that the Nordic countries would actually benefit from the presence of the Baltic countries in “their” institutions. The NC is unique in that it combines representatives of governments and parliaments and enables an MP to question a minister of another country on that country’s issues, as well as being able to issue recommendations to individual governments. Would it be useful both for the Nordic and the Baltic countries to make use of such a possibility in a joint Council, and would that evoke fresh interest in the work of the Council?

One might think that the Baltic countries’ route to Nordic institutions could also go via the EU, if the Nordic and Baltic EU members’ cooperation in the EU increases. Among the possible realms of cooperation within the EU in the 3+3 or NB6 formation, gender equality has been earmarked as one of the issues where joint interest clearly exists. Another very practical example of cooperation can be found in the field of research, where it is believed that the NB group is in a position to make rather compelling applications for different EU funds.57 A third example of potential new fields of cooperation relates to the wider neighbourhood. Belarus would seem to be a likely NCM target in this respect. The Baltic countries might also assist the NCM in replaying the political activism and courage of the early 1990s *vis-à-vis* this country.

There are clear indications of the Baltic countries’ interest in the Nordic countries as a reference group within the Union, more so than in the Southern members or indeed in their neighbouring Poland – partly because of similar mentalities, and partly because they are all small countries. This need not amount to arriving at common positions, however. Perhaps 3+3 cooperation should not be evaluated with such an aim in mind. It might be more beneficial to use such coordination to get acquainted with each others’ points of view and

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57 One should not overlook foreign and security policy either, where one could envisage broader cooperation in crisis management and the ESDP, or indeed a Nordic lobby to promote Estonia as the host of the new EU Border Control Agency.
possible areas of disagreement. In the future, smaller ministerial meetings might be an increasingly useful and efficient working method in a differentiating Union.

8.2 Neighbourhood policies in Northwest Russia

It is generally claimed that, from now on, the emphasis of the NCM neighbourhood policy will be on Northwest Russia, and that here too, the direction will be towards cooperation on an equal footing, albeit not in the near future. This begs the question of just where exactly the emphasis will be placed.

“More emphasis” would also point to a need to upgrade the small-scale, low-level and perhaps “invisible” project cooperation into something more high-level, large-scale and politically more visible. The drive for larger projects stems both from frustration over the myriad of small projects with disproportionate administrative costs, and from the expectations of the partner. The central and federal level of Russian administration, and even regional authorities, might not regard the NCM as a strategic partner due to the limited size of its project funding, and might therefore be keen to encourage it to make large investments in infrastructure – or considerable contributions towards matters which the state should actually be preoccupying itself with, such as health care.

However, other actors are also on the scene when it comes to lofty political contacts and large projects. The EU and the CBSS, for reasons of resources and prestige, are in a different position compared to the NCM, and better equipped to deal with larger projects. Once again, the “niche” occupied by the NCM seems to be on the small side. Yet the NCM might have an “added value” of legitimacy when compared to individual Nordic countries operating in Northwest Russia, due to its low and neutral profile. In some cases, the lofty political nature of EU-Russia relations sometimes hampers cooperation. Aiming too “high” can be a problem for the NCM, too. Talk about “equal partnership” is likely to please the Russian government and the Federal District, which would like to see itself as the centre of

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58 The general attitude towards Europe seems to vary a lot even within the federal level of administration. While some would gladly receive all the money available, others see that foreign money may lead to unwanted dependency.
power. Equality, though, may rapidly lead to inequality in that Russia, on account of its size, would soon be much more equal than its Nordic partners. The smartness of the small scale also lies in the realisation that the goal of the activities in Northwest Russia is not so much to distribute money but to build up contacts, and to share knowledge.

The NCM’s attempts at dealing more with the central authorities in Moscow might, in the current situation where power is drawn from the regions, make it easier for the NCM to achieve something at the regional level. The voice of the regions may, however, also become less perceptible, and dealing directly with Moscow could also smack of giving up the idea that neighbourhood policy is about relations with the neighbouring regions, not with Russia as such. The question of who “Moscow” actually is remains pertinent here. If something similar to the Advisory Board is to continue, the NCM might benefit from also inviting representatives of Russian ministries, and not only the Federal District, even though several ministries have recently been closed down. Good relations with Moscow will in all probability be beneficial for the NCM, but it might be sufficient to simply inform the relevant parties of the NCM presence. In Moscow, support could be sought from the Nordic embassies.

The NCM has run into several difficulties when operating in Northwest Russia. Some are cultural and relate to a different perception of hierarchical structures. Some stem simply from a lack of knowledge, and thus perhaps misunderstandings in trying to apply the same methods in Russia that are used in the Nordic countries. Notably, difficulties have been encountered in “reading” the authorities correctly, and in trying to ascertain who the NGOs actually represent, and whether they are “sustainable”. In addition to the NGOs, the party system is also underdeveloped. Again, in such a situation, the small scale has been seen as a safe scale: big money might lead to big problems.

Thus, the NCM would benefit from increasing its own knowledge of Russia. In this regard, it might be prudent to use a large variety of sources in order to avoid dependence on any single kind of expertise. At the same time, the NCM should deliver its own message in a precise way, perhaps without waiting for the Russian counterparts to express their views on what it should be doing. It might be useful to devote time to developing methods which are
particularly applicable to Russia. Among them, one has envisaged a need to bring in “positive” fields of cooperation, such as culture, IT technologies, or police cooperation and training, alongside the “negative” cooperation projects which focus on problems in Russia. One might also adopt indirect methods, such as supporting NGOs in Russia by supporting national NGOs to develop their own cross-border contacts and thus assist the NGOs in the neighbouring areas.

Russian authorities also lack experience in dealing with international organisations; they have very limited knowledge on the NCM, and the obvious bureaucratic incommensurability of the NCM and the Russian executives also plays a role. Thus, the NCM would also benefit from making itself better known. It should pay attention to literature it publishes in Russian, in terms of translation quality, accessibility and style. Practical guidelines for prospective partners and project applicants would also be needed.

8.3 The NCM Information Offices

Born of a hurried political move, without much long-term thinking, the IOs have grown in stature, in terms of personnel, know-how and professional skills. Cost-effective, they have managed to achieve a lot with resources that have remained at the same level for quite some time. Through the IOs, the NCM has established a strong presence in the neighbourhood, an “out-of-area capacity”, as well as valuable new human resources, whose full worth is no doubt yet to be fully appreciated.

In principle, different future scenarios for the IOs can be envisaged. The Baltic IOs could be closed down altogether. This would send a “mission completed” signal (whatever the mission is seen to have been), which is, in some sense, positive. The Baltic and the Nordic countries currently have a variety of direct contacts where the IOs are no longer needed, and the by-passing of the offices might frustrate them. If the offices were closed down, there would be funds available for something else – although the amount would be very modest. Another scenario would be for the Baltic IOs to continue operating. It seems, however, that they would need a more long-term perspective for their work to be meaningful. They might
also benefit from a clearer status within the organisation. A firmer link to the NCM Secretariat could be established through the exchange of personnel.

The IO in St Petersburg is responsible for a huge area both in terms of population and geographical sweep. One way of increasing the NCM’s capacities would be a network approach in which all the Information Offices would be more clearly linked together in projects concerning Russia. While the Baltic views on Russia are not necessarily similar to the Nordic ones, there is undoubted expertise to be drawn on. The cross-border contacts between the Baltic countries and Russia are all the more important in that they support both the relations between the countries and the developing civil societies. The IOs’ own expertise and language skills could be very helpful particularly in regard to Kaliningrad – a potential fifth member of the network – and in approaching Belarus.

Thus, there would seem to be work for all the IOs in the future, too. Their future roles can be envisaged as follows: Firstly, they would act as observation posts from which the NCM could see what is not visible from afar: they would detect trends and opportunities in the countries, and keep the Secretariat up-to-date. Secondly, they would be representations of everything “Nordic”. This would entail upgrading the Nordic profile not only outwards but also inwards: it seems that such cherished notions as “a Nordic value community” and “a Nordic identity” are not that apparent in purely Nordic cooperation, but become tangible and consequential when viewed from the outside, from the IOs’ perspective, for instance. Thirdly, the IOs’ own activities, based on a budget of their own, would be used as an important vehicle for networking, to increase contacts and awareness, and to reach new targets. Cultural activities would appear to be very useful to this end.

8.4 The problem of focus

When it comes to the neighbourhood policies, it is a commonly-held belief that a strong focus is lacking on account of the fact that there are too many small projects which make cooperation invisible and inefficient. It has been proposed that one should concentrate on a few carefully-chosen priorities instead, based on overall strategic choices, perhaps even on geographical concentration.
A thorny issue, however, concerns the way in which efficiency can be measured. Sometimes it is precisely the small scale of the NCM’s operation which renders it accessible and useful. It has also been pointed out that one should not have too short-sighted goals, and evaluate cooperation only in terms of these, but think instead about the broader picture, such as overall good relations with the neighbours.

Nor is it clear how the priorities should be defined. Who is going to set them? An initial approach would be to try to formulate the Nordic priorities first. A method that has been proposed to help extract the really useful areas of cooperation is that of leaning more on the concept of the “Nordic advantage”. The crucial yardstick would thus be the benefit that the NCM and the Nordic countries derive from cooperation. But what exactly is the “Nordic advantage”? Does it imply, for example, encouraging only those exchanges where one party is from a Nordic country? One could claim that Baltic-Russian cooperation could just as easily be seen as something that is to the “Nordic advantage”. Thus, there might be good reason to rethink this concept. At the same time, once something is found to be of real Nordic benefit, one might also ask why the neighbouring countries would be asked to pay for it.

A second approach would be to ask the partner countries to set their own priorities – not least to ensure that the cooperation projects are actually relevant for them. Here, a major difficulty, exemplified in the case of the Advisory Boards, lies in the fact that priorities have been expected from partners that do not regard it as their task to formulate them, while in other cases promises of participation in priority-setting have been made, but not kept.

Geographical concentration might be achieved by leaving the northernmost parts, namely the Barents region, Murmansk and Arkhangelsk, to other organisations, the AC and the BEAC in particular. This would not diminish the workload of the Nordic countries, however, as they are the primus motor group in these organisations, too. The division might also be rather artificial, as it would entail cutting the Federal District of Northwest Russia in two. This might cause problems in practice when cooperation only affects a part of the latter.
Concentration on a few sectors and on larger projects might also be achieved by rethinking the division in policy fields, methods, and general principles. One might imagine that the ensuing new categorisation could lead to some streamlining. The energy and environment sectors, as well as that of gender equality, would no longer be regarded as policy sectors of their own, but would yield important basic principles guiding all projects and the NCM's work in general. These principles would include environmental concerns, energy sustainability and gender equality, alongside democracy and transparency. The sectors of cross-border cooperation and exchange programmes, in turn, could be reconceptualised as methods or tools of cooperation so that each project, again, would involve the use of both these elements. Finally, what would be “left” as policy sectors would be, at the level of society in general, legislation and administrative capacity, and the development of civil society (NGOs). At the level of private citizens, citizens’ rights (also covering children, consumers and so on) would be prominent, with emphasis on health care and education, as well as, ultimately, entrepreneurship, culture and a free media.

8.5 The problem of image

The NCM is a low-profile international actor, and this might turn out to be to its distinct advantage. Yet, there are also elements of vagueness in its profile that seem to hinder its projects. The NCM might not get the credit for what it is doing because of its indistinct image. It might often happen that someone who has received funding from the NCM does not actually know that it came from that quarter, or has not paid attention to the fact – the Nordic countries’ and the NCM’s activities often get confused.

The unclear picture seems to be attributable to two reasons in particular. The first relates to the temporary nature of the NCM’s neighbourhood policies: they clearly have a provisional, even transient character. As a consequence, there is a lack of institutional memory. Archives are non-existent or underdeveloped, and the rotation of personnel, which as such has its positive sides, is not necessarily accompanied by the transfer of essential information.

The second reason concerns the oddly ceremonious nature of some of the contacts with the neighbouring countries, which often leads to great frustration. The parties politely toss the
initiative (or the right of initiative) back and forth without anyone actually deciding to use it. This is particularly evident when it comes to setting priorities. While the NCM would like to hear what the Baltic priorities are, the Baltic ministries might be waiting for signals from the NCM. This could include the question of membership of the institutions: the Baltic countries would not say that they wanted to join a certain Nordic institution, but might instead be waiting for the Nordics to say which institutions they could be invited to join. Similarly, the Russian counterparts are invited to say what they want, but they expect the Nordics to define the terms of cooperation.

All in all, these elements give rise to a waiting game, both in the sense of waiting for a possible conclusion to the whole cooperation, and in the sense of waiting for a signal to start something new. Such uncertainty does not constitute a particularly good basis for everyday dealings, particularly in the IOs.

It seems that the NCM has now become firmly anchored in the neighbourhood. It might therefore be time to switch from a temporary mode to one of accepting neighbourhood relations as a normal practice which is not questioned every year. The Adjacent Area activities have changed the whole NCM, and it could benefit from the opportunities this opens up with regard to expanding its horizons, and even increasing the spectrum of languages used. Merging neighbourhood policies and the activities of the sectors could be a step towards greater internal clarity, too. Instead of particular neighbourhood policies, each sector would be working with the Baltic countries and in Northwest Russia, assisted by the expertise gathered in the Secretariat and in the IOs.
Appendix 1

Social and health sector

by Mikko Väyrynen

1 Introduction

Since the collapse of the Soviet Union, there has clearly been a need in the Baltic States and in Russia to develop functioning institutions in the social and health sector and to have competent professionals with the proper expertise to run them. This has created an evident demand for international assistance to help these countries in their efforts. Together with other actors, the Nordic Council of Ministers (NCM) has been contributing to this process. Although significant progress has been achieved in many crucial issues, and though the Baltic States have been clearly more successful in coping with the transition process than Russia, there remain many problems in the social and health sector that need to be addressed, both in the Baltic States and in Russia.

For instance, according to a recent study conducted by the World Health Organisation, the tuberculosis situation in the Baltic States is becoming critical.¹ The numbers of people infected with HIV have also been steadily increasing, especially in the last four years. The situation is serious especially in Northwest Russia, the Kaliningrad enclave and Eastern Estonia, where the disease has spread quickly among intravenous drug users. According to the statistics of Finnish National Health Institute, the official figure for people infected with HIV in all of Russia is about 250,000, of which 90 percent intravenous drug users.² However, unofficial estimates say that the real number could be as high as a million.

These examples show that there are still major health-related problems in the immediate neighbourhood of the Nordic countries that need to be tackled.

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¹ www.who.int
² www.ktl.fi
2 Goals of the sector (from the Nordic side)

The two main fields in social and health sector in which activities have concentrated are children and adolescents, as well as combating narcotic use and its negative by-products.

As outlined in the “Framework Programme for the NCM Activities in the Adjacent Areas 2003-2005”, the goals of NCM cooperation in the social and health sector consist of building the competence of the local professional staff, and contributing to the development of administration where the local authorities bear their share of administrative responsibility, while being also democratically accountable for their actions. Preventive efforts play a significant role in this cooperation, especially in the field of narcotics, and much weight has been put on education and network building. The idea behind encouraging networking has been to import expertise and experiences from the Nordic countries to the recipients.

With these means, the overarching objective of the cooperation has been to improve the population’s living conditions on the local level. Thus, local anchorage and a “people-to-people” approach are the main characteristics of the NCM cooperation in the social and heath sector. The promotion of “Nordic values” is visible in the sector particularly through the emphasis placed on young people and education.

Cooperation in the social and health sector has been almost exclusively implemented through local and municipality authorities and NGOs. These have been responsible for executing the practical part of the cooperation in their own districts through projects funded by the NCM. This local approach has been seen as the best way to put the “people-to-people” approach into practice, achieve added value and ensure visible results. The central governmental level (the ministries) has been kept informed of the activities, but they have not had much say in the contents of the cooperation.

The activities of the NCM in the social and health sector have been increasing in the adjacent areas during the last five years. The programme on “Children and Young Adults at Risk” was launched in 2000 and the Narcotics programme in 2001. The Narcotics
programme gained momentum in autumn 2003, when the Nordic and Baltic ministers responsible for narcotic drug policy issues signed, under the auspices of Swedish chairmanship of the Nordic Council, a Letter of Intent (the so-called “Lund Declaration”) on prevention, law enforcement and treatment to counter drug abuse in Northern Europe. For political reasons, Russia could not be included in the declaration but despite this, the NCM narcotics programme is being run in Russia.

It appears that there have been no major disagreements between different Nordic countries on the goals and focuses of NCM cooperation in the social and health sector in the adjacent areas. However, it seems that every Nordic country has their own geographic preferences when it comes to cooperating with these areas. These preferences are directly in line with national interests, since each Nordic country wants to stress the areas physically close to them in their NCM cooperation. This phenomenon is not limited to cooperation in the social and health sector, but it appears to apply to the overall NCM cooperation with the adjacent areas. The will of different Nordic countries to emphasise certain areas in the cooperation is understandable, but the NCM should ensure that a geographic focus corresponds to the general strategic goals of the adjacent area cooperation.

Concerning the “Lund Declaration”, there appear to have been slight disagreements between different Nordic countries over how to prevent contagious diseases among drug addicts. It should be remembered that the declaration is a political document and that political preferences have influenced its contents. Having adopted the more relaxed policy of distributing clean needles for drug addicts since 1995, Finland wanted to include in the declaration that the distribution of clean needles should be used to prevent HIV infections among drug addicts. Known for rallying for its own unique concept of a “drug-free society”, Sweden blocked this proposal. Instead, only the vague statement “providing wide variety of measures” was included in the declaration. This seems to have raised some dissatisfaction among Finnish officials, who would have liked to have seen a list of definite measures in the document. According to one official interviewed for this report, Finland now fears that the hard line on needle distribution endorsed by Sweden is a sign that it wants to export its own drug policies to the Baltic States and Russia.
3 Baltic and Russian views, goals and expectations

When interviewing Baltic and Russian professionals about how relevant the goals of the NCM cooperation in social and health sector are, and about how well the cooperation corresponds to the needs and priorities of the recipients, barely a word of criticism was heard. The same tone pervaded answers about NCM cooperation in general. Almost all the interviewees praised NCM cooperation for being very beneficial, especially at the grass-root level, where the projects have been run. This is, very logically, because the recipients of NCM cooperation are countries that have been going through (or are still going through) a painful transition period, during which all possible financial and professional assistance was welcomed.

When discussing the goals and preferences set by the NCM, in a few occasions it was mentioned that some issues it wanted address in its activities were perhaps not thought to be of utmost significance in the recipient countries but were nevertheless important matters that needed attention. In some cases the NCM seems to have been able to raise its own preferences on the cooperation agenda and to succeed in raising public awareness. An example of this is child prostitution in Northwest Russia. The NCM financed a research project in 1998 to look into child prostitution in four cities (St Petersburg, Vyborg, Petrozavodsk and Sortavala). The young dedicated researchers who conducted the research discovered shocking things that resulted in public outrage and a heated debate in the Russian press.

However, disagreements on how to address some issues have also risen. Although these appear to be few, one should bear in mind that the Nordic Countries and the recipients (not forgetting the big differences between the recipients themselves) are separate entities with different backgrounds, history, culture, customs and so forth. One example worth mentioning in this context is the debate on orphan care in the Baltic States. The NCM has been trying to come up with new solutions on what kind of alternatives there could be for simply building more orphanages where children could be placed (such as foster homes). In Estonia, the response to this appears to have been rather cold. The Estonians seem to prefer a “harder” approach to this issue and favour building new orphanages. On the other hand, a
Lithuanian interviewee thanked the NCM for giving them new ideas on orphan care. These ideas made them think about the issue from a new perspective and, partly for this reason, the Lithuanian Ministry for Social Affairs is now about to launch a national programme on foster care.

Key instruments in making cooperation activities correspond to national preferences are the reference groups. Every recipient country has one reference group for each cooperation programme and the members are appointed by the Nordic Information Office (IO). Consisting of relevant experts from different ministries, national boards, local authorities, other international organisations and NGOs, the main task of the reference groups is to evaluate project applications, decide on the funding of projects with sums less than 50,000 DKK and provide comments for the NCM and the Nordic Committee of Senior Officials on which big projects (of more than 50,000 DKK) should be funded. By doing this, the reference groups help to focus the cooperation activities in relevant issues that are in line with the preferences of the recipient country and prevent overlapping with the projects funded by other actors active in the sector. So, even when the beneficiaries do not have that much say in the contents of the action plans and the programmes, they have a lot of influence when deciding what kind of projects receive funding.

4 Practice: contents, successes and problems

When looking back at the cooperation activities of the NCM by interviewing Nordic, Baltic and Russian experts who have first-hand experience of the cooperation, certain issues arise regularly. I will not look at the Baltic States separately because the investigation did not produce results about significant differences between them. However, Russia will be given its own brief section because of its uniqueness in the cooperation.

4.1 Successes

Overall impressions concerning cooperation appear to be overwhelmingly positive. In addition to giving credit to the local grass-root level approach, the Baltic and Russian experts appreciated the smoothness and flexibility of NCM cooperation as well as the lack of
unnecessary bureaucracy. In most cases the interviewees compared NCM cooperation to the EU programmes, which were characterised as “slow”, “heavy” and once even as a “bureaucratic jungle”. Also, the IOs and the advisers responsible for the social and health sector were given credit for their activeness and enthusiastic attitude to their work.

In the recipient countries and in the field of social and health in general, the NCM was praised for contributing to emersion and development of the NGO sector. This appears to apply to Northwest Russia in particular. It is evident that available funding always creates “doers” but what is particular in the NCM funding for the NGOs is that the money is always “project-oriented”, not “existence-orientated”. This means that the NCM has only been giving funding for actual projects, not for rents and salaries. This has forced NGOs to have a real substance in their work.

Concerning NGOs, another interesting aspect also popped up in the interviews. Especially in Russia, where the relations between the authorities and NGOs have not always been so rosy, the reference groups and their regular meetings have brought the authorities and the NGOs together and thus enabled interaction between them.

Experiences from the reference groups have also been positive. The groups seem to have been successful in directing and focusing project activities and also in tackling overlaps and duplication. In Russia, the reference group members have identified “unreliable” NGOs that should not, in their opinion, be granted money.

Although reference group members were satisfied with their role and the influence they have, some of them expressed the wish to be included more in the planning process of cooperation goals, future programmes and general guidelines in social and health sector cooperation. Some interviewees from the reference groups said that the goals in the social and health sector seem to be too broad and vague.

Undoubtedly, NCM cooperation has given the recipient countries valuable international experience and brought the local authorities to international circles. Many Baltic interviewees think this has been a great advantage from the point of view of the approaching EU
accession, although the NCM cooperation in the social and health sector has not directly helped the Baltic States to prepare for EU membership.

4.2 Problems and criticism

Although the successes of the cooperation are evident, frank criticism was also expressed. Perhaps surprisingly, a number of critical remarks were expressed by Nordic officials about how the administrative side of the cooperation between the NCM and the Nordic ministries is functioning. While the IOs and the reference groups have the authority to decide on which “small” projects are funded, the decision on funding for the “big” projects is made by Nordic committees consisting of civil servants from different Nordic ministries (in the social and health sector, these are EK-S and EK-Narko). The short-listed “big” project applications are forwarded to the committees with comments and recommendations provided by the NCM secretariat and the IOs. As these Nordic committees have an important role in planning and initiating NCM cooperation with the adjacent areas, it would be logical if the committees also had a strong role in deciding what kind of projects are funded. However, officials who are members of the committees expressed dissatisfaction over the conduct of the NCM secretariat with regard to the decision-making process. It appears the committee members feel that the NCM secretariat has taken too much decision-making power its own hands by only submitting recommended and pre-selected project applications to the committees. Some officials asserted that they feel the NCM secretariat merely uses them as a “rubber stamp” and fails to provide them with complete information. Additionally, the officials complained that the NCM secretariat does not supply the committees with any feedback from the projects they have decided to fund. In addition, the budget planning conducted by the NCM secretariat was a cause of discontent: complaints were made that the budget proposals do not contain enough detailed, extensive information on how the adjacent area funds are allocated to different purposes.

What sparked criticism mostly from representatives of the NCM and the IOs, was how the use of granted project funds are monitored. The current monitoring system cannot identify the final user of the funds and every NGO and local authority implementing the projects have their own way of reporting on how the funds were used. This, however, does not imply
that funds could be misused or embezzled, but only that there is an information gap between
the donor and recipients.

Concerning the projects themselves, some have raised the question whether it is sensible for
the NCM to keep its focus in social and health sector on small projects that are implemented
at local level by NGOs and local authorities. The critics of the NCM approach think that
these kinds of projects do not produce visible results and wide-ranging benefits, but instead
remain “drops in the ocean”. While there certainly grounds behind this claim, there are also
many arguments which can be used to justify the current approach which clearly
corresponds to the overall goals of NCM cooperation in the social and health sector
(“people-to-people” approach). For example, as one interviewee pointed out, small projects
and the small amounts paid for those who implement them minimise the risk of financial
wrongdoings. It also appears, as stated before, that NCM cooperation has succeeded in
doing much good in the municipalities. However, in order to avoid the risk that the
cooperation activities remain as scattered isolated ventures, the NCM should, especially in
the Baltic States, make sure that the projects are distributed equally throughout the country.
One interviewee thought that the length rather than size of projects is far more important
with respect to results and benefits. The interviewee claimed that the average project length
of 2-3 years is not enough if the NCM wants to ensure that the projects are useful and the
results visible.

An interesting aspect closely connected with the question about the administrative level on
which NCM activities are being implemented is the role of central government and the
different ministries in the Baltic States. Apparently, the ministries are to some extent
bypassed and only play only a small role as “observers” that are supposed to be informed
about the ongoing activities. The ministries seem to think that the NCM has the sole right to
deal directly with the local level – as long as they are kept informed. How informed the
ministries actually are, appears to vary between different Baltic States.\(^3\) In Latvia and
Lithuania, all ministry officials dealing with the social and health sectors say that they feel
adequately informed about what is taking place in their countries. The situation in Estonia
seems to be different: an Estonian official occupying a central post in the ministry deplored

\(^3\) This account is solely based on the testimonies given by the ministry officials whom the author met.
the fact that the ministry is not getting information from the NCM and the IO. One has to bear in mind, however, that reasons for this could lie in many places. It is possible that information sharing within the ministry itself and between its different departments is not as frequent and smooth as it perhaps should be.

In any case, the ministries usually have a representative in the reference groups, which gives the ministries some say on the focuses of the cooperation. Nevertheless, the role of the ministries appears to be quite limited for the time being but it is evident that they should be kept updated on the NCM’s activities. The NCM should consider increasing the role of the ministries in the future, especially in light of the NCM’s plans to renew the cooperation concept with the Baltic States.

Why is information sharing with the ministries and the increase of their role so important? If the NCM wants the Baltic States to co-finance the cooperation activities in the future, the ministries will have to play a fundamental role in this cooperation. If cooperation with the Baltic States is continued, the ministries, being overall coordinators and responsible for statewide issues, become a source of funding and hence will also want to have a role in strategic planning.

Information sharing is imperative because it is clear that when a programme or project has been successful, continuity is easier to guarantee since these good experiences can be used as a springboard for further activities. By presenting good results, it is easier to convince the ministries to participate financially. In addition to providing the ministries with information on NCM activities, it is equally important for the ministries to be aware of what the local authorities and the NGOs think about NCM cooperation. One Lithuanian ministry official had already acknowledged this and said that the ministry is in the process of collecting experiences from the implementers of NCM cooperation.

4.3 Russia

In Northwest Russia, the NCM has followed the same approach as in the Baltic States. The current programmes under which the cooperation activities are being conducted are the
same and the administrational structuring of the cooperation activities follows the same
guidelines. The interviewees think that the NCM has done good work and achieved
successes in Russia but perhaps to a lesser extent than in the Baltic States. While stating this,
one has to bear in mind that the amount of population and the geographical area of
Northwest Russia are bigger than those of all the Baltic States combined.

The Baltic States and Northwest Russia seem to be far apart in many other respects too.
While the NCM has had fairly free hands to operate in the Baltic States, it appears that in
Russia the authorities want to be more involved and have more of a say on the focuses and
strategies of cooperation. An impediment is that the administrational field in Northwest
Russia seems to be in a state of confusion. Based on the interviews conducted in Russia, it
appears that the different administrative levels have conflicting opinions on what their role
should be and to which fields their jurisdiction extends. It is therefore difficult to determine
who is in charge of what. According to one interviewee, a big challenge for the NCM in
Northwest Russia is how to conduct projects that are relevant both to the Nordic Countries
and Russia, and not to step on the toes of the different authorities at the same time.

The administrative confusion became very clear when the Russian officials were asked about
their priorities concerning NCM cooperation in Northwest Russia. Some thought health
issues were not very important, while others were keen to place them at the top of the
cooperation agenda. The general goal of Moscow seems to be to reduce poverty, improve
the living standards of the citizens and attract big foreign investments in such areas as
infrastructure. One Nordic official said that the Russians too often seem to forget the
importance of social and health issues. What is obvious is that there is a great demand for
health projects in Northwest Russia. This is so especially concerning the situation with
narcotic drugs and contagious diseases. For these reasons, everybody seems to think that the
NCM should increase its cooperation activities in Russia, but nobody says how this should
be done and how the best results could be achieved.

There appears to be a number of obstacles. Many interviewees expressed the concern about
the lack of good project applications in Russia. In particular, it seems that it is hard to find
good “big” projects to fund. It looks as if there are not many NGOs with the proper
competence and experience to apply for these funds, which is obviously a sign of (so far?) an undeveloped NGO sector. Another problem seems to be the underdeveloped infrastructures, which make such things as financial transactions with project implementers difficult.

5 Implications of the changes in 2004

After the Baltic States become members of the EU, their position in NCM cooperation will be re-assessed while more emphasis will be put on Northwest Russia. The big issue at the moment seems to be the future structures, forms and focuses of cooperation and, with regard to the Baltic States, their shift from being aid receivers into equal partners. For the time being, it seems that nobody has a coherent view on how and when this re-structuring could be put into practice. The NCM appears to be quite careful and not willing to rush the Baltic States into making decisions but at the same time the Baltic States seem to be waiting for clear proposals from the NCM.

The question of re-assessment has not come as a surprise to anybody and the Baltic States are also aware what is happening. In this context it should be remembered that the co-funding of projects in the social and health sector has existed since 2002 in the Baltic States: NGOs or local authorities have been required to finance 20-25 percent of the projects themselves.

After listening to the views of several Baltic officials, it is safe to say that all Baltic States are very willing to continue cooperation with the NCM in social and health sector – as long as mutual understanding on the future guidelines is achieved. The lack of resources seems to be the major cause for concern among the Baltic officials.

Various administrative levels in the Baltic States are not only lacking financial resources, but also human resources. Some interviewees see the lack of personnel as even more of a problem than under-funding. Clearly, the increase of EU activities after 1 May 2004 will burden the already scarce human resources in the administration even more.
The NCM seems to be keen to integrate its activities in the social and health sector in the EU’s Northern Dimension Partnership in Public Health and Social Wellbeing. According to the strategy paper prepared by the NCM\(^4\), the goal for the NCM participation in the partnership is to acquire better inter-agency coordination in the Northern Dimension area by active contribution in the partnership. In theory this seems like a good idea, but at this point it is too early to tell what will be the eventual relevance of the partnership, as there are yet no specific activities behind the partnership scheme. Many interviewees said that there has been no real discussion about what NCM participation in the partnership could mean and therefore everybody has adopted a “wait and see” attitude.

6 Links to other actors

The two other main actors active in the Baltic States and Northwest Russia in the social and health sector are the Council of Baltic Sea States (CBSS) and the EU. The different Nordic countries also have their own bilateral projects in the area. With regard to the Baltic States, these projects are being wrapped up and also most of the EU funded projects will finish by the end of 2004.

When asked if there have been possible overlaps between NCM cooperation and the activities of other actors, all interviewees saw the NCM activities as purely complementary. Nobody could think of any case where overlapping or duplication might have occurred. The interviewees thought that NCM cooperation is distinctive since the activities that the NCM is funding are taking place at the grass-root level and in the form of small projects. For example, when examining in detail what the EU is doing in the Baltic States, the differences to the NCM activities are obvious.

With the exception of the EU office in St Petersburg, the interviewed EU officials in different countries did not know much about the NCM activities and the impression is that there is not much interaction between the two. However, EU activities appear to have a very different focus than those of the NCM. In general, the EU approach is directed much more

at the central governmental level because, in the end, the aspiration has been to prepare the Baltic States for EU accession. The EU focus has been mostly in changing governmental and administrative structures. The projects the EU has funded particularly in the social and health sector have emphasised the employability of the target groups (such as handicapped and mentally impaired people), with the aim of enabling them to enter the labour market. Grass-roots level projects have not played a large role on the EU agenda and this will be the case even after the Baltic States join the Union. Obviously, this creates a demand and leaves room for further NCM activity. A striking difference is the amount of money spent for the activities. The sums the EU is using for projects within the PHARE programme are enormous compared to those of the NCM.

The other major player, the CBSS, also has a different approach to the NCM. In the social and health sector, the CBSS does not have project money as such and activities concentrate more on network building. A good example is a programme called “Children at Risk in the Baltic Sea Region” which has no direct project funding but it is attempting to create internet-based expert networks instead. One interviewee concluded neatly that there might be a thematic overlap between the CBSS and the NCM but not a practical one.

7 Future

According to Baltic and Russian officials, there is still a great need and plenty of interest in the future for NCM cooperation in the social and health sector. They think that the years during which cooperation has proceeded provides a good and solid foundation for continuity. The officials stressed that Nordic experiences and Nordic expertise is still needed to improve professionalism in many fields. Issues related to drugs and especially preventing drug use among young people, were emphasised as matters were the need is greatest.

Many of the questions concerning the future forms and structures of cooperation are political issues and therefore decisions have to be made at the highest political level. This applies especially to the Baltic States, where the political leadership has to take a stance on the question of co-funding. Should the Baltic States be willing to start sharing the costs of cooperation and should the NCM adjacent area focus shift more towards Russia (meaning
that the money the Baltic States are contributing will also flow to Russia), the question of co-funding could turn out to be a highly politicised domestic issue in the Baltic States.

At the same time, many Baltic interviewees seemed to favour contributing to NCM activities in Russia. They quite correctly point out that they possess useful knowledge that the NCM could take advantage of: they are familiar with the Russian language, culture and customs, all gained when the Baltic States were part of the Soviet Union.

The Baltic States appear to be keener to participate financially in projects in Russia when the projects have clear benefits for the Baltic States themselves. However, there seems to be minor differences between the Baltic States in this issue. The Latvians and Lithuanians think that attention should also be given to Belarus and the Ukraine, as well as to Kaliningrad, where drug-related problems are severe and the HIV rate high.

Some Baltic interviewees made interesting speculations about sharing their own experiences gained during transition period. They see that in the social and health sector, Russia is presently, in many respects, in the same state as the Baltic States were when they gained their independence in 1991. These interviewees think that sharing experiences would be helpful for the Russians to overcome certain problems and help them avoid the mistakes that the Baltic States committed.
Appendix 2

Energy and environment

by Teemu Palosaari

1 Introduction

The NCM places environmental issues high on the list of prioritised topics in the cooperation between the Baltic countries and Northwest Russia. Hence the goals of environmental cooperation in the adjacent areas have a direct link to the broader, long-term goals of the NCM neighbourhood policy. In the environmental sector, the prioritised areas include acute environmental threats, reduction of environmental pollution, and support for environmental administration.1 The transition of Nordic-Baltic cooperation towards partnership-based cooperation on an equal footing has progressed to a certain extent in the environmental sector, as co-financing from the Baltic countries for the projects initiated in 2004 has been secured.2 The successful steps in the EU’s environmental policies in the Baltic Sea Region, for instance under the Northern Dimension Environmental Partnership (NDEP), also suggest that Nordic activities in the environmental sector will benefit from the future developments within the EU framework.

In the energy sector, the political sensitivities regarding Nordic-Baltic-Russian relations and the different national policies of each Nordic and Baltic country make such connections more blurred. Furthermore, Northwest Russia plays a significant and dual role in this, being not only a target region for the NCM adjacent-area cooperation policies, but also an important energy provider for the Nordic and Baltic countries. On the other hand, these aspects of energy politics are relevant for the enlarged EU, too. In light of this, it is easy to understand the eagerness of Nordic and Baltic actors to tie these aspects of the energy issue into the wider EU framework. From the EU’s perspective, issues like security of supply and diversification of energy sources are related to the general question of Russian gas and electricity. At the general level, it is also possible to regard energy issues as a part of the

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1 Closer Neighbours; Framework Programme 2003-2005 for the Nordic Council of Ministers’ Activities in the Adjacent Areas.
2 Draft Programme for the Nordic Council of Ministers’ Co-operation with the Adjacent Areas 2004, p. 10.
stabilisation of the Baltic Sea region. In this respect, energy can be seen as “a key factor in promoting political stability, economic growth and sustainable development.”

As the cross-sectoral strategy on sustainable development indicates, the concept of sustainable development ties the energy and environment sectors together. “Sustainable development of resources including environment, energy and food safety” is placed among the four main topics of priority regarding the project activities in the adjacent areas.

During the current adjacent-area framework period, cooperation has concentrated on energy efficiency, energy dialogue (with the help of energy scholarships), climate, bio-energy, and the question of a common Baltic electricity market. Furthermore, the framework of Baltic Sea Region Energy Co-operation (BASREC) has brought the Council of the Baltic Sea States (CBSS) into Nordic-Baltic cooperation. Through BASREC, Poland, Germany and the European Commission are also involved in the cooperation.

In the environmental sector, the Baltic interests regarding Nordic-Baltic cooperation often relate to support for implementation of various requirements posed by EU accession. In addition to the NCM projects, the bilateral activities of Nordic countries have contributed significantly to environmentally-related issues. The environment and nuclear safety have been high-priority areas in measures implemented in the adjacent areas by the individual Nordic countries. As in the energy sector, Northwest Russia also has a somewhat different status in the environmental sector. In this respect, a central challenge for environmental cooperation is the establishment of contacts with the different levels of administration as well as with reliable NGOs.

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6 “Sustainable Development – New Bearings for the Nordic Countries”.
6 Closer Neighbours, p. 28.
2 Nordic benefit?

The different Nordic approaches to energy and environmental cooperation in the adjacent areas are often explained simply by referring to geographical factors. Despite the transboundary aspects of these issues, geographical proximity seems to be a significant explanatory factor in this regard. The differences between Nordic domestic solutions and policies also have an impact in the energy sector. It seems that the cooperation partners in the adjacent areas appreciate the differences in Nordic national profiles.

There are, however, issues where joint Nordic efforts can create special added value. Issues where the NCM contribution has left its mark include bio-energy, energy efficiency, sustainable development, and electricity markets.

The common Nordic electricity market also provides a model that the Baltic countries have aspired to in their joint efforts in the energy sector. The integration of Baltic markets along the lines of Nordic experiences is also seen as a step towards a wider European common market and is therefore regarded as being in the interests of Nordic countries, too. This will thus continue to be a promising topic for adjacent-area cooperation. Moreover, the liberalisation of Baltic electricity and gas monopolies plays a central role in activities that the European Commission supports and monitors. Nordic actors in both the political and the business sphere have an opportunity to become key players in processes that relate to the development of energy markets in the Baltic countries.

BASREC cooperation, a joint NCM-CBSS programme, is the entity which both structures and characterises the energy sector. The cooperation with the CBSS extends the programme to cover all the Baltic Sea countries. BASREC is generally seen as a promising way to develop cooperation, by Nordic, Baltic and Northwest-Russian actors alike. The formally structured cooperation with the CBSS makes the BASREC format unique among all the sectors. The administrative connection to Energy Ministers and the CBSS is seen as an advantage, especially when it comes to disseminating information.
Energy Dialogue projects\textsuperscript{7} with Russia and with the Baltic countries clearly provide a Nordic joint benefit which purely bilateral projects cannot. With regard to Russia, the topics of this form of cooperation include energy efficiency, the use of renewable and local energy sources, and information exchange on energy policy and the energy market. In the Baltic context, the objectives relate to sustainable energy supply, and a single Baltic market for electricity, among other things.

Both the Nordic and Baltic actors involved in NCM cooperation in the energy sector perceive that knowledge related to bio-energy issues could be a real Nordic-Baltic strength, not least in the enlarged EU. For instance, the existing knowledge on larger-scale bio-energy for heat production is, by and large, of a purely Nordic origin.

In addition to the NCM project in the field of bio-energy, a great many bilateral activities are being pursued by countries such as Finland and Denmark. The NCM Secretariat sees that, despite some difficulties, they have managed to glean a lot of information about what is happening in the field, but the pooling of resources for bilateral and common Nordic projects could be improved. For people working on joint Nordic projects it is also difficult to know what is going on at the bilateral level. (Coincidentally, the current Bio-energy Group chairman is an expert on Swedish bilateral arrangements.) This type of information, however, is essential in order to ascertain what the potential benefit of the NCM cooperation might be, as compared to the bilateral activities of each Nordic country.

\section*{3 Towards a Common Baltic Electricity Market?}

\subsection*{3.1 Nordic views on a Common Baltic Electricity Market}

From the NCM perspective, the aim has been to help the Baltic countries create a common market along the lines of the Nordic model. This has been quite a lengthy process, and it is seen as an aid programme that is now up against the pressures that the Baltic EU accession

\textsuperscript{7} Energy Dialogue with Russia (previously: Grant Scheme Russia); and Nordic Energy Dialogue with BCom, Estonia, Latvia, and Lithuania (previously: Co-operation between energy authorities in the Baltic countries).
is putting on Nordic-Baltic cooperation in general.\(^8\) The process also has aspects that relate to such issues as security of supply, and EU directives on emission rights.

It is in Nordic interests to broaden their knowledge of energy markets in the adjacent areas, as the Baltic activities are seen as a step towards a Baltic Sea-wide energy market, which would be of benefit to all concerned. The creation of a common Baltic electricity market has also been supported by the NCM-funded Energy Dialogue project.\(^9\) The scholarship programmes in the energy sector were initiated as a part of the general NCM scholarship programme (NordPraktik), which was not considered effective enough for the purposes of the energy sector. The situation was improved by giving more support in the form of work programmes with clear objectives to those who received the scholarship grant. Students are also given the opportunity to meet one another, as well as other Nordic and Baltic energy experts. At the same time, the energy scholarship programme was linked more effectively to the broader cooperation framework of the energy sector and consequently to the political goals of energy cooperation in the adjacent areas. While improving their knowledge by working in international groups, the young experts also serve the needs of the ministries. By supporting general energy-policy cooperation in the Baltic Sea Region, BASREC also contributes to the advancement of this process.

3.2 Baltic views on a Common Baltic Electricity Market

In general terms, the Baltic ministry-level considers that there is a need to cooperate in the energy field and that the NCM framework will also be relevant in the future. It has been noted that there are some really tangible connections in the energy sector which form a natural basis for Nordic-Baltic cooperation, namely the electricity networks and gas pipelines. Furthermore, the Russia-EU dialogue is expected to form a broader and more dynamic context for energy-policy activities in the future.

\(^8\) See, for example, the *New Nordic Agenda*: “Co-operation with the Baltic states should be restructured in collaboration with them so that, in the future, it will be based on equal operative and financial partnership.” (P. 65).

The liberalisation process of the Baltic electricity market has gained funding from various sources (the EU, and Nordic countries), while the Baltic contribution has been “in kind”. The Baltic countries perceive that a good basis has already been established for more active Nordic-Baltic cooperation. From the Baltic perspective, all the main activities, the Nordic-Baltic Energy Dialogue included, have been related to the plans to establish a common Baltic electricity market. The common or integrated Baltic electricity market is also a major topic in the Baltic Council of Ministers Energy Committee. One aim is to reduce differences in order to eventually be able to work in a common European market in the future.

The establishment of a common Baltic electricity market proved to be more difficult than the Baltic countries initially thought. Baltic ministry representatives attribute this to the smallness of the Baltic markets and to the national differences between them. The Baltic countries have different resources and generation modes (hydro, thermo, nuclear, Estonian oil shale), and it is difficult to build a functioning competition system with this diversity. Furthermore, privatisation, and especially the legislation related to it, was proceeding at a different pace in each Baltic country. The separation of generation, system operator, transmission network, and distribution is still facing different challenges in the Baltic countries.

However, even if the common Baltic electricity market plan is confronted by problems after the initial optimism, the Baltic countries are aware that the process has also resulted in positive products and by-products. The cooperation to date has resulted in valuable education, training, networks, and contacts to Nordic experts. It has also increased the knowledge of Baltic actors at different levels. Furthermore, the Nordic common electricity market stands as an example of a functioning common electricity market, irrespective of national differences in energy politics.

A Baltic concern, however, is that the Nordic countries are liable to overlook the results that have been achieved in the process of developing a single Baltic market for electricity. Besides, from the perspective of the Baltic countries, a common Baltic market would be really useful only as a part of a larger Nordic-Baltic common market. A separate Baltic market would remain small and under the influence of Russia. The Baltic countries are
therefore anticipating Nordic-Baltic cooperation in the EU. Potential topics concerning common positions within the Union include bio-energy, climate issues, and Russian gas and electricity. The connection to Russian energy sources is expected to have broader political interest in the near future, as the Northern part of the EU will, in many ways, be connected to Russia (electricity loop, gas supply) and systems regulated by Russia. The Baltic countries share the view of the EU Commission that these connections pose challenges for the enlarged EU, especially with regard to issues concerning the security of supply.

4 Baltic expectations and characteristics of cooperation

The interests of the Baltic countries seem to be generally compatible with the NCM goals in the adjacent areas. As for Nordic-Baltic cooperation in the enlarged EU, the Baltic observers often present the view that regional blocs as such are not necessary or useful. Yet, the Balts have been interested in knowing and communicating about the effects of EU decisions on Nordic and Baltic environments and systems. This was deemed useful in order to avoid decisions that were disadvantageous for the Nordic and Baltic countries due to their special characteristics (for instance in waste management or building regulations).

The Baltic ministry-level actors also note that there are ongoing discussions at the Senior Official level with the aim of establishing a closer dialogue before EU ministerial meetings. The Baltic countries have also expressed interest in being an energy-sector player in EU relations with Russia. This issue is considered both politically sensitive and politically interesting. The Baltic countries tend to see it from a business perspective and claim that they can offer the NCM the opportunity to create more concrete projects with Russia. Since the NCM is already facing, and will continue to face, enormous challenges in Russia, it would be worth analysing how to utilise this opportunity – to ascertain what the Baltic countries can eventually deliver in this respect. In order for this to be realised, the Baltic countries have to be involved in strategic planning. In the EU context this relates to the challenges in gaining effective 3+3 cooperation (or other active coalitions) in environment and energy policies towards Russia. The situation can also be viewed as a dilemma about how to gain effective 3+3 cooperation in the EU in order to form an active coalition on issues regarding EU-Russia relations in the energy and environmental sectors.
When it comes to issues that concern the privatisation of gas and electricity monopolies, and the separation of distribution, transport networks and generation, interest has been shown in cooperating within the NCM framework. The current forms of cooperation (the Energy Dialogue and BASREC in particular) are regarded as highly relevant in this respect.

Some negative experiences relating to privatisation make the introduction of EU directives in the electricity sector problematic: in the minds of the public, liberalisation of the markets is associated with privatisation. Moreover, certain features of Latvian legislation also make privatisation difficult in the electricity sector. Therefore the liberalisation of the electricity markets is not well advanced from the EU perspective, and is a cause for some concern. The situation in the gas sector is different, however. One reason for this is that the EU requirements are less demanding.

One Baltic challenge is posed by the fact that Russia plays such a predominant role in the energy sector because the gas originates from there. The greater part of the electricity loop is also in Russia. Therefore the liberalisation of a small part of a much bigger system which encompasses Russia can be regarded as somewhat contrived. From that perspective, one can appreciate that liberalisation is generally seen as a very complex and time-consuming issue.

Other implications of the central role played by Russia in Baltic (and Nordic) energy politics relate to the question of security of supply. A principle in EU energy policy is to diversify the sources of energy as much as possible in order to ensure more security in energy supply. Still, this principle – in the sense of independence from Russian sources – can be fully applied only in certain European countries.

Other pertinent topics where the Baltic countries regard the NCM as being relevant in the future include the support for administration capacity-building, and improving energy efficiency. The already existing contact networks that the Energy Department in the NCM Secretariat has established can be utilised in this respect. These networks include direct contacts to bodies like ministries and municipalities.
The Lithuanian administration expectations imply, firstly, that from the Baltic perspective, EU accession does not immediately change the state of affairs regarding the Baltic needs and interest in Nordic-Baltic cooperation. While the nomenclature of the cooperation may change, the need for Nordic assistance will remain for many years to come. Secondly, a clear strategy regarding the Nordic-Baltic cooperation in the NCM framework is deemed necessary, and should be drawn up as soon as possible. EU accession offers a good window for elaborating the structure of the cooperation and for discussing and making joint decisions on longer-term visions. Topics that have been mentioned as possessing the potential for joint benefits include environmental issues with cross-border effects and energy efficiency, and the policies towards the neighbouring regions of the Baltic countries. It is also acknowledged that challenges regarding the Kyoto Protocol can only be solved at the regional level. In questions relating to the Russian gas and electricity supply, regional-level cooperation is regarded as the key factor. BASREC provides a forum that allows Poland to be brought into such regional cooperation.

5 Russian interests and contents of cooperation

One facet of the energy sector where Russian actors have shown particular interest in Nordic models is that of district heating systems. The climatic similarities of Northwest Russia, Sweden and Finland, the nature of the district heating systems (very centralised, and different from most Central European systems), and very similar consumption patterns are emphasised.

The NCM project “Energy Dialogue with Northwest Russia” has basically the same structure as the Nordic-Baltic Dialogue, but does not contain developed projects as yet. This is due to the fact that the NCM has neither the long experience nor the tangible projects that the Baltic countries have. Thanks to BASREC, the NCM energy actors regard the prospects for developing fruitful and concrete projects in Northwest Russia as being rather favourable, as the NCM has started working both with the regions and at the federal level, and is starting to establish good contacts with Moscow. Viewed from the practical perspective, actual projects are the only way to build sustainable contacts and networks. For example, the waste-
management project with St. Petersburg University resulted in Nordic-Baltic-Russian cooperation on other issues as well (such as contact and cooperation with universities).

Some observers in the field note that even if the NCM has rather limited resources (compared to the Russian challenges), it can still exert influence, for instance in establishing points of departure for bigger projects and in influencing the thinking behind larger investments and plans.

From the perspective of international donors, it has been noted that Russian authorities are becoming more adept at international cooperation. What international donors do emphasise, however, is the need to get serious pilot projects running in Northwest Russia.

Areas where the Nordic countries have been active include the waste-water treatment plant, feasibility studies and equipment tests, and a grant project on district heating. The lesson that has been learnt from all this is that one should often work concurrently on technical, institutional and financial matters. For instance, by financing feasibility studies it is possible to establish a good basis for further investments.

From the perspective of Russian NGOs working in the environment and energy fields, international-level contacts and events are needed in order to influence Russian authorities and involve them in projects. The Russian NGOs regard the Nordic NGOs as good models in that they have advanced their capability to involve business and industry in environmental issues in their respective Nordic societies. Importing this model of action is regarded as particularly challenging from the NGO perspective. The principal reasons for this relate to Russian NGO capacities and to certain aspects of Russian taxation, which offer no incentives that might encourage businesses to think environmentally. In addition to Nordic models, the experiences of Baltic NGOs in this field are deemed interesting. They have initiated similar processes before and it could be beneficial for the Russian NGOs in the environment sector to learn about the motivations of businesses and firms in these processes.
The NCM projects are seen to provide highly valuable platforms for NGO contact-building with both international and domestic actors. The limited funding resources of Russian NGOs are well-illustrated by the finding that even changes in domestic Nordic politics can resonate and register with Russian NGOs. This indicates firstly that even modest NCM funding is important for NGOs, and secondly that there are visibly different Nordic profiles when it comes to cooperation with and funding of Russian NGOs in the environment and energy sectors. This would support the argument that scattered resources do not constitute the critical mass needed for substantial results in the Russian environment. From that perspective, any coordination and synergy inroads that the Northern Dimension policy might make would be welcome.¹⁰

Opinions on NGOs and their potentiality for action in Russian society are quite mixed. On the positive side, NGOs are maturing, becoming more experienced, and gaining a better position in society. Some positive signals from the Russian authorities have also been noted, such as plans for some federal-district annual reports to mention cooperation with NGOs – a move which was seen as a step towards recognition of the NGOs’ status in the new Russian society. The Russian NGOs feel that a positive change is taking place in the general attitude towards environmental issues in Russian society. The interest shown by schools and by the public at large is definitely on the rise. One aim has been to reach parents through their children. Issues like genetically-modified food, and waste-recycling are attracting more attention in Russian society. Thus there is a growing need for reliable information on these issues. On the negative side, during the last one and half years there has been a gradual strengthening of the role of government in society, effectively reducing the NGOs’ room for manoeuvre. As a result, the environment in which NGOs operate has become increasingly problematic.

On the basis of these findings, two distinct conclusions can be drawn. On the one hand, one might conclude that due to the difficulties Russian NGOs are currently up against, it is more important than ever to support them. On the other hand, one could draw the conclusion

¹⁰ Cf. New Nordic Agenda, measures proposed.
that NGO support will hardly lead anywhere in these circumstances, regardless of the quality and volume of the support.\textsuperscript{11}

The question of the “sustainability of the NGOs” is also pertinent here. A careful and multi-faceted analysis is always needed in Russia when making a decision on whom to fund. One telling example is the case in which a new NGO with good visibility received support for gathering and publicising complaints from people about housing and district heating, and for gaining the attention of the authorities. With the money thus received, the NGO then started to support a certain figure in the elections – after which time it ceased to exist. From the Russian perspective, the future direction in energy cooperation could also embrace issues related to Nordic experiences in the management of the municipal utility sector, as well as the issue of bio-fuel, since there is some Russian interest in developing the joint production of proper equipment for the introduction of the same.

\textsuperscript{11} The situation is reminiscent of the typical question often posed in development cooperation: Should one cut or increase financial aid when the political development is not to the donor’s liking?
Appendix 3

Grants and exchange programmes

by Mikko Väyrynen

1 Introduction

Grant schemes and exchange programmes are the foundations of NCM cooperation with the adjacent areas. Some of them were started as early as 1991, when the Baltic States had not yet gained their formal independence. The reasons for launching exchange programmes already in the sensitive circumstances of 1991 were politically motivated.

However, it was by then clear that the Soviet Union would disintegrate and there would be a demand in the Baltic States for new ways of thinking and for professional expertise in every sector of society. The need was obviously great in Russia too, but cooperation with it was launched only in the mid-1990s. This has been the starting point from which the NCM grant schemes and exchange programmes subsequently developed.

Initially, the numbers of people who took advantage of the possibilities offered by the exchange programmes seems were relatively small, but these steadily increased throughout the 1990s and early 2000s. In 2001, about 500 people from the adjacent areas took part in different exchange programmes.

2 Goals of the sector (from the Nordic side)

In addition to political motives, there are other inducements behind the establishment of cooperation in the form of exchange programmes. Because such programmes were the first palpable means to conduct cooperation with the Baltic States, they were, according to one Nordic official, also used as a precedent to test the will of the Baltic States to cooperate with the Nordic Countries. A third motive has been simply the will to help the adjacent areas in their aspirations to develop into modern, democratic and stable societies.
The grant schemes and exchange programmes cannot be seen as a separate sector in the NCM cooperation framework with the adjacent areas. Network-building and exchange activities are integral to every cooperation sector, and one could claim that the overarching objective of the exchange programmes is to support the main goals of NCM cooperation in the adjacent areas and work toward their fulfilment. Also, the variety of different exchange programmes is wide and they cover several occupational groups.

The NCM has been running exchange programmes that focus on civil servants, young business people working in small and medium-sized enterprises (Nordpraktik, later Nordprolink), parliamentarians (the programme is administered by the Nordic Council), young artists (Sleipnir), young cultural managers (Closer Cultural Neighbours), energy experts, journalists and, of course, students and researchers (Nordic Grant Scheme, now Nordicplus NABO).

Cooperation is conducted directly with local and municipal authorities, universities and NGOs, with minimum involvement of ministries and other central authorities. The main motives behind with this approach seem to be to minimise bureaucracy and to address the beneficiaries directly, but also to improve the local level administration.

To support this aim, a small-scale exchange programme focusing on the development of the local and regional administration has been running in the Baltic States since 2000 and in Russia since 2003. The goals have been to develop democratic procedures and practices at local level and, with regard to the Baltic States, to prepare local authorities for EU membership. The civil servant exchange programme has had the same approach in the Baltic States. Priority has been given to applications based on the need for relevant contacts in connection with EU enlargement.

Furthermore, the NCM has conducted separate cooperation in the education sector. The NCM has given financial support for teaching Nordic languages and the NCM has been running adult education programmes (Life-long Learning) and special needs education (School for All). The aims of these programmes have strongly reflected Nordic values and visions. Adult education cooperation has stressed continuous life-long learning processes,
whereas special needs education aims to improve the schooling conditions for children with different disabilities. A crucial aspect of the cooperation in special needs education has been teacher training and the aspiration to change attitudes toward disabled children at school. The two programmes have comprised individual scholarships, exchange visits, conferences and seminars.

The method of the exchange programmes and the education sector programmes has not been to focus on teaching specifically (telling the Baltic and Russian partners straightforwardly what should be done and how it should be done), but more to share experience and expertise and introduce best practices. The purpose has been to make the partners in the recipient countries think independently. This seems to be the kind of approach the beneficiaries want and what they find most useful to achieve results.

The promotion of mobility and network building in the field of higher education and research has been one of the priorities on the NCM cooperation agenda. This focus has been addressed through the Nordic Grant Scheme programme and now through its successor, Nordplus NABO. The difference between these programmes is that while the Nordic Grant Scheme only dealt with university level, Nordplus NABO, which resembles a more long-term networking programme than an exchange programme, covers all educational levels, from primary schools to universities as well as NGOs. NorFa (Nordic Academy of Advanced Study) has been actively taking part in projects under these programmes, for example by organising research schools. The launch of Nordplus NABO resulted into restructuring in some fields. For example, adult education no longer has a separate programme, so NGOs and institutes dealing with adult education now have to apply for funding under Nordplus NABO.

The general rule in all exchange programmes is that the Baltic and Russian participants have to visit at least two Nordic Countries or, with regard to Nordplus NABO, have at least two Nordic partners included in the activities. The reason for this is that the NCM programmes are not meant to be bilateral. The NCM wants the Baltic and Russian participants to get a broader picture and experience of how different Nordic countries function. The Russian Nordplus NABO participants also need one partner from one of the Baltic States to qualify
for the programme. Apparently, the purpose is to narrow the gap between Russia and the Baltic States in the professional field and to encourage them to have common projects.

3 Baltic and Russian views, goals and expectations

Most Baltic and Russian officials and experts interviewed for this report feel that the focuses of NCM cooperation are relevant and correspond well to national priorities. What was criticised, however, was that the exchange programmes do not have their own specific, properly formulated goals. According to the interviewees, this does not mean that the cooperation has not been useful. On the contrary, the interviewees were grateful for all the assistance and possibilities that NCM cooperation in this sector has offered them.

What seems to have caused this minor dissatisfaction was that in the future, when the Baltic States have to consider participating in the costs of the cooperation, it will be difficult to start giving money for purposes which do not, at least on paper, produce clear and visible benefits. The aim to support the overall goals of NCM cooperation in the adjacent areas is regarded as extremely vague. To build up a network between professionals from certain fields or around an academic discipline does not automatically imply that there will be substance-based cooperation and common projects between the network partners.

At the same time, the interviewees emphasise that this does not apply to every aspect of NCM cooperation in this sector. In some respects, the NCM has helped the recipient countries to focus attention on important issues that might otherwise have gone unnoticed. This is pertinent especially with regard to adult education and special needs education, both of which are praised as exceptional successes. One has to note that these programmes, in which networking and exchange activities have also played an important part, have a more goal-driven approach than the programmes that focus merely on mobility and exchange.

One important expectation among the Baltic States has been to use exchange programmes offered by the NCM as a means to learn about the EU through Nordic Countries. As the NCM has acknowledged that this is an important issue, it appears that on matter the views and expectations are identical.
4 Practice: contents, successes and problems

In this section I will look at the successes and problems of different exchange programmes by reflecting the views and opinions of the interviewees. I do not discuss the Baltic States separately because no major distinguishing features concerning them surfaced in the interviews. However, some examples will shed light on their differences. I deal with Russia separately because of its dissimilarity from the three Baltic States.

4.1 Successes

Some interviewees had participated in the civil servant exchange programme already in 1991 and they spoke warmly about their experiences. The NCM was the first international organisation to offer possibilities for going abroad. The officials in the Baltic States appear to be grateful for this. The contacts made more than ten years ago still exist and have boosted the contacts and cooperation between the Baltic States and Nordic Countries in many administrational fields.

All the interviewees agree that the possibilities the NCM offered were of crucial importance in the early 1990s. Although the numbers of people involved were modest, the symbolic meaning of the exchange programmes was enormous for the Baltic States. Some Baltic interviewees, however, said that they now they have their own bilateral contacts with other countries (including Nordic Countries) and the NCM cooperation has lost some of the significance it had earlier.

According to the Baltic interviewees, the main merit of the NCM exchange programmes is undoubtedly the support and assistance for EU membership. The civil servants exchange programme and the programme on the development of local and regional administration have enabled many Baltic officials to get first-hand international experience with regard to EU-related issues. Many interviewees agreed that these programmes have directly helped the Baltic States to prepare for EU membership. The NCM has also financed study trips to Brussels – something which the EU itself has not agreed to fund.
When Baltic officials have planned which two Nordic Countries they want to visit, they have logically opted to go to those that are EU members. Baltic officials want to maximise the benefits from their participation in the exchange programmes, and for this reason Norway and Iceland have received little attention.

With regard to the Baltic States, also Nordprolink and Sleipnir are seen as successful programmes. They are regarded by some interviewees as unique because of their focuses. The exhibition organised by artists who have participated in the Sleipnir programmes has brought the NCM good publicity and Nordprolink has helped to create contacts that otherwise would not have been made. In Lithuania, many young business people who have taken part in Nordprolink now continue making similar study trips with their own funding.

With regard to adult education, special needs education and teaching of Nordic languages, the results are thought to be positive. Many interviewees saw the School for All programme, which is about to be wrapped up, as ground-breaking. In addition to having focused attention on pupils with special needs, it has also made an impact on the methodology of special needs education by introducing a “case-student” approach. The idea has been to monitor the development of selected students as they make their way through school and enter the labour market. Concerning the teaching of Nordic languages, one Lithuanian interviewee stressed that without the financial support from the NCM the whole initiative would be in jeopardy.

Many Baltic interviewees praised the NCM exchange programmes for being flexible and involving little bureaucracy.

4.2 Problems and criticism

The reservations about the vague goals of the programmes was touched upon earlier. Some interviewees also criticised the lack of substance behind some of the exchange programmes. It appears that this criticism is directed especially at the new Nordplus NABO programme.
One expert feared that because the goal of Nordplus NABO is only to support long-term network building on all schooling levels without requirements about common substance-based projects, there is a danger that the programme will merely become a “travelling club”. It seems that the NCM has tried to avoid this by setting the expected length of the activities to three years (although the applicants have to renew their application every year) and by prioritising certain themes every year. However, it appears that for some fields that have previously had their own separate programmes (adult education, for example) the Nordplus NABO is a move in an unwanted direction. Interviewees who criticised the Nordplus NABO felt that the programme does not provide any foundation for continuing cooperation between the network partners after the programme ends. In order to ensure continuity, the interviewees argued that projects with solid substance and clear goals are needed.

At the same time, the problem described above is closely connected to the question about reassessing the future forms of the cooperation with the Baltic States and, above all, about co-funding. NGOs and universities that aspire to participate in the Nordplus NABO programme will have either to invest their own funds or apply for money from the ministries if they want that real work is carried out in the networks sponsored by the NCM. The interviewees were keen to emphasise that it is still extremely difficult for NGOs and universities to get support from the ministries for such activities while their own financial resources are scarce.

Also, the administration of Nordplus NABO prompted some questions. Now all applications from the adjacent areas are being sent to and evaluated by the Norwegian Research Council, which then pays the funds directly to the participants in the programme. The Information Offices (IO) were especially puzzled by this. Previously, the IOs have been in charge of short-listing the applications, but their role has been suddenly reduced to that of mere commentators. The IOs are worried that their expertise on their respective countries and knowledge of the applications will not be adequately taken into account. One reason for the restructuring could be that the Nordplus NABO participants will be now chosen on grounds of application quality, not national quotas.
A clear shortcoming and a cause for disappointment with regard to the NCM exchange programmes has been the lack of interest towards the adjacent areas among the Nordic countries. The numbers of Nordic citizens taking advantage of exchange opportunities with the Baltic States and Russia have been modest. One could, however, ask why Nordic representatives should get money from the NCM for exchange trips to adjacent areas when their own resources could cover this activity. Nevertheless, more mobility from the Nordic Countries to the Baltic States and Russia could be beneficial.

An interesting and surprising detail was provided by one Nordic interviewee who noted that the overwhelming majority of exchange programme participants have been female. One can only make guesses why women are keener to take advantage of exchange possibilities than men.

5 Northwest Russia

Apparently, the NCM has been encountering considerable problems in Russia as far as some of the exchange programmes are concerned. The reasons for this are manifold, ranging from language problems to local the administrational culture.

First, the interest in exchange programmes has varied greatly. When Norpraktik was run by the Norden Association (Förening Norden) there were only 3-5 participants each year. Now that the IO in St Petersburg has taken over the numbers seems to be increasing. The civil servants exchange programme has also sometimes lacked applicants. To fill this gap, representatives of NGOs have been admitted to the programme, which has blurred its focus.

Secondly, individual scholarships have turned out to be problematic. In particular the exchange of civil servants programme, run in Russia since 1997, has faced some tough times. One reason seems to be the somewhat authoritarian administrative culture in Russia. One interviewee told of a case where a civil servant was forbidden to take part in the programme, apparently because the superiors were simply not pleased with it. Also the mayor of Arkhangelsk has openly stated that he is against allowing civil servants to participate in such
training programmes. Participation in such a programme might even be compared to taking bribes and be defined as illegal.

On the other hand, the former Russia president Boris Yeltsin issued an order in 1997 stating that all civil servants who are 40 or younger and who work for the federal service should be sent abroad for training.¹

Such principles seem to be of little value if the executive levels of different administrational bodies in Northwest Russia are so negative toward the whole civil servants exchange programme. One might ask what is the use of sending lower-ranking civil servants to learn about Nordic administrative procedures, if there are no possibilities to promote the ideas learnt during the exchange trip at home because of the strict administrative hierarchy. The lack of proficiency in the English language has also turned out to be a problem with Russian civil servants.

Thirdly, the IO apparently has decided not to advertise the Sleipnir programme openly due to the fear of having an enormous amount of applications. Despite this, it seems that there has been no shortage of applications and perhaps the NCM should consider investing more in cultural exchange in Northwest Russia.

These shortcomings by no means indicate that the NCM exchange programmes have been total failure in Northwest Russia. It appears that good results have been achieved with university level students and researchers and the IOs expect much from the new Nordplus NABO programme.

6 Implications of the changes in 2004

The most notable implication of EU enlargement is that the Baltic States can fully take advantage of all EU exchange programmes. Therefore it is unclear whether there will still be as much interest as before to participate in the exchange programmes offered by the NCM.

This applies especially to those programmes where EU preparation has been emphasised. These programmes may perhaps need restructuring and new centres of attention. One option would be to open the NCM secretariat in Copenhagen to Baltic civil servants as well as to the people recruited locally working in the IOs. This would enable them to get a clear picture of how the inter-Nordic cooperation is being done in practice. This could be one way to promote inter-Baltic mobility, which has so far been minimal.

Nevertheless, according to views expressed by the Baltic interviewees, the NCM exchange programmes will still have an importance for the Baltic States. They see the Nordic Countries as a natural reference group, particularly within the EU. The Baltic interviewees also thought that Nordic models and Nordic expertise are still needed in many fields.

7 Links to other actors

In addition to the NCM exchange programmes, the EU exchange programme TEMPUS and bilateral programmes have been running in the adjacent areas. However, none of the interviewees thought that these programmes have overlapped with the NCM programmes. The focus of the TEMPUS programme has been to develop the higher education systems through cooperation with institutions from the EU member states. The purpose has been to improve university structures, and so is distinct from NCM cooperation.

There are also plans to integrate the NCM activities in this field more with the EU’s Northern Dimension. One Nordic interviewee saw this as a good thing because NCM cooperation should not remain as a separate “oddity” but should support the Northern Dimension. After the EU accession of the Baltic States, the aim would to be to create a Nordic-Baltic education and research area where diplomas earned in each country would be recognised multilaterally.

8 Future

A new set of ideas is needed to make the NCM exchange programmes more attractive and more focused after the Baltic States join the EU. Many interviewees would like to see
exchange programmes with clearer, separate goals based on solid substance, something that would ensure visible and specific results for the money invested. The standard answer by the interviewees from the Baltic States to the question about possible future focuses was “how to apply for funds from different EU structural funds”. It is worth considering whether this is the actual goal that the NCM wants to endorse.

The NCM is planning to adopt a new way of thinking with regard to the structural approach of the exchange programmes. Previously, the NCM has exercised a more “from bottom to top” approach by dealing directly with local authorities, universities and NGOs. Now, there appears to be a greater will to establish direct links with the central authorities and different ministries. This would be a good approach to attract co-funding for the programmes. It should also be considered if the Baltic States could select the candidates for different exchange programmes themselves in the future. The Baltic States have made tremendous progress in the last ten years and they possess the adequate capacities and expertise to handle the selection process. The precondition for this is, of course, that the Baltic States are willing to invest their own money in the exchange programmes.

Estonian officials suggested that research should be promoted more and that this is the field where the NCM could be more active. The Estonians are interested in increasing cooperation in the area of post-graduate studies, with special emphasis on doctoral programmes. The reason for this is that currently there are not many possibilities to conduct post-graduate studies in Estonia, and therefore the officials fear that after EU accession the brain-drain of doctoral students will accelerate. To avoid this, the Estonians would like too more exchange programmes with the Nordic countries that would support the post-graduate studies in Estonia. This would create tempting opportunities for Estonian students and encourage them to pursue post-graduate studies at home.

The future of the exchange programmes in Russia is a totally different story. While it is evident that have been problems in making the exchange programmes work properly, at the same time there appears to be great willingness to increase the exchange activities in Russia. One Nordic interviewee said that exchange programmes are the best way to have visibility in
Russia. Everybody also seems to agree that there is a great demand for Nordic expertise in Russia, especially among social workers and teachers.
Appendix 4

Gender equality

by Teemu Palosaari

1  Introduction

The gender sector is characterised by the fact that the issue of gender equality can be approached from different angles. When it is regarded purely as a matter of equality, the issue refers to equal representation and opportunities for men and women in society. On the other hand, it is evident that a wider variety of issues is connected to the subject, ranging from trafficking in women to domestic violence. Furthermore, gender equality is cross-sectoral in character, meaning that it can concern all spheres of society. Thus the full-scale introduction of gender equality places special demands on governmental branches in adjacent areas, as well as on the structures of NCM cooperation activities.

Among both the Nordic and Baltic central actors in the gender equality field, there appears to be a clear consensus that even after EU accession there will be a need for continuing Nordic-Baltic cooperation along the same lines as before (training courses, conferences, seminars, campaigns), which will aim to support the laying of a firm foundation for gender equality policy in the Baltic countries. In that sense, the basic principles and starting points of the Programme adopted by the Ministers responsible for Gender Equality (“Nordic Baltic Co-operation on Gender Equality 2001-2003”) are obviously still valid. What has changed, however, is that the Baltic countries regard themselves as being better equipped to incorporate their own expertise into the cooperation.

2  Nordic goals in the gender equality sector

From the Nordic perspective, the goals of cooperation in the adjacent areas are clear. The aim has been to integrate gender equality into the political decision-making process at the local, regional, and national level by cooperating with the gender equality bodies of the
countries concerned. These aims are certainly in line with the more general objectives of the adjacent-area cooperation that relate to the Nordic view on democracy (“strengthening of democracy and widening the community of shared values in the Northern parts of Europe”). In practical terms, the cooperation has focused on the exchange of information, and the organisation of various joint events and meetings. Collaboration within the EU programmes is also underway. With regard to Northwest Russia, the cooperation will be based on dialogue between ministries, regional and local authorities, researchers and NGOs. A further aim is to develop Nordic-Baltic-Russian cooperation.

The cooperation is taking place in a framework that has consisted primarily of Nordic-Baltic Informal Ministerial Meetings on Gender Equality; the Nordic-Baltic Working Group on Gender Equality; seminars (for example on violence and trafficking, gender equality legislation strategic planning on promoting gender equality, the role of municipalities, and gender mainstreaming); projects on networking, research and information dissemination; and the campaign against trafficking in women. A new Action Plan for Cooperation in the Field of Gender Equality in the Adjacent Areas is to be drawn up during the course of 2004.

A special feature of this sector is the fact that gender politics generally have a strong Nordic flavour and are deeply embedded in the Nordic perception of democracy. Nordic ideas, knowledge, and experiences have contributed to the way in which gender issues have been introduced into the adjacent areas. Thus gender equality possesses a strong Nordic trademark. Nordic countries, and the NCM as an organisation, have served as working examples on how to implement gender policies.

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4 As the title of the Nordic Council Theme Meeting 2004: “The Northern Dimension in an Enlarged Europe” indicates. Session 6 dealt with “Trafficking in Human Beings in an Enlarged EU”.
5 See the description of the new Action Plan for Cooperation in the Field of Gender Equality in the Adjacent Areas to be drawn up in the course of 2004 (in the Draft Programme for the Nordic Council of Ministers’ Co-operation with the Adjacent Areas 2004).
6 Integrating gender equality perspectives into political decision-making processes and public awareness.
7 See note 5.
Whereas in some of the other sectors of NCM adjacent-area cooperation the differences between Nordic countries’ national priorities are to a certain extent visible in the composition of NCM cooperative action, in the gender sector the Nordic countries’ goals and activities appear coherent.

3 Baltic and Russian views, goals and expectations

The main Baltic actors in the gender sector seem to welcome and appreciate the key features of the Nordic model. Thus far, they have found the NCM contribution particularly valuable in relation to the following issues:

- The different fora for dialogue that the NCM has supported (a series of conferences, seminars, meetings) have helped to build very fruitful contacts with ministries and NGOs. Such contacts are fundamental for any further work on gender issues, particularly with regard to gender mainstreaming. Introducing gender issues into administration has been successful, for instance, where it has resulted in designating ministries and departments responsible for gender.

- NCM support for the networking of different organisations encourages institutions to initiate joint projects with Nordic institutions, for instance in the field of research.

- The “WoMen and Democracy” conferences have good visibility in the Baltic capitals and have resulted in concrete outcomes where the Baltic ministry level has been involved. Such cases relate, for instance, to initiatives concerning campaigns on trafficking in women, crisis centres, national coordinators, and the incorporation of gender into certain governmental declarations.

- Nordic-Baltic cooperation has clearly resulted in a significant change in the attitude towards gender equality. Yet despite this, and despite the increased media attention, gender questions are often regarded by society at large as an issue that only concerns particular institutions, such as special ministries and women’s NGOs. Thus, to support further gender mainstreaming, the Baltic actors repeatedly emphasise the need for education and training in order to integrate gender equality into the daily routines of society and families.
In Lithuania the national administration level notes that the model for gender equality has been taken from the Nordic countries, and that from the outset the cooperation with the Nordic countries has structured and influenced the development of legislation and institutional mechanisms.\(^8\) Even if every EU member has to follow the *acquis*, the Nordic models appear more applicable than the EU/European models. Mental and cultural similarities between Nordic and Baltic countries are also seen as relevant factors that render the Nordic models more applicable.

The Baltic observers view the active Nordic-Baltic cooperation in a positive light. The NB Working Group on Gender Equality is regarded as particularly important when it comes to the exchange of information at the ministry level. This is supported by the well-established series of seminars and conferences that specialise in gender issues.

The issue of domestic violence and the lack of a means to bring such cases to court is viewed with concern by many Baltic actors. Yet even in this respect, some progress is being made, and the first steps towards positive legislative change have been taken. Models from other, mainly Nordic countries are of particular significance in order to convince legislators that such change is indeed needed.

One of the findings presented by the Baltic observers reveals that such central gender-related problems in the adjacent areas as trafficking in women, violence and drug abuse, have their root cause in the economic dependency of women and teenagers, particularly in the rural areas. This means that women are totally dependent on the financial support of men, which severely hinders their chances of making any autonomous decisions concerning their own lives. Consequently, the challenge lies in securing ways to provide help at the family level. A related future challenge is to train people to provide gender education at different levels (such as day-care centres, and schools).

One way of introducing gender equality into all spheres of society is by increasing the participation of women in politics. Women’s NGOs that have contacts with ministries and

\(^8\) Such as the Lithuanian Equal Opportunities Law.
parliamentarians are essential when it comes to educating women to become politically active.

4 Differences between Baltic countries

Baltic actors in the gender field emphasise the differences between the Baltic countries. Latvia is considered to be closer to Estonia than Lithuania, yet despite this, ministry representatives have also pinpointed differences between Latvia and Estonia when it comes to certain issues and priorities. For instance, the Estonian interest in domestic violence differs somewhat from the Latvian prioritisation of the gender aspects of work and family life. Moreover, the institutional mechanisms and structures differ to a certain degree. From the perspective of Latvian gender administration (which consists of one division with three people in a department in the Ministry of Welfare), Estonia is regarded as having a “large department”, whereas Lithuania’s gender issues are handled by the “social ministry with the help of a strong non-governmental ombudsman”. Thus every Baltic country is seen to be different and models cannot simply be transferred from one country to another.

Gender mainstreaming is proceeding at a different pace in different countries, not least in Northwest Russia. All in all, it is difficult to gauge just how effectively it has proceeded – how should one select the indicators? Furthermore, one can get different views from different observers concerning the success of mainstreaming issues like domestic violence and prostitution into general awareness and politics. What can be said is that gender issues have arisen in the debate in the Baltic countries, but actors acknowledge that further “education” is needed. In Lithuania, for instance, there has been some debate on and progress in the legislative process related to prostitution (following the example of some Nordic countries in criminalising the purchase of sexual services). The Lithuanian ombudsman system which covers gender has also been seen as a significant achievement.

Baltic countries seem to agree on the main challenges: to raise awareness in society that gender is not only a “women’s issue” (gender education in society); to raise awareness at the implementation level (in all spheres of government). The Russian views also tend to highlight the same aspects of gender (see more on Russia below).
5 Implications of the changes in 2004

The NCM and the Nordic countries played an essential role in introducing the gender issue into the Baltic countries, the first initiative being the education of many of the current Baltic gender actors. Such achievements were largely due to the efforts exerted and financing provided by the NCM. As a result, the Baltic countries now make their own contribution to gender equality. Thus far, however, most of the Baltic cooperation in gender has derived wholly from the Nordic countries. This situation is likely to prevail even after EU accession, as the main actors in the gender sector in the Baltic countries regard the Nordic countries – and the NCM in particular – as the main partner and cooperation framework.

When it comes to EU accession, the main actors recognise that the Baltic countries have done their homework. EU Delegations to the Baltic countries pointed to various ongoing legislative processes, albeit not always in such an optimistic tone, but on the whole gender issues are seen to be proceeding better than many other policy areas which are being monitored and supported. In light of this, one could argue that in the future the gender sector might be one of the issues where 3+3 cooperation among Nordic and Baltic EU members has a firm footing and may thus prove fruitful.

The Baltic actors have taken note of the gradual development towards co-financing and are also fully aware of the implications that this should have on the co-determination of project selection as well as on the ownership of projects. Actors at different levels have also recognised the requirements regarding co-financing that the Baltic EU accession imposes. In many cases, however, they doubt the financial capacity of local level actors to participate in financing.

At the national governmental level, the prevailing view is that the cooperation should and will evolve in this new direction. They see that the Baltic countries are not only able to choose from what the Nordic countries have to offer, but also provide their own expertise. The expertise of the Baltic countries is seen mainly to relate to the other new EU members

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and to Russia. Furthermore, Baltic experts on gender issues are now regarded to exist at the national level. Consequently, it is seen that the Baltic countries now know how to identify gender problems, and evaluate more clearly what is demanded in that field. This attitude is aptly summed up in a comment from an Estonian ministry: “The transition period is over, we know the values now”.

The Baltic countries see that their ability to cooperate with Russia – superior to that of the Nordic countries in some respects – can be utilised in the future, also in the NCM adjacent-area cooperation framework – especially if the adjacent areas’ activities will, to all intents and purposes, be increasingly focused on NW-Russia. What is often regarded as a “Baltic innovation”, not least by the Nordic actors, is the idea of integrating men’s interests and problems into gender thinking and activities. In the adjacent areas, the problems typical of men are seen to include high unemployment, short life expectancy, the shortcomings related to prison inmates’ integration back into society, as well as the persistent stereotypes of a man’s role in the family (which has an impact on the attitudes towards parental leave). The Latvian Men’s Crisis Centre works, for instance, to integrate those who are released from prison back into society. Such social work has largely been lacking up to now.

The transformation of the Baltic contribution to NCM projects from “in kind” to co-financing is, however, regarded as a formidable challenge. What makes the situation more difficult in Latvia, for instance, is the lack of separate budget programmes for gender (in some cases, gender issues can procure budget funding from other sub-items). Furthermore, the recruitment of extra administrative personnel to handle gender issues is not considered very likely. On the other hand, the Baltic actors in the gender sector are aware that equal partnership demands a Baltic contribution, and there is a strong Baltic interest in cooperation with Nordic countries in the future – at least among the ministry departments involved in gender issues.

In the gender sector, some steps towards one of the main goals presented in Closer Neighbours (adopted in 2002) have already been taken. In line with the aspirations towards a more

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recipient-oriented approach – to increase the Baltic actors’ influence over the type of projects that should be financed – discussions on gender equality projects have been taking place, making full use of the wide range of different frameworks for dialogue available. Thus the current stages of Nordic-Baltic cooperation in gender equality constitute a good foundation for future development towards real partnership on an equal footing.

6 Special features relating to Northwest Russia

Actors in the gender sector in Northwest Russia often note that a gradual process of “re-learning gender equality” is taking place. The perceptions based on the Soviet concept of gender equality – built more on rigid quotas than on any deeper understanding of gender equality – have to be eliminated before gender mainstreaming can have tangible effects. This phenomenon is not totally unknown in the Baltic countries either, but when it comes to gender mainstreaming, the Northwest Russian environment is clearly more challenging.

Different approaches to gender equality exist in the Russian NGO field. Some emphasise the need to influence public opinion with the help of conferences and seminars. Others regard gender equality in terms of business-oriented cross-border cooperation. From this latter perspective, building business contacts, for example, with Swedish or Estonian regions is an essential part of gender cooperation. This is related to the economic challenges confronting women, and the education of female entrepreneurs. In the business-oriented approach, gender cooperation should include things like economic consultation and the availability of credit facilities for women, both in the Baltic countries and in NW-Russia. Another approach to gender equality lies in placing emphasis on the need to change the mentality of influential people in the Russian administration, in effect to bring about a break with tradition. (Some NGO representatives note that this has been successful to date only in the social and health sector.) To this end, tools for gender education in Russian society should be developed. Some Russian NGOs also highlight the need to enhance the involvement of men in their projects, due to the problems typically experienced by Russian men, such as shortened life expectancy, alcohol abuse and the related loss of social status, and the often resulting proclivity for domestic violence (cf. “Baltic innovation” above).
Other actors in the gender field in Northwest Russia emphasise the gender equality problem in politics: they see that it is currently almost impossible for women to break into political life. On the other hand, while they acknowledge that men are in the driving seat at present, women have gained better positions in small and medium-sized enterprises. All in all, compared to the Baltic countries, it has to be stated that gender mainstreaming has not evolved that well.

The NCM has been active in promoting contact- and network-building in Northwest Russia, largely due to the efforts of the NCM Secretariat’s gender section in Copenhagen. The results of contact-building have been most visible in the conferences and seminars which have been arranged. Diverse Russian actors at different levels, as well as certain NGO central players – some of whom have rather well-established institutional structures – have been located and cooperation has got underway. At this stage it would seem reasonable to continue a fairly open attitude towards the whole field of Russian NGOs and other actors, and avoid too strong a focus on certain NGOs in particular. Otherwise one may run the risk of establishing a hierarchy of NGOs with regard to Nordic gender cooperation in Northwest Russia. Some observers state that a wide range of contacts with different NGOs should be secured in order for the NCM to maintain an independent position. The argument goes that if one NGO dominates the NCM in gender relations, this might have a negative effect, especially by distorting the “real” opinions of the NGO field.

This could cause problems, especially if one accepts the argument that, when it comes to the gender sector in NCM activities, NW-Russia lacks any systematic programme or policy and background ideology both for deciding on projects and for initiating them. On the other hand, it is understandable that the “sustainability of an NGO” in the Russian environment is an important factor for all donors. Some international donors have faced cases where the financed NGO has had a hidden political agenda and/or has suddenly ceased to exist.

The challenge posed by the Russian working environment thus remains, namely: What is the best way to monitor and respond to the NGO field expectations? Perhaps more specific guidelines could facilitate the work of the Information Office and Information Points in NW-Russia in disseminating information and encouraging applications. The joint seminars
form a good platform from which to discuss such guidelines and involve the Russian actors in the process. The potential of these seminars was well illustrated by the diversity of participants in the seminar entitled “The policy of gender equality: Interaction problems faced by authorities and NGOs” held in St.Petersburg in March 2004. Participants included representatives of both the administration and the third sector, from St.Petersburg, the Leningrad region, Pskov, Novgorod, Petrozavodsk, Murmansk and Arkhangelsk.
Appendix 5
Cross-border cooperation
by Teemu Palosaari

1 Introduction

Cross-border cooperation in the Nordic countries predates the NCM itself.1 It has consisted of attempts to solve the practical problems imposed by the borders on the inhabitants on both sides of the dividing line. The NCM’s cross-border cooperation with the adjacent areas wasn’t introduced until fairly recently. Whereas one aim in this respect has been to prepare the Baltic countries for EU membership, EU enlargement actually poses new challenges for cross-border cooperation in the whole Baltic Sea area. While the enlargement will make some old barriers disappear, some new ones will be created in their place. The new EU-Russian border (the Kaliningrad-Lithuania-Poland borders included) will prove to be a challenging testing ground, as neither the willingness of the actors for cross-border cooperation nor its political implications are entirely clear as yet.

At least four types of problem can be discerned. First of all, one can ask what the cross-border cooperation actually consists of – the term does not say anything about its content.2 Is it a method or a policy? Secondly, the EU has taken on an active role in cross-border cooperation (there are cross-border programmes in, for instance, Tacis, Phare and Interreg 3) and has budgets of a totally different scale compared to those of the NCM. Therefore one challenge is to pinpoint issues where the NCM can complement EU activities, or provide added value by addressing issues where the EU activities are lacking. Thirdly, it is necessary to identify those Baltic needs and problems where cross-border cooperation might be of some help. The glaring differences between the development of rural areas compared with

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2 One problem with the term 'cross-border cooperation' is that it can be, and is, used in very different ways. In some cases it is used almost as a synonym for international cooperation between countries that have a common geographical border. If used loosely in the NCM adjacent-area context, there is a risk that the local and regional actors in the Baltic countries and Northwest Russia will not appreciate the relevance of the concept and forms of cooperation bound to it.
major cities suggest that the capacities of municipal-level civil structures in the rural areas could be a pertinent issue as far as cross-border forms of cooperation are concerned. With regard to Northwest Russia, the challenge lies in assessing the overall applicability of different cross-border cooperation instruments, and the potential openings for cross-border cooperation projects. A related question is how Baltic knowledge of Russia could be utilised in the cross-border cooperation context. Fourthly, the Nordic political and practical goals regarding cross-border cooperation in the adjacent areas are not that clearly defined as yet. At the broader political level, the potential of cross-border cooperation to avert the emergence of new economic and political dividing lines is apparent, but the question remains as to what these goals will imply at the practical level. This again relates to the problem of defining cross-border cooperation – in actual fact, projects of any substance sector (environment, energy, gender, health and social, etc) can be carried out in the form of cross-border cooperation.

2 NCM cross-border cooperation projects

There are two main NCM projects in the adjacent areas where the cross-border feature is explicitly mentioned in the project descriptions. In the project “Development of Local and Regional Administration” the general aim is to improve contact between municipalities and regions in the Baltic and Nordic countries and to contribute to the development of local and regional administration in the Baltic countries. The project includes a financing mechanism which provides funding for municipalities and regions for the implementation of minor projects – or for the preparation for major EU projects.

The other major project, entitled “Cross-border cooperation in the Adjacent Areas”, concentrates on coordinating a network of 12 Euroregions in the Baltic countries and Northwest Russia. Other countries participating in the projects are Belarus⁴ and Poland. The project (often referred to as Sarunas’ Project) has used the Euroregions as a tool for cross-

⁴ Cooperation with Belarus takes place at the moment only at the regional level, where the NCM is working to build networks, not at the central level.
border cooperation. The Euroregions are a special breed of cross-border cooperation in which formalised cooperation between local municipalities on both sides of the border exists, thereby establishing a “region”. In the context of this project, cross-border cooperation is defined as cooperation between territories situated directly on the border. When it comes to the actors involved, this definition implies that the border constitutes both a problem and an opportunity for the counterparts in the cooperation. This is due to the fact that local-level and specific local interests differ from state-level problems. These problems often relate to economic obstacles that the border or peripheral status of the territories might be posing, for instance by making small trade complicated.

One notion regarding this project is that it might develop into a programme. This is based on the finding that the building of cross-border networks of cooperation has now reached the stage where it would be possible to include almost any kind of project. As the duration of this project is 2002-2004, it is now coming to an end and discussions on how to continue the project and its funding are ongoing. One possibility is to continue the project as a pilot project between the NCM and the CBSS. The aim would be to create a joint programme to enhance cross-border cooperation on the external EU borders in the Baltic Sea region. The Euroregions network created by the NCM could be utilised in the cooperation. Other NCM cross-border cooperation projects in the adjacent areas could also be transformed into joint NCM-CBSS projects. According to these plans, other potential financiers, in addition to the NCM and the CBSS, could include the European Commission and the secretariats of Interreg III B and Interact. When building inter-organisational cooperation around such a vaguely-defined concept as cross-border cooperation, it must be remembered that there is a risk that the cooperation will not amount to any practical achievements in the target areas – especially if there is no shared understanding among the organisations of what cross-border cooperation means. A very real benefit in cooperating with the CBSS, however, is that it draws the other Baltic Sea states into the cooperation as well. Furthermore, if successful, such cooperation could also introduce some much-needed coherence to the diversity of organisations in the European North. 


6 See Chapter 3.1.
When working on the plans where cooperation with the CBSS is included, the experiences that the NCM energy sector has gained in cooperating with the CBSS in the Baltic Sea Region Energy Co-operation (BASREC) could be utilised. Moreover, as the Nordic definition of cross-border cooperation places a great deal of emphasis on the bottom-up character of the cooperation mode, and seeing as the regions have an important role in passing on the message about local problems to the central level, the viewpoints of the Euroregions and other partners in the project should be heard in the planning process.

Cross-border cooperation is often regarded as a potential flagship cooperation format where the NCM can contribute to democracy and region-building in the Baltic Sea region better than the EU or individual European countries. One vision for the future is that NCM activities in the adjacent areas could consist solely of exchange programmes and cross-border cooperation, which are the only two fields in which the NCM can provide special Nordic “value added”. Other sectors would then be left for the EU to handle. When discussing these visions, attention should also be paid to the viewpoints of the Baltic countries and Northwest Russia, especially if the main goal in Nordic-Baltic cooperation – equal operative and financial partnership – is to be met. Some Baltic actors claim that the NCM had an important political role at the beginning of the 1990s, but for the moment the political goals have more or less been reached. Therefore, they argue, the solution for revitalising Nordic-Baltic cooperation should be based on establishing a clear strategy for the Baltic Sea region. This would hinge on the common interests that the Nordic and Baltic actors have in the enlarged EU.

As the NCM’s cross-border cooperation projects have, up to now, concentrated mainly on building contacts and networks (for the exchange of civil servants or for future cross-border project activities), it is perhaps too early to evaluate how well they have contributed to such goals as regional stability or welfare. What can be noted, however, is that in order to build effective cooperation among the authorities as actors of equal standing and to provide

7 “Co-operation with the Baltic states should be restructured in collaboration with them so that, in future, it will be based on equal operative and financial partnership. […] Cooperation with the Baltic states will change and become proper intergovernmental cooperation between public authorities.” New Nordic Agenda on New Strategy for the Adjacent Areas, p. 65.
successful co-funding for joint projects\textsuperscript{8}, the building of administrative capacity, especially at the regional and local levels in the adjacent areas, is imperative. When the projects contribute to this, cross-border cooperation can be a vehicle which supports the anticipated restructuring of NCM cooperation with the Baltic countries and Northwest Russia.

3 Baltic expectations and problems regarding cross-border cooperation

According to one Estonian observer, EU accession actually makes the NCM cooperation at the regional level more valuable than ever. Baltic actors could utilise the Nordic experience in handling EU projects. Nordic actors are often in the position of leading partners in EU projects where Baltic actors are participating, and this adds to the importance of the Nordic-Baltic cooperation from the Baltic viewpoint. An Estonian ministry-level interviewee summarised the future focus of the Nordic-Baltic cross-border cooperation as follows:

- Joint planning activities at sub-levels (counties, etc) for Euroregions and other EU frameworks;
- Strengthening of administrative capacity and the NGO sector. The weak administrative capacity of municipalities is seen as a problem that EU accession will highlight. The municipality level is not able to implement even small projects;
- Partnership search for EU projects (in Interreg programmes).

However, it is apparent that the transition period for the Baltic countries is at an end: the current Baltic needs are very practical in nature. Instead of the promotion of democratic values and Nordic models, the Baltic countries are anticipating the sharing of experiences on how to provide services and how to involve local citizens in planning and decision-making at the municipal level. In Latvia, Danish experience has been used to develop legislation. The Latvian association of local governments has been established with the help of Danish support and Danish know-how. The exchange of civil servants has also supported the sharing of Nordic experiences.

Baltic countries have their own cross-border cooperation partners in the adjacent areas. Latvia, for instance, has regional cooperation with Lithuania, Poland and Kaliningrad. As a

contribution to Nordic-Baltic cooperation, the Estonians suggest that the Estonian municipalities could share their experiences on e-democracy and e-services with the Nordic municipalities. The Baltic countries are also offering their overall experience with Russia to be utilised in NCM cross-border cooperation with Northwest Russia. Furthermore, the “trilateral” Nordic-Baltic-Russian cooperation is considered to have a positive political impact on Baltic-Russian relations. Some Baltic observers see that the Baltic countries are taken more seriously at different levels by Russia and Russian counterparts when in the NCM framework.

The Baltic countries also have bilateral cross-border cooperation arrangements with each other. Estonia and Latvia, for instance, have established ministerial-level bilateral cross-border cooperation. A bilateral committee supports Estonian-Latvian cross-border cooperation where the actors include ministries, state institutions and representatives from the border regions. A somewhat similar cooperation committee has recently been established between Poland and Estonia but, in the Estonian view, it is not working that well. There is also a special intergovernmental commission concerning cross-border cooperation between Lithuania and Latvia, where regional representatives meet once a year on each side of the border. A similar commission, with a somewhat longer history, is also on the Lithuania-Poland border. It concentrates on social and economic issues. Lithuania-Kaliningrad cross-border cooperation also has similar mechanisms, but has been less active. The main topic lately has been the participation of both partners in the Interreg programme. Lithuania does not have such a commission with Belarus. The Baltic countries also have a number of regions participating in the Euroregions. Knowledge on intra-Nordic experiences regarding cross-border cooperation could help the Baltic countries develop these forms of cross-border cooperation even further.

The Baltic actors consider the impact of the ongoing administrative reforms in the Baltic countries on the foundations for cross-border cooperation to be rather limited. On the other hand, one could argue that as long as the administrative reforms are ongoing and the status of local and regional governments is unstable, cross-border cooperation with them cannot function properly. In all the Baltic countries, the administrative reforms have been a painstaking and drawn-out process – and with no clear end in sight just now.
Latvia is a case in point. Its self-government system consists of two levels: the local level (473 rural municipalities, 65 towns and 7 cities, 7 amalgamated town and rural municipalities), and the regional level (26 districts and the same 7 cities). In addition, there are the so-called planning regions. Furthermore, as the publication of the Union of Local and Regional Governments bluntly puts it: “Due to the ongoing territorial reform the number of local governments is constantly changing.” The concept of local government reform was accepted by the Latvian Cabinet of Ministers in 1993.9

In Estonia, there are three national associations of local government, the major ones being the Union of the Estonian Cities and the Association of Rural Municipalities. The 15 Estonian counties have their own national-level Union of Local Government Associations, which has been re-established quite recently. The Estonian administrative reform has been ongoing for years, but in practical terms the reform process has more or less ceased.

In Lithuania, the situation is more stable at the moment. In 2003, the Lithuanian government approved an administrative-unit development strategy. The Decentralisation of administration has made further inroads during the last year, too.

From the Baltic countries’ perspective, the general problems that relate to cross-border cooperation can be summed up as follows. Firstly, their national system is not developed enough to get the best possible results from the forms of cooperation currently available. Secondly, the Russian federal level is not convinced that the cross-border or cross-regional cooperation between Russia and the Baltic countries could reach the same level as, for instance, the Finnish regional cooperation with Karelia. (The ongoing cross-border projects on the Kaliningrad-Lithuania border make the Russian-Lithuanian connections an exception.) Thirdly, certain EU regulations concerning the possibility to participate in the EU’s cross-border cooperation projects rule some Baltic actors out.
4 Compatibility of the EU and NCM cross-border cooperation frameworks?

One official aim of the EU’s Interreg programme has been to improve cross-border cooperation and help border regions along the EU’s inner and outer borders to solve the problems caused by their isolated geographical location. The methods of cross-border cooperation have also been utilised in TACIS. For instance, the main objectives of the TACIS Cross-Border Co-operation Small Project Facility Programme include encouragement and support of cross-border cooperation between the regions, cities and local authorities in Russia, Belarus, Ukraine, Moldova and the Baltic countries, among others.¹⁰

For several reasons, the NCM neighbourhood policy adds value to the cross-border cooperation in the adjacent areas, and in some cases to an even greater extent after the EU accession of the Baltic countries.

One reason for this is that in some of the EU programmes, the combination of possible partner countries is limited, thus ruling certain Nordic-Baltic combinations out (for instance, the Estonian ministry level notes that there is no possibility for bilateral Estonia-Sweden cooperation in the Interreg programme).

Secondly, from the practical perspective, there is both the scope and the need for the NCM framework, especially in the field of local-level administrative capacity-building. In some cases, the EU assistance/cooperation modes can be too huge or complicated for local actors to apply for. This is where the NCM can support the local level – in some cases with the aim of helping the actors to build the necessary capacity to apply for EU financing, as the NCM project “Development of Local and Regional Administration” has shown. On the other hand, it should be noted that the EU also runs some cross-border and interregional programmes which contribute to the preparation of local and regional governments for participation in EU assistance programmes and the establishment of partnership with the

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local and regional governments of EU member countries (Phare Cross-Border Cooperation and Phare CREDO programmes).\textsuperscript{11}

As far as the new EU-Russia border is concerned, there will also be a need to find new topics for cross-border cooperation. The aim of cross-border cooperation among the Nordic countries has often been simply to assist border-crossing. Such an aim, however, will not be so easily realised along the new EU-Russia border. This is also partly due to the fact that the Baltic countries might find EU ideas concerning border-region policy in the East altogether too permissive.

From an Estonian ministry perspective, the Nordic countries remain the most important partners in the Interreg projects, with the exception of Interreg IIIC, where European partners can be selected from a wider geographical range. Cooperation with partners from the neighbouring Nordic countries is also welcomed because it is evident that only a very limited number of Estonian actors meet the requirements for participating in Interreg IIIC as eligible partners. In some cases even Estonian national associations cannot be partners as they do not cover the whole Estonian target region. As for local governmental associations, none of them are eligible for partnership, as they clearly do not cover the whole of Estonia.

Thus, still from an Estonian point of view, the eligible activities in the Interreg programmes should be taken into consideration when making the next framework programme for the NCM adjacent-area policies, in part to avoid the overlapping of financing.

The Lithuanian Interior Ministry considers that the main topic among regional issues just now is the preparation for Interreg programmes and for the absorption of Interreg funds. What is lacking is assistance for those authorities which will be the project applicants. The related transfer of know-how is also seen as a relevant topic for Nordic-Baltic cross-border cooperation. A clear role for the NCM is also envisaged in developing a strategy for the Baltic Sea region, as Interreg III is drawing to a close, and thus there is a need to explicitly define the strategy of the Baltic Sea region: What are the interests of all the countries concerned, and what are their common interests? Such strategy definitions are essential not

\textsuperscript{11} See note 5.
least because each of the countries will have to define their goals in order for the co-
financing and co-determination of future NCM projects to be effective.