

WELCOME AND OPENING ADDRESSES

Mr Armas Lahoniitty

Mayor of the City of Turku

Mr Matti Vanhanen

Prime Minister of Finland

Mr Per Bødker Andersen

President of the Union of the Baltic Cities

Mr Kornelius Sigmundsson

Ambassador, Chairman of the Committee of Senior Officials,
Council of the Baltic Sea States

Mr Stephen Kabuye

Chairman of the Lake Victoria Region Local Authorities Cooperation

Mr Bernard Hoarau

Principal Programme Coordinator, United Nations Institute for Training and
Research

Mr Pavel Telicka

European Coordinator for “Rail Baltica”

Mrs Anna Zigure

Author, former Latvian Ambassador in Finland

WELCOME ADDRESS

Mr Armas Lahoniitty
Mayor of the City of Turku

Dear Mr President!
Representatives of the UBC member cities!
Dear friends!

I have the great honour and pleasure to welcome you to Turku, to the VIII General Conference of UBC. We are proud to host this event which is very important to the organisation. I am also extremely pleased to see that we have a large and representative group of participants.

Dear friends,

When UBC was founded nearly 15 years ago, we were going through an era of major changes. The founding of UBC and other regional co-operation organisations searched for channels and solutions to these challenges. There was a social need for co-operation.

Today, the Baltic Sea area is again living a time of major challenges. As a result of the enlargement of the European Union, the Baltic Sea is almost EU's inland sea, which will increase the EU's weight in the area. This is also reflected in the relations of the EU and its Baltic Sea member states to Russia and its areas on the Baltic Sea coast.

The changing operating environment inevitably affects the forms of co-operation. Organisations in the Baltic Sea area founded after the Cold War, including UBC, have to evaluate the priorities and implementation of their operations.

One third of the EU's member states are located on the Baltic Sea coast. This offers a great potential to influence European decision-making. As we know, a lot remains to be done in that respect in order to give the needs and hopes of the Baltic Sea the weight they deserve in Brussels and Strasbourg. There are still too many decision-makers whose mental map of Europe ends on the south coast of the Baltic Sea.

We should not criticise others about this unfortunate state of affairs, but rather look in the mirror and ask whether we have done enough for our common cause. I believe that we all agree that we have not used all our opportunities in this respect.

In my opinion, we in UBC and other co-operation organisations and networks of the Baltic Sea area should define common priorities that we wish to promote at the European level. On the basis of this we also evaluate the efficiency of existing co-operation structures and organisations, as well as contemplating how to best advance our cause.

Measures have already been commenced in order to enhance European supervision of interests. Some representations of UBC member cities in Brussels – including those of Stockholm and Turku – have studied the opportunities for improving our visibility at different levels of European organisations under the supervision of the Executive Board of UBC. I think that we should quickly take action in this matter, and Turku wants to be actively involved.

Dear President, dear friends

During its fairly short existence, UBC has achieved a lot. We should be proud of our achievements. The active contribution and commitment of member cities – both large and small ones – to our operations and goals have been the key factors of our success.

UBC commissions have done very important and concrete work for the benefit of our member cities and, consequently, the whole Baltic Sea area.

As we have now gathered here in Turku, I wish to mention as an example the work of the UBC Commission on Environment and its secretariat which is highly valued both among member cities and more widely. The secretariat that has grown into an international team of more than 10 people and administers a project portfolio of about 10 million euro can remind us about the fact that we can also make significant results in other operating sectors. We can all learn a great deal from the work of the UBC Commission on Environment. It can serve as an example to operations of other fields; for instance, in the fields of healthcare and well-being, and economic co-operation.

The evaluation of UBC's focal points and structures has already begun. In my opinion the new Executive Board and Presidium to be elected here in Turku need to focus vigorously on this. UBC has the potential to develop into an even more significant actor than it already is in a number of fields. I think that UBC now has an ideal opportunity that should not be lost.

The development of the Baltic Sea as a successful economic area is one of our most important challenges. Only through business operations we will be able to generate new wealth and distribute it to the citizens. The common benefit of all requires sustainable growth in the long term. We can say with satisfaction that the Baltic Sea area is an extremely important growth area both on the European scale and internationally.

We need to see together that it will be so in the future, too. It requires, for instance, that we are able to take care of our competitiveness. One concrete goal could be that cities would act together with other public sector parties and the private businesses in order to develop a local operating programme based on the EU's Lisbon strategy. I think that it would offer an excellent opportunity for co-operation with, for instance, the Baltic Development Forum that has already done valuable work to develop the Baltic Sea identity and "brand".

For cities, economic development is of utmost importance. The majority of wealth is already generated in cities. In the future the importance of cities as engines of local development will continue to increase. Cities need to promote the rooting of good governance through their own actions, and exchange experiences on the best practices. We can learn a lot from each other and thus create a favourable environment for economic activities.

Dear friends,

I have above dealt with some issues that I consider topical for the work of our common organisation, UBC. I wish to conclude my address by telling briefly what Turku has done and will be doing to promote them.

As you know, Turku has invested vigorously in the co-operation with UBC. We will continue to do so in the future. In spring, our City Council approved the new Turku Strategy for the years 2005-2008. One of its key goals is to ensure that Turku is "an active international actor and has strong influence in the Baltic Sea area". We are also ready to continue in the top management of UBC, if the member cities so wish.

We work for the same goal in other forums, too. Today we published a survey that aims at founding a nationally and internationally significant Baltic Sea Centre in Turku. Our partners include, among others, the three universities in Turku and the Regional Council of Southwest Finland. We believe that

the centre would be a significant addition to the Baltic Sea activities existing in Finland rather than competing with them. Our ambitious goal is to get the operations started by the end of the year 2006. The Baltic Sea Centre in Turku could also offer useful services to UBC in the future; for instance, in the fields of training, best practices, exchange of experiences etc.

You may have noticed that many inhabitants of Turku and conference guests from elsewhere wear a colourful Turku 2011 pin badge. It tells about the same thing to which Prime Minister Vanhanen refers in his greeting: Turku is seriously running for the European Capital of Culture in 2011. In that year one Finnish and one Estonian city will be granted the title that also brings with it many obligations.

Turku has already gained the support from many Finnish and foreign cities to its application. Just a couple of weeks ago, our twin city St. Petersburg, a true metropolis of the Baltic Sea area, expressed its active support to Turku. We have also discussed co-operation with Estonian cities, particularly Tartu and Tallinn. We hope that the UBC member cities will co-operate closely with us in this long and important process whose focal point in terms of content is to make the Baltic Sea and its culture known in Europe.

Dear friends,

Once more, you are warmly welcome to Turku. I hope that during the tight schedule you will have time to get acquainted with our city and its inhabitants. A pleasant way for that is to drop in one of the pubs such as the Old Bank, Koulu, Uusi Ap-teekki or Puutorin vessa. Each of these pubs has its own history that is worth hearing!

WELCOME ADDRESS

Mr Matti Vanhanen
Prime Minister of Finland*

Distinguished participants,

It is a great pleasure for me to convey this greeting to the VIII General Conference of the Union of the Baltic Cities and to the Conference entitled “Towards a New Baltic Sea Agenda”.

Finland is a country that has literally speaking risen from the Baltic Sea. Our coast line is many times longer than the distance around the earth. Finland lives by the sea and from the sea. Like our present capital city, Helsinki, also our former capital Turku was from its inception a maritime regional center.

The Baltic Sea has throughout history attracted human settlement and political power. Relatively few capital cities outside the Baltic Sea are located at the seaboard. In Europe I can think of only Oslo and Reykjavik. Around the Baltic, however, a majority of five countries have chosen to govern their countries from capitals on the coast.

Many countries around the Baltic Sea basin are today among economies, which are setting examples of relatively dynamic economic performance compared to the more gloomy averages of the European Union. The Nordic countries, especially Finland closely followed by the others, have scored remarkably well in studies measuring competitiveness, sustainable development and transparent governance. Science, technology and innovations are thriving. Countries on the eastern shores of the Baltic have done well among new EU member states in reforming their economies and in attracting new foreign direct investment. Russia has indeed picked up a high economic growth rate, outpacing its western neighbors. The Baltic Sea Region also presents some logistical advantages. Using either air routes or the Trans-Siberian railway the Baltic Sea is closer than most of Europe to the huge and rapidly growing Asian markets. The sea itself continues to connect our own harbors. This scene is favourable for further cooperation.

Today you are convened in Turku, one of more than hundred member cities of the UBC. Turku is known in Finland as one of our cities, which have consistently and with determination worked for the promotion of Baltic Sea cooperation. In addition to its active role in this organization, it has developed close bilateral ties to a number of cities, including St Petersburg and Stockholm. I have also been informed about some more ambitious plans for the future. Moreover Turku has presented its candidature to become the cultural capital of Europe during the year 2011.

I wish the oldest Finnish city and the venue of your meeting all the best and the participants fruitful deliberations.

Matti Vanhanen
Prime Minister

* Address delivered by Mr Pertti Paasio, Chairman of Turku City Council

WELCOME ADDRESS

Mr Per Bødker Andersen
President of the Union of the Baltic Cities

Dear UBC Friends and Guests of the General Conference!

The Baltic Sea Region has undergone a profound change since the establishment of our organisation in 1991. Links of co-operation between the Eastern and Western, Northern and Southern shores of the Baltic Sea have been strengthened, as the divisive barriers have disappeared. We can justly be proud of our achievements in the past.

Today, the Baltic Sea Region is recognised as a forerunner in many fields. Strong economic growth, new and innovative solutions, broad variety of regional institutions and structures and the joint will to turn these assets into sustainable development and prosperity give us reason to look confidently into the future.

However, we know that nothing comes without hard work and concerted effort, without close co-operation between all stakeholders. This truth we learned in the past. The same applies to the future.

The theme of our VIII General Conference in Turku is: "Towards a New Agenda for the Baltic Sea Region". Large participation from our member cities and from partner organisations, prominent expert speakers as well as the traditionally friendly and co-operative spirit of our meetings provide us a possibility for a fruitful dialogue and a fresh look forwards the future.

The cities have an increasingly important role in ensuring the success of our region. Most economic activities take place in the cities. Also ideas, people and money meet in urban centres, creating innovations and pushing developments forward.

This creates also challenges for the political and administrative structures of the cities. They must be able to respond to the rapid changes and ensure, that democratic decision-making and effective management are combined for the benefit of all. We need all the efforts we can get from all cities, members of the UBC, to tell the world, especially Europe, what we are thinking, why we are doing this networking having been so successful until now. It shall go on and it shall develop.

The same challenge applies to organisations, including the UBC. We have to evaluate our performance in the changing environment. We have to ask ourselves how things could be done more effectively for the benefit of our member cities and the region as a whole. This is one of our most important tasks during the Turku Conference.

I hope you'll all be vividly participating in the work during this General Conference to show the new route, the new ways we're going and the way we want to influence the development of our part of Europe.

Heartily welcome everybody!

Per Bødker Andersen
President of the UBC

ADDRESS OF CBSS

Mr Kornelius Sigmundsson
Ambassador, Chairman of the Committee of Senior Officials
Council of the Baltic Sea States

It is with great pleasure that I address the VIII UBC General Conference on behalf of the Icelandic Presidency of the Council of the Baltic Sea States. We have had a meeting of the Committee of Senior Officials for the last two days here in Turku and I am pleased to see that all of my colleagues have decided to participate today. This is a sign of the importance that the CBSS attributes to the UBC as one of its Special Participants.

The CBSS is an overall political forum for intergovernmental cooperation and serves as a vertical link from the local and regional to the national authority level and the European Union. This link works both ways as a tool for the cooperation of both of our organizations for the benefit of the Baltic Sea Region.

Cooperation requires information on the partner's visions and expectations. Therefore let me introduce you briefly to the priorities of the Icelandic CBSS Presidency for the coming months and share some thoughts on future cooperation between UBC and CBSS. The priorities encompass inter alia energy issues and the protection of the environment, cooperation on nuclear and radiation policy, cooperation with the regional organizations in Northern Europe – especially the Arctic Council, the Barents Euro-Arctic Council and the Nordic Council of Ministers, strengthened economic cooperation, childrens' issues, and cooperation with Parliamentarians in the Baltic Sea region.

Cross-border cooperation, especially across the external EU border, is a particularly relevant issue on the agenda of the CBSS. Together with the Nordic Council of Ministers and 33 other partners from around the Baltic Sea including Russia and Belarus, the CBSS launched last Tuesday in Vilnius the INTERREG III B project Baltic Euroregional Network. The objective of the project with a budget of approximately 1.4 million Euros is to promote spatial development and territorial integration in the Baltic Sea Region:

Firstly, by establishing Euroregions as planning partners with national authorities and international institutions and,

Secondly, by building a permanent network of Euroregions for continuous capacity-building and sharing of experiences.

Cooperation needs coordination. In light of the participants' comments on the last Coordination Meeting of Heads of Baltic Sea Regional Organizations in Malmö in 2004, and taking into account changing needs, the Icelandic CBSS Presidency has decided to break with the tradition of a large coordination meeting with a rather general agenda and discussions. We want to move from just exchanging information to a policy-level dialogue and therefore invited the UBC, the BSSSC, B7, and the CPMR-BSC to a Special Consultation on actual issues of common concern. The meeting took place here in Turku today. We discussed issues such as the future of the EU Northern Dimension policy after 2006 and the elaboration of EU Maritime Policy, especially focussing on the input Baltic Sea Organizations could provide.

In fact, these important issues and others will be discussed during the UBC General Conference and the conference entitled "Towards a New Baltic Sea Agenda" – of course from the special viewpoint of the cities of the Baltic Sea Region. As the UBC defines itself as the "Watchdog regarding EU policies that affect cities in the BSR", your contribution is certainly an essential part of the global picture of

stakeholders in the Baltic Sea Region on issues of common concern. Let me underline that the city perspective is not a competitor to the regional or national view. Rather the national, regional and local levels complement each other enabling us to formulate a global Baltic Sea regional approach to these issues.

Both of our organizations rely substantially on the support of our Secretariats and they are in close contact with one another. In this regard I would like to introduce to you our new Director, Dr. Gabriele Kötschau, who took office on 1st September. Dr. Kötschau comes from the German Land Schleswig-Holstein where she was a member of Parliament until this year.

Cooperation between UBC and CBSS has a stable and longstanding basis. Let us build further fruitful and result-oriented innovative cooperation for a dynamic region – our common Baltic Sea region. I wish the VIII UBC General Conference and the conference “Towards a New Baltic Sea Agenda” every success!

ADDRESS OF LVRLAC

Mr Stephen Kabuye Chairman of Lake Victoria Region Local Authorities Cooperation

The President of UBC, Honourable Members of the Presidium, the Secretary General, central government representatives, other Networks, partners and organisations represented here, distinguished delegates from the Baltic Sea Region and beyond, Ladies and Gentlemen,

I bring you warm and fraternal greetings from East Africa where the great Lake Victoria, the second largest fresh water body in the world lies. I am pleased to join you at this 8th General Conference of your esteemed organisation.

Allow me to introduce members of my delegation at this juncture. I am privileged to be accompanied by: Hon. Leonard Bihondo, Mayor of Mwanza and the Vice Chairman from Tanzania, His Worship dr Stephen Agulo Odhiambo, mayor of Homa Bay and member of the project steering committee representing Kenya; and our Secretary General, dr Julius Ayo-Odongo.

Of course not forgetting myself, Stephen Kabuye, Chairman of LVRLAC whom a number of you have met before.

Our organisation, LVRLAC which many participants in your midst may have heard about already, was formed in 1999 and brings local authorities in Kenya, Uganda, and Tanzania, to work together to promote sustainable development in the Lake Victoria shore region. We also intend to include other local authorities in the wider basin area of the Lake including those from Rwanda and Burundi to cooperate with us.

Currently 62 local authorities in the traditional East African countries subscribe to LVRLAC.

LVRLAC has been in a twinning partnership with the UBC since the year 2000 and we are proud to have been associated with you. As networks of local authorities/cities surrounding shared water bodies, we believe that there are many similarities and commonalities in the kind of challenges and problems facing the respective local authorities in the two regions although they may vary in magnitude or intensity.

Being local authorities also means that we are the closest arm of government to the communities/citizens and hence faced with the challenges of listening and attending to their daily needs as the first line of response, and/or finding remedial measures wherever and whenever applicable.

We believe that our “marriage” with the UBC has been a fruitful one, which has seen two phases of activities successfully accomplished and a phase three envisaged to start soon. We are grateful to the Swedish International Development Cooperation Agency (Sida) for supporting the partnership.

We are looking forward to even further positive outcomes of the cooperation especially in the areas of continued exchange of knowledge and technical expertise e.g. in the fields of urban planning, environmental management, tourism development etc. We also value twinning partnerships between LVR and BSR cities to encourage more people-to-people interactions, and of course as politicians we would not want to miss out on sharing ideas and experiences on good governance and other aspects of development management.

For those who may want to hear more about LVRLAC and our cooperation, I take this opportunity to invite you to the special forum at Forum Marianum tomorrow afternoon where we will discuss the UBC-LVRLAC cooperation in detail.

Once again let me express, on behalf of the delegation from the LVR and on my own behalf, our gratitude for the hospitality so far accorded to us and for being part of this great gathering. I wish also to commend the spirit of brotherhood between our two partner organisations.

We want to pray for continued good relations and look forward to great and fruitful interactions over the next few days.

In our East African way, we say, “MUNGU AWABARIKI” (May God bless you all).

Thank you.

“The United Nations Institute for Training and Research: Exchanging Experiences Among Cities – Opportunities and Prospects”

Mr Bernard Hoarau
Principal Programme Coordinator, Decentralized Cooperation Programme,
UNITAR

Excellencies,
Mr. President,
Ladies and Gentlemen,

First of all I would like to thank Mayor Armas Lahoniitty for the kind invitation to the VIII UBC General Conference in Turku. It is a great honour to speak here on behalf of the United Nations Institute for Training and Research (UNITAR) and be given the chance to outline opportunities and prospects for cooperation between the Union of the Baltic Cities and UNITAR.

Please allow me to briefly introduce UNITAR and its specific training programme for local authorities. Then I will outline some of the opportunities for cooperation between UBC and UNITAR as I see them today.

The United Nations Institute for Training and Research has the mandate to enhance the effectiveness of the United Nations in the field of peace maintenance and the promotion of economic and social development. UNITAR receives no funds from the UN Budget. It is responsible for raising its own funds. This distinguishes UNITAR from many other UN Organizations.

Among UNITAR’s innovative programmes is the “Decentralized Cooperation Programme” which I am leading. This specific programme is designed to reinforce capacities of local authorities. The major objectives of the Decentralized Cooperation Programme are twofold:

- 1) The first one is to assist local authorities in locally implementing international conventions related to sustainable development such as the Biodiversity Convention and the Basel Convention.
- 2) The second objective is to assist local authorities in implementing the International Development Goals at the local level.

Our training sessions for local authorities focus on four major areas:

- Environment and Sustainable Development
- Urban Services
- Local Governance and
- Human Security

The particularity of the programme is the training methodology. It is based on techniques of Knowledge Management which UNITAR has been developing jointly with the private sector for the last four years. The practical training sessions focus on interactive knowledge exchange among local authorities’ representatives. In other words: The underlying rationale for our training programme is the assumption that for each problem that a local government can encounter, another authority has already found a solution. What they all need is a platform to exchange their experiences. UNITAR’s Decentralized Cooperation Programme provides this platform. This training approach often results in sustainable city-to-city cooperation both in the context of South-South cooperation, North-South cooperation as well as partnerships between cities from the North.

What could UNITAR bring to the Union of the Baltic Cities? Considering the expertise present in the UBC network in general and in its various sector commissions in particular, considering also the efficient coordination mechanisms within the network, I am not sure whether you will be in need of UNITAR to facilitate the knowledge exchange among your member cities. If wished, UNITAR could certainly assist UBC in promoting effectively the experiences among UBC member cities, particularly in the EU-enlargement context.

Please note that our training programmes are action oriented as they bring in expertise from the private sector and from development banks and agencies, since modalities for urban services delivery and access to external financing are a permanent concern for local authorities. In this context we have developed jointly with the World Bank Institute and the International Finance Cooperation a training module on Financing Municipal Water Services, which gives local authorities the opportunity to assess their creditworthiness. I am pleased to say that some of the participants of this training in Poland are here today.

Another prospect for cooperation would be for UBC member cities to be able to capitalize existing know-how and to export their good practices beyond the Baltic region. This can be accomplished by your participating in our training seminars and by your sharing your expertise with other cities in the world. We have established an International Network of Training Centres for Local Authorities, the so called CIFAL Network. So far, 11 Centres operate in key geographical areas on all continents. They are located a.o. in Atlanta / United States; Barcelona and Bilbao / Spain; Curitiba / Brazil; Durban / South Africa; Kuala Lumpur / Malaysia; Ouagadougou / Burkina Faso; Plock / Poland and Shanghai / China. In these training centres UNITAR facilitates knowledge and management exchange between local actors from various geographic areas. These training centres have been established in cooperation with the respective regional associations of local authorities, such as UCLGA (United Cities and Local Governments for Africa), PMD (Partnership for Municipal Development), FEDRE, FLACMA, and CITYNET.

UNITAR's international network of training centres for local authorities might be an appropriate platform for the promotion of your expertise. For it is not only in the domain of sustainable development that the Baltic cities have a lot to share. They also dispose of exemplary experiences in the fields good governance and information technology among others.

Exporting the Baltic cities' good practices could also take other forms, like hosting international UNITAR conferences or participating in UNITAR expert groups, which the city of Tallinn is already committed to do and I would like to thank its representative.

To conclude, UNITAR's Decentralized Cooperation Programme could possibly facilitate knowledge exchange among local authorities in the Baltic region and could certainly help promoting and disseminating the good practices of the Baltic cities in the area of sustainable development.

Ladies and Gentlemen, you might see other promising fields for cooperation. I am looking forward to discussing these propositions with you and to answer any questions you might have.

Thank you for your attention.

“Rail Baltica – Challenge and Opportunity”

Pavel Telicka *

European Coordinator for “Rail Baltica”

I want to talk to you this evening about my job as European Coordinator for «Rail Baltica» which is an imaginative, strategic and sustainable transport project involving the new Member States of the European Union in the Baltic Region which because of its north/south axis will link the Baltic States and Poland with the heart of the European Union thereby unifying the Single Market.

The frontier between Lithuania and Poland (less than 100 kilometres wide) is the only land link between the Baltic States and the rest of the EU and is therefore of major importance. The economic viability of the project will be made clear by the Feasibility Study (starting 1 November and lasting for 1 year) but we have reason to believe that an improved European gauge link from Tallinn to Warsaw will be economically viable.

The link will attract business along the corridor (already complimented by Via Baltica) and will compliment the INTERREG spatial development component in the Baltic Region. It can link Poland and the Baltic States into the «Nordic Triangle» currently being discussed in the Nordic countries. We have heard many calls for the line to be extended from Tallinn to St. Petersburg. This may one day be an excellent project but that is for the future – for the present Helsinki/Tallinn to Warsaw must be viable in its own right.

It will provide a sustainable alternative to road transport for freight and ultimately passengers travelling in a north/south direction.

Some Baltic States governments already see it as a «tool for development» and already there seems to be competition developing between Baltic Cities as to the route the line should take which is in my view a healthy sign.

For the project to be a success there has to be considerable unity between the 5 participating States as to its possibilities and the political determination to push the project along. Whereas at the moment we detect different nuances between the partner countries as to its scope and purpose.

As to Finance, a question no doubt of great interest to you – «Rail Baltica» TEN-T Priority Project 27 to give it its full title, can be financed up to 85% of its cost in some circumstances by the EU Cohesion Fund BUT. We still are unclear as to the answer to the key political question which is how much finance will the new Financial Perspectives 2007-2013 provide?

Nevertheless in Brussels influential political forces, such as the European Parliament are in strong support of full financing for the Priority Projects and I shall be talking to MEP's over the coming weeks.

I imagine we can also call on support from your representative EU organisation the «Committee of the Regions» where I imagine Baltic Cities are strongly and effectively represented.

I intend soon to travel the route myself, starting in Helsinki and going on to Warsaw (possibly taking some press representatives along as well) to see the current state of the infrastructure and measure the delays and bottlenecks.

I can assure you that I intent to be highly proactive in the coming year as the Feasibility Study is being prepared so that we can achieve this key EU Baltic Regional axis as soon as possible.

* Pavel Telicka served as the first Czech Commissioner and was formally Czech Permanent Representative to the EU and chief negotiator for the enlargement negotiations.

“Our Sea has many shores”

Mrs Anna Zigure

Author, former Latvian Ambassador in Finland

Dear conference organisers and participants! Ladies and gentlemen!

I am watching you from a rostrum, and once again I see how much we have in common.

People are affected a great deal by the environment they live in. All of us – whether we are conscious of it or not – have been characterised by the Baltic Sea and its shores. On one hand soft sandy beaches, on the other hand smoothly ground rocks; gentle and stern shores – all the same they have left their mark in our thinking and the wrinkles on our faces.

Each of us has experienced a different life and personal history. It is not self-evident that we understand each other, even if we spoke the same language. Sometimes we don't even want to understand.

Some peoples living on the shores of the Baltic Sea have enjoyed peace and well-being for centuries, while others have simultaneously gone through severe ordeals. This past is still so near that it cannot be forgotten.

Part of the audience comes from cities where houses have traditionally been transferred from father to son. Books, furniture and other valuables have remained in the family. Some others come from cities where the rulers have changed so frequently that they have not had time to keep track of the deceased and bury the bodies, let alone take care of earthly possessions. The heirlooms of families have been destroyed in air raids or lost in the conquerors' pockets. The inhabitants have been forced to escape abroad and they have been forcibly ejected during the war to both east and west and then back to the east after the war.

Only for the past 15 years have the representatives from all cities in the Baltic Sea area been able to sit at the same table. In the course of history this is a very short period, although it now feels that nothing must change. We have to look ahead and consider the present status quo an achievement worth reaching for and at the same time the only option.

But if you listen to what the people are talking and thinking about – and this is a privilege of an author – you still notice a certain lack of confidence between our countries and nations. This lack of confidence is reflected in the media. Or perhaps the other way around: the lack of confidence shown in the media is reflected in people.

Looking from the shores of my home country Latvia one easily gets the impression that the much richer countries on the northern and western coast of the Baltic Sea are afraid of these states in the southeast corner of the Baltic, which are doing much worse, robbing them of their share and well-being.

On the other hand, the inhabitants of the countries that restored their independence 15 years ago, the so-called new citizens of the European Union, are suspicious of any larger investment, although they should in fact be delighted, as it means work and livelihood.

The discussion is running in circles. It is said that the rich countries and their big companies only stand for their own selfish interests that their purpose is to make the poor countries even poorer and collect the profits in their own pockets. The investments that would be a dream come true to some mean just a headache to others.

As an example I can mention the pulp mill project of the Finnish Metsäliitto and the Swedish Södra. According to experts, Latvia has the best forest resources in the Baltic states. The intention was to build the mill by the river Daugava. The Swedish firm later gave up the project, then the Latvian government, which only left the Finns.

This project stirred a terrible row and was accused in wide public circles. Planned to be a record-breaking large investment, it was met with gigantic suspicion. People asked why the Finns won't build the mill in their own country. And the answer came straight away: because they don't want to pollute their own country. Because they want to destroy the Latvian forests and a potential competitor. Because they want to collect the profits and leave the Latvians empty-handed.

For many years meetings were held, writings were published, and finally a documentary film was shot which illustrated what horrors the pulp mill would bring with it. Now the project has been suspended, and it would take wonders before a political agent dares to return to it.

This example is also interesting and instructive in the sense that it shows how important it is to know the history and culture of another nation. The site of the pulp mill was probably economically and logistically an excellent choice, but knowing the Latvian history, culturally and psychologically downright impossible. Daugava, also known as river Vāina, the biggest river in Latvia is the symbol of the fate of the nation. Before the restoration of the independence, even mentioning the name of the river was prohibited by the censors; that's how strongly it is associated with the national spirit.

And now, in the time of the new Latvia, somebody wanted to chain such a place. People are easy to manipulate, especially if they feel that something is concealed from them. For a long time there was no information about what kind of production technology would be used in the mill. Besides, 40% of the drinking water of Riga comes from Daugava. People managed to "save" a psychologically very sensitive place.

What I think is that if the original site chosen for the mill had been less emotion-stirring, there would have been far less resistance, and the cooking of pulp would have started a long time ago.

There is a significant lack of mutual trust. The more aggressively a nation has treated its neighbours in the past, let alone recent past, the harder it is now to maintain mutually beneficial and constructive relations. Suspicion is stirred up, for example, by such episodes as the recent meeting of the leaders of Germany and Russia, Schröder and Putin, during which an agreement was signed on a Baltic Sea gas pipe that will pass by the Baltic states and Poland.

There are rich and poor countries in the Baltic Sea area, and not all of them are in an equal position. In the last 15 years, the Latvians, Lithuanians and Estonians have had to live through a period of incredibly fast development which has required large mental efforts.

The world history knows no previous example of a country becoming independent and simultaneously changing its economic system – in this case from socialist controlled economy to free market economy. Poland and East Germany had it slightly easier, but as we can see, they have big problems, too. After the collapse of the Soviet Union, Russia has also been forced to re-evaluate the truths hammered into people's heads during a period of 70 years. It will also have to teach its citizens to get along in free economy and democratic society.

The changes have been incredibly big and profound. However, there is no magic trick that would help people to take responsibility for themselves. Freedom was, of course, wanted, but it fell like snow on their neck.

Only later will historians be able to analyse impartially what the time we have lived through has really meant. The present generation is too closely connected to its time. It may be that the answers will be provided by poets.

The societies of the so-called new states have been divided into successful and excluded groups, and between them lies a deep gap. The middle class is growing very slowly. This is one dividing line. The other one concerns education. There are those who have managed to catch up with the new times and grab the opportunities offered by the EU and globalisation. Some others have not made it.

We don't need to go to Asia or Africa; there are places on the Baltic Sea shore where a baby is condemned to a rugged fate already in cradle, if he or she happens to be born in a poor and unhappy family in a remote area. They don't have similar opportunities as wealthier families do. Poor children should be helped, but the municipality or state cannot afford it. If nothing will change in this sense, it will also be felt by the more developed countries. When people in so-called peaceful welfare states talk and write about the crime and drug problem that is spreading from the southeast coast of the Baltic Sea, unfortunately there are signs that it has its reasons.

The Baltic Sea peoples have an ancient foundation of civilisation and an old tradition of co-operation. The trading during the centuries between wars has brought along many different influences, also in the fields of economy and culture. Influences have spread through languages and music; folk songs have motifs that resemble each other, so does architecture; the seeds of plants and flowers have flown.

Nowadays, culture and economy walk their separate ways and have little contact with each other. Except for the situations where a successful tradesman or politician sometimes buys a painting or goes to theatre, opera or a concert. It may be that in some countries they even sometimes buy a book, but in other countries politicians brag about the fact they have not read a single book for at least five years. I hear they work 24 hours a day.

I don't have many delusions about culture being able to directly influence economic and political processes. Which is a shame, though. Such businessmen, politicians and officials to whom culture remains distant and who consider it a waste of time, are unfortunately no visionaries. There are, however, also those whose actions and thoughts are rooted in culture, and hopefully there will be more of them.

Our countries have the prerequisites to make it through distrust and build a future in which culture is one of the cornerstones. The Baltic Sea coastal states have a lot in common even today. The sea is the source of livelihood for countless people – both fisherman families and poet families. The sea is the object of our common love and our common concern, and the sooner the inhabitants on the shores of the Baltic Sea understand that, the higher hopes we have for a better future.

The Baltic Sea has given subjects to folk songs whose melodies play like the waves of the sea, and their words reach beauty whose source is our own sea. The old national costumes of the coastal regions have very similar colours. Artists have in different times depicted the Baltic Sea, calm or stormy, open water and ships ploughing the sea, naval fights and fishermen examining their nets, sunrises and sunsets.

The sea is also a grave that unites us, as people who have drowned in wars and storms slumber in its depths.

We have many common words and sayings, and we laugh at the same jokes – except, of course, when, for example, Swedes joke about Norwegians or Finns, Estonians about Finns or Latvians, or Latvians about Lithuanians and Estonians. Although these jokes are not usually mean, there is always one group who are not laughing.

Is it generally possible or necessary to form a positive guideline for the future that could be presented to people in these globally unstable times which, however, at the moment seem quite stable on our shores. Presumably only poets are able to sense how fragile this stability is, but in our times poets are only listened to by the poets themselves.

Whatever we pick out from the history, the Baltic Sea has always been surrounded by dramatic events. It has been a sea of war as much as a sea of peace. It has divided and united. Until recent past, it has

been so that at the times when peace has reigned on the shores, some states have been rulers and others subdued. Nevertheless, the peoples on the shore of the Baltic Sea knew quite a lot about each other until the Second World War.

The Second World War and its consequences overthrew the unity of the Baltic Sea once and for all. And when the Soviet Union introduced the slogan “Baltic Sea – Sea of Peace”, the Estonians, Latvians and of course Russians forgot that the sea had another shore. That was how closed a state the Soviet Union was. Between the shore and the waterline there was a barbed wire fence, and it was only possible to get to the sea at a certain time in certain places.

One of the greatest experiences of my life was when I flew in from Stockholm in the late 1980s and saw the Latvian coast shortly after the Swedish coast from the airplane window. At that time we had to fly via Moscow, because foreign airplanes were not allowed at the Riga airport. Over forty years our peoples lived without remembering that the sea has another shore, too.

It was the time when the sewer water of the metropolis Riga flowed directly to the Gulf of Riga. At times the stench of the water was so disgusting that we who lived on the seaside did not want to walk on the beach. Swimming in the sea was dangerous and sometimes prohibited, at the time when the seriousness of the situation could no longer be concealed. Just 15 years ago, a lot of things were concealed from the inhabitants of the Baltic states.

Today, life is more open, and people know what is happening, or they can at least find out, if they are interested. It now seems like a bad dream that all kinds of fish can no longer be caught in the Baltic Sea, because they are sick or under a threat to become extinct. The old warning is coming true: you should not see the branch you're sitting on.

During the last 15 years, which is a short period in history, the Baltic Sea area has once again changed completely. We have had to rewrite the history and geography books. After 1991, three new countries – Latvia, Lithuania and Estonia – have been drawn on the map, and the history of these countries has been revised. Germany has united into one country. The Baltic states and a number of other countries have joined the European Union and some of them also NATO.

Right now, in our time, one can really hope that the Baltic Sea would become a true sea of peace. We need to think about a peaceful and civilised society that builds the future with joint efforts and serves as an example for, say, the Mediterranean area that still has several smouldering conflicts nesting on its shores. It seems obvious that now that Iraq is causing so much worry to the whole world, the Baltic Sea area with its shipping routes, ports, highly developed cities and infrastructure will become more and more important.

The peaceful development on the shores of the Baltic Sea will probably not be threatened by anything in the near future; religious wars and local conflicts are unlikely. None of the peoples living on the Baltic Sea can today be said to have intentions to attack another and subdue it in order to gain something. Even if such thoughts existed, at least they are well hidden, and in the present information era it seems impossible. However, so has it seemed before, for example in the 1930s. Although we have a reason to think that nothing like that can happen in our time, deep down inside I have a gnawing uneasiness.

On the outside it seems like everyone is dependent on each other and that a common organism similar to that in the past has again been created, from which the vision builders often seek answers. The Hanseatic League united a large part of the Baltic Sea towns and maintained co-operation.

In order to be able to act as a co-operation model in the fields of economy, culture or education one must have recognition. Despite all the conflicts and unrest, just mentioning the name of the Mediterranean Sea creates a certain image – familiar at least from tourist guides: history of the classical period, culture, civilisation, wine, olive oil, mozzarella and feta, blossoming orange trees, mimosa flowers, various seafood, Italian, French or Greek music.

People living a little further away shrug their shoulders at the Baltic Sea area. Ten years ago in Paris a travel agency employee was astonished: “Is there something on the other side of the Baltic Sea? I always imagined that there’s nothing!” I assured that Germany lies on one shore and Sweden opposite to it, Finland is a little further away. Baltic and Balkan states are mixed up in other places besides America, too.

The Baltic Sea has many kinds of optional visions, also bleak ones, if the water keeps becoming dirtier and the fish and marine vegetation keep dying. Blue-green algae is spreading, and maybe something else will come up that we do not yet even know about.

Anything is possible, if the Baltic Sea countries only think about short-term benefits, current income and today’s needs. It is totally insignificant how clean the land areas of Finland, Sweden, Germany or some other country are, if between lies a stinking pool of water where gigantic oil tankers cruise.

I have a brighter alternative, too: all of us who live on the shores of the Baltic Sea have a unique opportunity to act as a mental example to others.

The present generation that lives on the Baltic Sea has been given an opportunity, and that opportunity must be used. We cannot be so uncivilised and short-sighted that we would not understand to take into account the economic benefits of different countries and ecological interests common to all, because we will not make it alone. And now more than ever we should build on culture. Culture means creative thinking and farsightedness.

We can talk about the meaning of culture going back to the ancient times when boats and ships that were very insecure from our point of view sailed the Baltic Sea after the continental glacier had withdrawn. By the way, completely safe ships have still not been invented. Maybe the people of the future can manage that as well.

In the vision where the Baltic Sea becomes an example on a global scale culture must play a key role. It does not mean just exchanging exhibitions, arranging concerts or translating books, all of which are important things as such, because they bring peoples closer to each other.

Latvians are very fond of Norwegians, and that is not because of Rimi shops or Statoil petrol stations that have spread throughout Latvia, but the long-ago author Ibsen and equally long-ago composer Grieg who have managed to create a steady image of their home country Norway in the minds of Latvians.

We the peoples who live on the shores of the Baltic Sea have a very similar mentality, at least at the emotional level. I do know that many contest this and say that no Baltic Sea mentality exists.

Although not everybody accepts this idea, I think that it would be very important to build consciously a common identity. That our people would, first of all, be conscious of belonging to the Baltic Sea area and could later be proud of it. There are historical prerequisites for that, and it is also supported by the present reality.

The vision for the future of the Baltic Sea should be built together – not just by politicians, officials and businessmen, but also cultural persons. Only such a strategy has a solid basis.

Creative people can act as unifiers between society and rulers, but also between different people. Now it seems that, for example, authors are much more familiar with events that took place on the Baltic Sea one thousand or sixty years ago than with current events. Why is that? Have the authors turned their backs on the present day? Is there more information to be concealed, or is the concealed information better hidden? Maybe there is nothing to conceal, there is just a complete lack of interest.

The building of the Baltic Sea identity must begin in education, at schools. More attention should be paid to our own area in lessons, a course in the history of the Baltic Sea countries should be arranged –

our whole hard history, the wars and cruelty that it involves, and the experience on which we are now building a peacefully developing society. Nowadays, the school children's knowledge about the history of even the neighbouring countries is disastrously poor.

A book about the history of Nordic countries by two Finnish historians recently came out in Latvian. Perhaps it would be time to think on a larger scale. The Nordic countries – with their own co-operation networks – could provide an example. These countries have managed to create an identity of their own, a similar one should be built up in the Baltic states.

Conflicting interests and language can be obstacles. Conflicts of interests can be overcome, because the future of so many people weighs in the scale. There may be bigger problems with language, but today's forum shows that even they can be overcome.

We could, for example, arrange a Baltic Sea-themed song contest – songs still speak to millions of people.

In order for the Baltic Sea countries to get their voice heard, we need to work together. It will not be easy, but it is the requirement of succeeding.

I wish the conference participants good luck with work, good co-operation, broad-mindedness, and pride of the fact that we come from the shores of the Baltic Sea and that after hard experiences we have learned to build our future peacefully.