

The 6th BSSSC annual conference - Roskilde (Denmark), 22-24 October 1998

Resolution

I.

The 6th annual conference of the BSSSC convened in Roskilde, Denmark, on October 22 to 24, 1998 on the invitation of the 6 Danish county councils, Roskilde, Copenhagen, Storstrom, West Zealand, Frederiksborg, and Bornholm.

The Conference had participation from the subregions, cities and government representatives from the Baltic Sea States - Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Norway, Russia, and Sweden, as well as the Council of Baltic Sea States (CBSS), the Committee of Senior Officials (CSO), the European Commission and organisations such as Union of Baltic Cities (UBC), Baltic Sea Chambers of Commerce (BCCA), Baltic Sea Commission (CPMR), Nordic Council, Helcom, and Baltic Tourism Commission (BTC).

II.

The Conference took note of a great number of activities in the Baltic Sea region which links up with and supports the policy of the BSSSC such as

- the CBSS Conference on June 22 - 23, 1998 where governments and the current Lithuanian chairman of the CBSS stressed their important link to the subregions for the development of the Baltic Sea area;
- the Baltic Youth ministers' conference, June 4 - 6, 1998 where concrete co-operation between the national level, the BSSSC and NGO's in this fields was established;
- the annual conferences of the Parliamentarian conference, The Union of Baltic Cities, the Baltic Sea Chambers of Commerce Association, the Baltic Sea Commission under the CPMR and the Baltic Sea Tourism Commission;
- the many conferences and seminars conducted by the subregions themselves.

III.

The Conference welcomed

- the inclusion of Estonia, Latvia, Lithuania, and Poland in the EU enlargement process as well as the Partnership and Co-operation Agreement (PCA) between the Russian Federation and the European Union, which entered into force in 1997;
- the initiative "Northern Dimension" underlining the growing importance of the North-East of Europe as well as the necessity of setting up a political strategy of the European Union towards this area, including co-operation in the Baltic Sea, the Barents Sea and the Arctic regions, Nordic co-operation, and bilateral relations between the countries in this area;
- the final decision of the CBSS to establish a permanent secretariat in Stockholm;
- the Agenda 21 for the Baltic Sea Region (Baltic 21) adopted at the 7th Ministerial Session of the Council of Baltic Sea States on June 22-23, 1998 in Nyborg.

IV.

The Conference called upon

- the European Union to arrange a European Baltic Sea Conference in the year 2000 along the lines of the European Mediterranean Conference (Barcelona 1996) as a follow up to the "Baltic Sea Region Initiative" adopted by the European Council in Florence (June 1996);
- the European Union to take up the initiative "Northern Dimension", and to develop it towards a common strategy comprising the whole Baltic Sea region including the accession countries, Russia and the member states in this area, and thus consider the Baltic Sea co-operation as a gravity centre for the future development of this European region. Furthermore, the Conference underlined the importance of including the subregional co-operation within the framework of the Northern Dimension taking also into account the proposals from the regions of Russia's north-west, for example to include tourism and transportation;
- the European Union to continue existing EU-programs as indispensable instruments to support the process of region building in the Baltic Sea area like INTERREG, PHARE, TACIS, ERDF article 10, Ecos/Ouverture, the Baltic Project Facility and the Tacis Small Project Facility;
- the European Union and the Baltic Sea States to consider the important role of the subregions and their existing co-operative networks in regard to the future orientation of funding instruments to support the EU pre-accession strategy as well as the need for involving the subregions directly in twinning arrangements funded under the PHARE Institution Building Programme;
- the CBSS and the Baltic Sea States to enable and encourage the regional and local authorities

to participate in the implementation and to further develop Baltic 21 as a long term process based on a bottom-up approach;

- the Council of Baltic Sea States to proceed with the envisaged strengthening of the CBSS, and in particular to consider how to widen the mandate of the new secretariat as a central information and contact point for the various fields and various initiatives within the network of the Baltic Sea co-operation.

V.

The Conference recognised that the BSSSC since the Gdansk Conference in 1997 has improved and strengthened its structure with active members of the Board and the working groups, meeting 3 times a year, and with the secretariat. The BSSSC is gradually developing into being a focal point for communication and a contact point on cross border and interregional co-operation for the subregions as well as for the European Union, the national governments and other partners and bodies working with Baltic Sea questions.

VI.

The Conference stressed the importance of a common development of the region through interregional and cross border co-operation, and underlined the responsibility of the national governments as well as the local and regional authorities to engage in this development in order to further develop stability and democracy.

The Conference also stressed upon the responsibility of the subregions in the respect, and underlined that funding is of vital importance in order to obtain such a development. In order to ensure that the engagement of local and regional authorities is continued, the Conference urged the European Union, the national governments, the Council of Nordic Ministers, and the like to ensure multilateral and bilateral funding for the subregions for interregional and cross border co-operation.

VII.

The Conference gave support to the overall priorities of the BSSSC decided upon by the Board

- to strengthen the structure of the BSSSC as a policy making body;
- to further interregional and cross border co-operation by urging the European Union and the national governments to establish financial instruments for all the Baltic Sea subregions, including the Russian regions;
- to engage local and regional authorities of the 4 applicant countries in the pre-accession

strategy towards the European Union by using the knowledge of subregions from the EU countries in the implementation of EU-legislation, and in the capacity building in the applicant countries. Different projects show clearly how international co-operation between regional and local authorities based on broad twinning agreements have led to a number of concrete projects with a professional and often innovative methodology for the transfer of know-how. These projects have a high relevance to the accession strategies. Furthermore, they demonstrate how interregional co-operation helps CEEC administrations at the regional and local level to get acquainted with the principles and procedures of EU-policies and EU-legislation.

VIII.

The Conference approved the conclusion from the BSSSC workshop in Brussels on June 12, 1998 on "EU-funding and the Regional Contribution to the Accession Strategy" which stressed

- that funding instruments after 1999 such as the PHARE Baltic Project Facility and the TACIS Small Project Facility, including their links to INTERREG and national funding must be managed within a common framework of priorities and actions in which decisions are taken on projects to be funded, in order to ensure that funded projects are relevant to the real need and priorities of the Baltic Sea region;
- that this common framework must be initiated, programmed and implemented by an agreed and responsible partnership, which includes all regional and local authorities (or their representative organizations), the appropriate state authorities, and the European Commission;
- that funding instruments must be managed within the common framework, and should be designed in a flexible way in order to support projects with mixed funding i.e. PHARE, TACIS, ERDF and national funding;
- that funding instruments managed within the framework should cover a period of several years to provide stability of operation;
- the importance of widening the eligible action fields of a future INTERREG IIC and include areas such as vocational training as well as small infrastructure investments. To overcome some of the problems of combining financial assistance from INTERREG and PHARE, the BSSSC suggested that ISPA could provide complementary funding for INTERREG IIC financed projects;
- the importance of improving the capacity of local and regional authorities in project management by ensuring funds for training in this field.

IX.

The Conference welcomed the idea of the Board to establish national platforms in all the countries in order to increase the involvement of all subregions in the work of the BSSSC on an ongoing basis and to establish information channels and discussion forums in order to inspire the future work of the BSSSC. The Conference supported the commitment of the Board of the BSSSC as the policy making organisation for regional demands and strategies for the development of the Baltic Sea Region to launch a consultation process among the subregions, the Baltic Sea organisations and the national associations of local and regional authorities on their general aims and priorities for future interregional co-operation in the Baltic Sea region.

X.

The Conference welcomed that

- 53 projects from the latest submission under the BSPF-programme and 30 projects from the TACIS Small Project Facility programme have been approved by the European Commission for financial support;
- more than 200 projects were presented in the Partner Search Forum underlining the great interest and need for exchange of experience and capacity building among the subregions.

XI.

The Conference recognised

- the special need of the Russian regions to be integrated into the region in order for them to be able to meet the challenge as the new external border towards new EU-member states;
- the decision of the Board to give priority to concrete co-operation projects with the North Western Russian regions and Kaliningrad.

XII.

The Conference wishes to thank

- the 6 Danish County Councils for hosting the conference;
- the donors of this conference for their financial contribution;
- the Governor of Kaunas County for hosting the next annual BSSSC Conference in 1999.

Workshop I -Institution Building and Human Relations

I. Objectives

The aim of this workshop was to share experiences and discuss perspectives within public sector reform, social issues, youth issues and model projects within these spheres.

II. Discussions

The speakers came from very different sectors and had different interesting points all highlighting the importance of institution building and civic participation.

Danish strategies for co-operation and the funding schemes for financing co-operation projects was described. Great attention is from Danish side paid to environment-related projects, but also to sector programs and technical assistance programme in which institution building is supported.

It was recognized by the participants in the workshop that solving social problems in the Baltic sea Region should be placed high on the political agenda. It was therefore with great interest that the project "The prevention of social exclusion" was presented as a role model and inspiration for new activities within this field.

Exchange of experience and co-operation programs between regional administrations are of great importance to future economic development and to the stability of the region. It was however recognized that NGOs play an important role in taking care of the interests and needs of different groups in society. The NGOs are important for the launching of grassroots initiatives and for the realization of projects, which people feel strongly about. Support for the dynamics, which NGOs stand for, is therefore of utmost importance to the political and economic development of our region. The Latvian NGO Centre, which was described to the workshop participants should therefore be copied by other regions.

Finally a survey, which will be undertaken by Baltic Youth Forum, the Swedish Ministry of the Interior and the BSSSC, on the existing and potential funding possibilities for youth exchange was presented. The future of the Baltic Sea Region is in the hands of the young generation. Therefore youth co-operation programs deserve high priority. Traveling and networking should be made easier and cheaper than at present, and exchange of students should be promoted as should cultural exchange programs for the young.

III. Conclusions

In all the projects presented there were common characteristics, both in terms of problems, solutions and the financing of co-operation projects. A very important aspect of such co-operation projects is the

participation of the NGOs and the civic networks and not only focusing on technical support. It is therefore of utmost importance that the civic networks and NGOs are supported in the present development process in the Baltic Sea Region.

The workshop encouraged the present process of the BSSSC of building up national platforms, communication channels and discussion foras, which can strengthen the active involvement of the regions and inspire the policy-making of the BSSSC. If the BSSSC succeeds in doing so, the organization will have provided an important input to the creation of a strong and dynamic Baltic Sea Region to the benefit of both the citizens today and for future generations.

Workshop II -Economic Development and Co-operation

I. Objectives

The workshop's main objective was to discuss how to develop regional aspects of the economic development in the Baltic Sea Region, BSR. This development differs a lot within and between different countries. Broad sectors and regions are still in poverty. It is an important task in the BSR to find a way to develop our economies faster and in a more equal way, and it is important for BSSSC to give input to that discussion.

II. Discussion

It was discussed that we must intensify the preparations to facilitate the membership of the Baltic States and Poland in EU and that this development has got important local and regional aspects. Not only focus on formal demands but real change of the economy and the citizens' every day life. Concentrate on building of infrastructure, but also on human networks (in education, politicians etc) and SMEs. Networking and cross boarder contacts between SMEs are of great importance. There are a number of obstacles that need to be overcome in order to facilitate for western companies to go east;

1. Need someone who can give reliable advice where to start and get contacts
2. Lack of finance, Nordic Banks not present in the east difficult services
3. Legal help
4. More opportunities to find partners (partner search forums)
5. More efficient transportation system (transport and customs).

There are two aspects to this: an overall aspect concerning national /international legislation and a more regional/local aspects focusing on cross boarder networking.

III. Conclusions

Concerning the overall aspect the BCCA has started lobbying for an improved infrastructure and custom structure, the objective is that it should not take more than two hours to cross to a neighbour country. BSSSC should support these efforts.

Concerning regional aspects the workshop affirmed the importance of networking on regional/local level and encouraged further contacts. WG II has formed three subgroups; one on tourism and cooperation in the Baltic Sea Region, the effects on cultural co-operation / human network as well as regional/tourism education. The second subgroup is focusing on IT issues. An ad hoc group dealing with IT issues has been created as well, one task is to be represented at a large IT conference that will take place in Finland. The third subgroup is dealing with SMEs and cross boarder contacts, for example via the establishment of regional Baltic Business Centres for giving support and advice to SMEs who want to open up business relations in the BSR. Each group is creating political papers to present to the board.

The question of mutual exchange is essential in order to develop our economy faster and more equal, i.e. it is important for western companies and organisations to go east but also to enable eastern companies to come to the west.

Workshop III - Nature Protection and Environment

I. Objectives

The main objectives were to deal with:

- strategies for Nature Protection and Environment in the Baltic Sea Region,
- Baltic Agenda 21 and the potential role for subregions during implementation,
- funding possibilities for subregional co-operation and projects.

II. Discussion

The workshop recognised that subregional co-operation and networking is of crucial importance for the enhancement of Nature Protection and Environment. This as well is valuable for the implementation process of Baltic 21 which is to be given high priority.

For this purpose existing funding provided by i.e. EU or national governments should enable the subregions to make best use of them. Therefore, broad information on funding is needed as well as streamlining those funding in order to better facilitate the use by the subregions.

III. Conclusions

The Workshop III concluded that

- the implementation of Baltic 21 needs the participation of the subregions in respect to their specific potentials, needs and abilities;
- by subregional networking the Baltic 21 process should be disseminated to all the subregions and thereby further developed as a long-term and bottom-up process;
- the “National Platforms” of BSSSC should engage the subregions in the respective national implementation processes in order to provide structured procedures all around the Baltic Sea;
- Baltic 21 being a cross-sector process should be given high priority by the subregions themselves as well in regard to co-operation projects;
- as well in regard to the needs of environmental projects existing funding (especially of EU) should be streamlined to facilitate better use by project partners; anyhow, practical projects should not only refer to EU-funding, but as well to national funding;
- a better flow of information about existing funding instruments should be provided especially in regard to the information needs in the CEE-states of the Baltic Sea Region. Therefore a network consisting of the subregions' offices in Brussels and institutions/actors dealing with environmental projects should be considered.

Position of Polish Baltic Regions for the 6th Conference on Baltic Sea States Subregional Cooperation in Roskilde, October 22-24, 1998

Poland's Baltic Sea regions, represented by the Szczecin, Koszalin, Slupsk, Gdansk, Elblag, Olsztyn and Suwalki Provinces are deeply interested in further development of regional co-operation in the Baltic Sea area.

Below we present important subjects to which we would like to draw special attention of the conference participants. We would like these suggestions to be noticed during the discussions at the Conference and conclusions to be included in the final conclusions of the VI BSSSC Conference.

Institution Building and Human Relations

In the context of the ongoing extension of the European Union we count on technical and financial support for our activities for the benefit of the integration with the EU from our partners in the Baltic Sea region.

We point out great importance of the exchange of experience at the regional and local level of public administration (training, exchange of administration staff) in the Baltic countries.

We postulate the promotion of co-operation for fighting unemployment: using mutual experience in the area of stimulating various social groups - particularly women, young people and the disabled - to freely operate in the work market.

Special emphasis should be put on strengthening the co-operation of suitable services - police, border guards, customs service - in order to more effectively combat organized crime in the Baltic Sea region. Support for cultural and educational initiatives directed towards shaping regional awareness is

significant.

Civil participation on the Baltic co-operation as well as support for local initiatives, co-operation at the level of people, trade and youth organizations etc. should be actively promoted.

We emphasize the necessity of the continuation of activities in order to further strengthen democracy in the Baltic Sea region, to develop democratic institutions and subregional co-operation within the framework of the Union of Polish Ports, the Union of Baltic Cities, the Union of Marine Cities and Communes.

We postulate and increase in the participation of regional and self-government authorities in the work of the Council of the Baltic Sea States.

Economic Development and Co-operation

We consider it to be extremely important that a friendly atmosphere for economic exchange is created, barriers limiting trade and economic exchange eliminated and economic contacts and effective support for small and medium enterprises promoted.

More emphasis should be put on the development of infrastructure and road, air and sea transport among the Baltic countries.

We postulate an increase in the participation of international financial institutions in financing infrastructure and economic development in the Baltic Sea region.

We support better use of EU funds supporting efforts and investments needed to even out development differences of the Northern Poland region (particularly in the fields such as agriculture, fishery, fishing industry, natural environment and transport) in the process of creating regional policy.

We propagate taking joint steps for the benefit of tourist promotion and development of tourist bases, ferry terminals, networks of marines around the Baltic Sea as a condition for the development of international and marine tourism, sailing, winter sports, international yachting in order to tighten contacts among the inhabitants of the Baltic Sea region countries.

Nature Protection and Environment

We appreciate joint pro-ecological effort made for the benefit of environmental protection in the Baltic Sea region. However, more emphasis should be put on the modernization of the buildings and structures harmful for natural environment, on closing down illegal sewage reception basins and on the increase in purity of water drained off into the Baltic Sea.

We think that realization of existing programs, continuation of complex activities in the field of environmental protection and co-operation among environmental protection service and ecological service is necessary for the protection of the Baltic Sea waters.

Ecological education mainly among young people, as well as active co-operation among the organizations and institutions acting for the benefit of environmental protection is particularly significant.

We believe that the project "The Green Ring Around the Baltic Sea" as well as other activity programs for cross-border water systems in the Baltic Sea require strong support and acceleration.

Conclusions from the workshop "EU-funding and the Regional Contribution to the Accession Strategy" Brussels, June 12, 1998

I. Introduction and procedure

1. Interregional and cross-border co-operation between regional and local authorities in the Baltic Sea region play an important role in the development of the Baltic Sea region in general and can also make a valuable contribution to the preparation of the accession countries for membership of the European Union and ensure a policy of partnership with Russia.
2. It is a long-term goal of the BSSSC to ensure an active involvement of regional and local authorities in this process and to support their activities in this field. A part of this task is to work for funding instruments for these activities, which are relevant to the needs and which are managed in a transparent and efficient manner making them easy for regional and local

authorities to access.

3. At the BSSSC Board meeting in Riga, May 20, 1998 the BSSSC decided to initiate a consultation process to produce a common framework for the management of multi-country funding instruments to support direct interregional and cross-border co-operation between local and regional authorities in the Baltic Sea area by using the principles of programming and partnership applied within the EU Structural Funds.

4. As the first step of this process the BSSSC discussed this subject with representatives from national, regional and local authorities from all the Baltic Sea States involved in the administration of funding instruments with representatives of the European Commission at a workshop organized in co-operation with the European Commission, the Hanse-Office and the European Department of the Government of Schleswig-Holstein in Brussels June 12, 1998. The discussion was partly based on a report "EU Programs for Baltic Sea Region Cooperation" published by the Swedish associations of regional and local authorities i.e.

Landstingsförbundet and Svenska Kommunförbundet, and the report "Connecting Regional Co-operation and EU Programs for the Pre-Accession Strategy in the Baltic Sea Region" especially prepared by the BSSSC-secretariat for the workshop.

5. On the basis of very fruitful discussions at the workshop, the secretariat has drawn up the following conclusions, which will serve as an input for the Board meeting October 22 in Roskilde and an extraordinary Board meeting in Bornholm in November, where the Board will take decisions on how such a common framework should be initiated and implemented and which elements it should contain. The BSSSC intends to initiate the consultation process within each of the Baltic Sea states from the beginning of 1999.

II. Experiences with Baltic Sea co-operation

6. The vivid revival and development of the Baltic Sea region is a result of a bottom-up process. On a people-to-people basis, regional and local authorities contribute substantially to the development of the region. The enlargement policy of the EU as well as the need of a policy of partnership and co-operation between the EU and Russia have further enhanced the importance of the Baltic Sea area and the Northern Dimension for the EU.

7. The stocktaking of the administrative structure of regional and local government in the Baltic Sea region demonstrates well-developed and active regional and local authorities in the four member states and a development towards a higher degree of regional and local selfgovernment in the Central- and Eastern European states. This means that regional and local authorities in the region can be strong and reliable partners for national governments and the

EU in implementing EU policies, which in practice supports the complex process of accession and the enlargement of the European Union as well as realising a policy of partnership with Russia.

8. In order to implement cross-border- and interregional activities, regional and local authorities in the Baltic Sea area have developed a number of practical instruments, which include general twinning agreements between regions and/or municipalities, networks in the form of Euroregions as well as more project-oriented co-operation covering a wide range of areas and objectives.

9. The different projects described in the BSSSC report and projects presented at the workshop clearly show how international co-operation between regional and local authorities based on broad twinning agreements has developed. They have led to a number of concrete projects with a professional and often an innovative methodology for the transfer of know-how. All these projects have a high relevance to the accession strategies. Furthermore, these projects demonstrate how interregional co-operation helps CEEC administrations at the regional and local level to get acquainted with the principles and procedures of EU-policies and EU-legislation.

10. An overview of projects and project-applications for the Baltic Project Facility and the TACIS Small Project Facility reveal a sharp increase in the number and the quality of co-operation projects at the regional and local level between the four EU member states, the CEEC and Russia in 1997/98, far more than the available funding instruments are able to co-finance. The projects cover subjects such as environment, public administration, economic development (trade, industry and tourism) agriculture, education and other civil society measures. This underlines that regional and local authorities in the region carry out political objectives consistent with the aims and strategies of the EU accession-process.

11. On the basis of this discussion, the following characteristics were identified as important for ensuring a successful project:

- projects being based on a bottom-up process,
- a feeling of joint ownership of the project among all partners,
- the authorities co-operating have matching competencies ,
- the partners involved build on existing co-operation links and are therefore being acquainted with each others differences and similarities in terms of political and administrative systems and culture.

12. The discussions of the Swedish report “EU Programs for the Baltic Sea Region Co-operation” summed up the Swedish experiences with the use of current EU-funding instruments for external co-operation (i.e. Baltic Project Facility) and how it links to the Interreg-programme

and national funding instruments. The report shows that funding instruments are perceived as being too difficult to use. The main issues raised by regional and local authorities are:

- The problems of combining PHARE, TACIS and ERDF due to the fact that programming and project approval cycles are not harmonised.
- The absence of a dialogue with decision-makers and the instability/uncertainty of available funding, management arrangements and inconsistency of information provision.
- The time delays in project-decisions and the delays in project payments.
- Lack of experience with elaborating good project proposals and with project management.

III. A long term strategy for a common framework for the management of multi-country funding instruments for the Baltic Sea region.

13. To solve these problems the Swedish report has suggested an alternative approach to the design of future funding instruments, which draws upon the principles of programming and partnership applied within the EU Structural Funds. The report suggests that decision and administration of funding are located in the Baltic Sea region within a common framework, which would create a sense of ownership and responsibility, make decisions more transparent and ensure one single source of information and overcome the present ad-hoc nature of the management arrangements for the relevant funding instruments.

This approach implies:

that funding instruments are managed within a common framework of priorities and actions in which decisions are taken on projects to be funded so that funded projects are relevant to the real needs and priorities of the Baltic Sea region,

that this common framework is initiated, programmed and implemented by an agreed and responsible partnership, which includes all regional and local authorities (or their representative organisations), the appropriate state authorities and the European Commission,

that funding instruments managed within the common framework should be designed in a flexible way in order to support projects with mixed funding i.e. PHARE, TACIS, ERDF and national funding, that funding instruments managed within the framework should cover a period of several years to provide stability of operation.

14. The workshop gave wide support to this proposal and agreed that this approach must be

implemented as a framework for a more effective management of funds and not a replacement to national-bilateral or EU programs and it must be applicable to all local and regional authorities, whether or not they are members of the EU or part of the accession-process towards membership of EU, in this way including Norway and the Russian Baltic Sea regions. It is therefore also particularly important to include TACIS funding within the common framework given the reality of the Baltic Sea Region and the importance of avoiding new barriers which excludes Russia. It is up to the BSSSC to draw up a concrete proposal for such a common framework.

IV. Short-term strategies to improve access to and use of EU-funding

15. The workshop suggested a number of proposals and ideas to improve the access to existing EU funding instruments for regional and local authorities in the short run. At the same time these proposals will improve the context for creating a common framework for management of funding instruments.

16. The workshop underlined the importance to continue EU programs like Phare Baltics Project Facility, TACIS CBC Small Projects Facility, ECOS-Overture and INTERREG as indispensable instruments to support the ongoing process of region-building in the Baltic Sea area. The participants confirmed that these programs have provided a very useful and effective instrument for small scale interregional co-operation projects and that the present management of these programs to some extent reflects the idea of having a user friendly support structure.

17. The workshop underlined the importance to maintain a multi-beneficiary CBC programme such as the Baltic CBC programme and to ensure a real coherence between PHARE CBC, TACIS CBC and INTERREG in order to be able to develop co-operation projects, which include all Baltic Sea States in an integrated manner. The implementation of Agenda 2000 provides a good opportunity to change the guidelines of the PHARE and TACIS CBC programs and the provisions for INTERREG in order to harmonise programming and project approval cycles. The revision of guidelines for the programs should also stipulate that only joint projects of real cross-border nature, which rely on the bottom-up approach and have active involvement of regional and local authorities on both sides of the border, are funded by the programs.

18. To facilitate the use of PHARE CBC, the workshop stressed in particular that multi-annual programming would be very helpful, that the micro-project facility should continue as it gives regional and local actors with small means the possibility to participate in EU-programs and provide a basis for creating larger projects, that co-operation partners from EU member-states

should be able to submit project applications and, that partnerships between regional and local authorities in EU member-states and applicant countries should be strengthened.

19. The workshop stressed the importance of INTERREG as a financial instrument for crossborder and interregional co-operation within the European Union. The eligible action fields of a future INTERREGII C should be widened in scope and include areas such as training, vocational training as well as small infrastructure investments. To overcome some of the problems of combining financial assistance from INTERREG and PHARE, the workshop suggested that ISPA should provide complementary funding for INTERREGII C financed projects.

20. The workshop welcomed the high priority for institution-building in the pre-accession-strategy for which the new PHARE regulations has set a framework. Twinning in the fields of agriculture, environment, finance and justice and home-affairs will support the applicant countries to archive the aquis communautaire. In this process, it is necessary to involve regional and local authorities as well in practice as the new PHARE regulations stipulate.

21. The workshop was informed of the special programme for Baltic Sea Co-operation programme for East and South Sweden (SWEBALTCOP), which is financed by ERDF art. 10. It supports interregional co-operation between 12 Swedish county councils from the Southern and Eastern part of Sweden and regional and local authorities in the three Baltic States and parts of Poland.

22. The European Commission informed that due to under-spending, funds under ERDF art. 10 will be available in 1999. It was proposed to look into the possibilities of establishing a programme similar to the SVEBALTCOP-model as a supplement to the Baltic Project Facility. Such a programme should be open to all regional and local authorities in the Baltic Sea area. It could be financed by ERDF art.10 with co-financing from PHARE and/or - especially in case of lack of PHARE funding - national assistance to Central- and Eastern Europe, which contrary to ERDF-funds could cover the costs of CEEC-partners.

23. The Workshop stressed the necessity to improve the management of projects including

- more training in project management to improve the capacity of regional and local authorities in this field. This would also help to overcome the perceived difficulties in using EU funding and to increase the quality and the sound management of projects,
- programme management units (national and EU level) should report regularly to the Baltic Coordination Committee about co-ordinating and facilitating the mutual use of EU and national funding instruments,
- clear rules by the Commission on standards and obligations of "national experts" for projectevaluation

to ensure more transparency in the project-decision-making-