

NB8 wise men report

Introduction

In the spring of 2010, Latvia and Denmark in their capacities as the presidents of the Baltic Council of Ministers and the Nordic Foreign Policy Cooperation, respectively, decided to establish a wise men group to look into how to advance cooperation between the Nordic and Baltic countries (NB8) in order to strengthen relations and address common regional and global challenges more efficiently. This report is the result of that initiative.

To prepare the report we carried out a regional roundtrip in June 2010. Despite the short notice, it proved possible to set up valuable meetings with ministers, parliamentarians, senior officials, researchers and representatives from civil societies. We are grateful to all those who were prepared to meet us and share their ideas and suggestions.

The recommendations included in this report are based on specific proposals or general ideas presented to us during the roundtrip. Our initial focus was on NB8 cooperation regarding foreign and security policy. However, it soon proved impossible to focus on these issues only. We have therefore included recommendations in some other important areas as well.

Our report consists of two major parts – a visionary part and the recommendations. In the visionary part we have aimed at taking a wider look at the development in the past, present and future of the NB8 cooperation, and we have tried to indicate the general shortcomings we should address today. In the recommendation part we have included concrete suggestions in the following fields:

- Foreign political dialogue
- Cooperation on diplomatic representations
- Civil security, including cyber security
- Defense cooperation
- Energy
- The NB8 brand

Although some of the areas have already been touched upon in other conceptual documents, for instance the Stoltenberg Report from 2009 and the EU Baltic Sea Strategy, our goal has not been to create an alternative to those documents. We have rather aimed at taking a look at the issues from a specific NB8 angle and producing a *hands on* report with very specific and concrete recommendations.

As a follow-up to our recommendations, the NB8 foreign ministers should take stock at their meeting in August 2011.

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August 2010

NB8 relations – Past, Present and Future

How have Nordic-Baltic relations developed?

Historically the countries of the region have been interlinked and interacted for centuries, with mutual trade being the decisive factor facilitating this interaction. The most profound bond, however, was created during the 1990s when issues other than trade formed the major part of the cooperation agenda. The Nordic countries were among the strongest supporters of the Baltic countries' independence and their public support considerably influenced public opinion worldwide. Later they were also the first to open their borders, introducing visa-free regimes with the Baltic countries. This created a profound affinity with the Nordic nations in the Baltic countries and formed solid ground for further formal and informal cooperation.

When the Baltic countries regained their independence and during their integration into the European and transatlantic structures, they were strongly supported by their Nordic neighbors. The Nordic and Baltic countries interacted in various fields and at various levels; networking and cooperation were established among politicians, civil servants and civil societies. The Nordic countries actively assisted the Baltic countries in their preparations for integration into the European Union (EU) and NATO, considerably accelerating the entire process. They operated persuasively and actively within the EU and NATO to defend the Baltic countries' integration interests.

During this period the Nordic countries were highly visible in the Baltic countries and a very solid tradition of Nordic-Baltic cooperation was founded. There was general understanding of the added value of stronger Nordic-Baltic cooperation in both the Baltic and the Nordic countries. For the Baltic countries, the value added was the Nordic countries' expertise and support, which allowed the major foreign and security policy goals to be achieved. For their part, the Nordic countries wanted to strengthen relations with their Baltic neighbors and to contribute to a foundation for economic prosperity and political stability in the region. The cooperation was also built on a sense of community and solidarity among small countries.

The cooperation mode changed after the Baltic countries joined the EU and NATO. The Nordic countries took a less active approach, leaving more room for the Baltic countries to adjust to their new status in Europe. This resulted in less active participation in the Baltic countries' further political development, for example scaling down advisory support and guidance. The Baltic countries themselves were euphoric about the great goals they had achieved, while at the same time striving hard to adjust to the new environment and join the everyday working life of the EU and NATO structures.

Notwithstanding the fact that solid consultation mechanisms (both formal and informal) were created within the international organizations (for instance, NB6 within the EU), the sense of common focus or objectives somewhat faded. The potential of the political cooperation of the eight countries was left neither fully utilised nor further developed.

Somewhat paradoxically, the lack of comprehensive political NB8 cooperation came at the same time as Nordic businesses actively started entering the Baltic business sphere, mainly through direct investments and partnerships.

The tradition and practice of the cooperation were maintained through the established structures and procedures and the formalized communication. However, the well-developed

cooperation framework could have been used more successfully to send timely political signals or look for comprehensive solutions to the challenges facing the region.

What is the current state of Nordic-Baltic relations?

We have a very well-established cooperation framework. Besides the NB8 nations, several regional organizations are also active, including the Nordic Council of Ministers, the Baltic Assembly, the Nordic Council, the EU, the Council for the Baltic Sea States, the Council of Europe and NATO. The practical cooperation is active in a wide range of spheres and on different levels.

At the same time a lot of activity is driven by habit and custom to maintain the existing practices, procedures and structures rather than concrete common political cooperation objectives.

The global financial and economic crisis has proven our interdependency and made it even more important to cooperate both internationally and regionally. This also applies to the Nordic-Baltic region, despite our national differences.

Nordic-Baltic cooperation is much more than cooperation between and for governments. To a large extent this cooperation also includes the peoples of the region. Unfortunately, at present the visibility of Nordic-Baltic cooperation to the wider public has somewhat diminished. Strengthened and more focused cooperation should therefore focus much more on where it can make a difference and bring real added value at all levels with a view to creating concrete results to the benefit of citizens, organizations and the business environment.

What should be our ambition for the future?

The challenges dictated by globalization can only be tackled through enhanced international and regional cooperation. In many areas the cooperation of eight Nordic and Baltic countries would add strength and influence to the region as well as to the individual countries in the region (an explicit example here is the performance of the six Nordic and Baltic countries within the EU regarding the Baltic Sea Strategy). Collaboration among the Nordic and Baltic countries is also essential to boost the global competitiveness of the region.

Closer interaction and pooling of resources among the eight Nordic and Baltic countries gains additional meaning when seen in the context of regional clustering tendencies both in Europe and globally, especially if considered in a 10-20 year perspective.

The Nordic and Baltic countries have strong cultural and historical bonds, and we should strive at further developing these bonds and this identity in order to fully harvest the potential of the region in a longer-term perspective. The stronger the region becomes in terms of economic development, living standard, public administration practices etc., the more competitive the Nordic and Baltic region and each of its countries will be.

The eight Nordic and Baltic countries must agree on a common agenda. All of the eight countries must support this agenda, ensuring high level political commitment, ownership and awareness. In addition, there is a wide-spread perception that closer integration and the

articulation of common interests and objectives by the three Baltic countries (inspired by the Nordic countries' cooperation experience and further developing the existing good cooperation practices among the three Baltic countries) would contribute considerably to more goal-oriented Nordic-Baltic cooperation.

However, it is important to stress that while they are aiming at closer cooperation and integration within the region, each of the eight countries is maintaining its own unique identity. Each country has its own interests and national agendas. In this regard the Nordic-Baltic Eight "formula" is well suited to accommodating both interests – it is broad enough to allow each country to develop its own identity and at the same time specific enough to imply belonging to a specific region with a certain set of values and qualities.

There is no need for new regional structures; indeed, there are voices even advocating the dissolution of many of the existing ones which some find to be redundant or inefficient. However, if a relevant and active Nordic-Baltic agenda is set, the number and quality of the structures would become an issue of secondary importance. Moreover, all these structures can be put to good use if genuinely common and mutually important objectives and agendas are found.

The instruments and opportunities provided by the EU and NATO can be successfully used to advance the common focusing of the eight Nordic and Baltic countries. For instance, the EU Strategy for the Baltic Sea Region provides an integrated framework response to the key challenges facing the region. The well established networks of Nordic-Baltic cooperation may effectively contribute to the implementation of the strategy. In a number of areas, the Strategy may encourage more focused Nordic-Baltic cooperation. Closer coordination of the eight countries might also facilitate smoother EU-NATO cooperation.

To be continuous and sustainable, formal Nordic-Baltic cooperation needs to be rooted in public attitudes and opinions in both areas. As public opinion is determined by the visibility of partners and their activities, regaining the positive visibility of Nordic countries in Baltic countries and vice versa is crucial.

The future of the Nordic-Baltic Eight should therefore focus on a common agenda, where close cooperation among the countries of the region would ensure the development of the entire region and of each of its countries. It should increase the international political and economic influence of the region and give added value to the Baltic and Nordic countries.

NB8 wise men recommendations

Foreign and security political dialogue

How can we increase the influence of the NB8?

NB8 cooperation has several levels for foreign and security political dialogue. There are meetings among prime ministers, foreign ministers, defense ministers and parliamentarians. There are also meetings among civil servants in different areas¹. To some extent this dialogue works well. However, there have only been a few cases where the NB8 voice has been explicitly heard internationally. Closer Nordic-Baltic cooperation within foreign and security policy could lead to increased political influence when speaking with a common voice. Therefore, we deem it necessary to have strengthened and more efficient NB8 cooperation in the foreign policy area, not least within international organizations.

Within the framework of NB8 cooperation it has previously been suggested that we should speak with a common voice, e.g. through joint political messages after NB8 ministerial meetings. Such messages require proper prior planning and reflection. Therefore the host nation of the next NB8 ministerial meeting should consider drafting joint messages and having them circulated prior to the meeting.

1. More joint political statements should be issued after ministerial meetings.

How can we make the dialogue more efficient and relevant?

During the wise men's roundtrip in the region, it was suggested that NB8 meetings should be made more efficient and relevant, e.g. by having even more focused agendas, including current foreign policy issues, and having relevant documents circulated ahead of the meetings. However, at the same time the importance of the informality, flexibility and pragmatism of the cooperation and the NB8 dialogue was stressed. Thus it seems necessary to strike a balance between efficiency and flexibility.

2. One month ahead of each NB8 meeting the host nation should circulate a draft agenda, inviting the other NB8 nations to make additional suggestions for the final agenda. The organizers should aim at having even more focused agendas.

It should be underlined that the content of the final agenda is always in the hands of the host nation.

¹ See annex

Taking the ministers' full schedules into account, making more use of video conferences (VTC) should be considered. This could make it possible to hold meetings at short notice or in the case of an emergency. VTC could also be used for pre-consultations prior to high level meetings or ministerial meetings in other organizations.

3. NB8 dialogue should be improved by increasing the use of VTCs at the level of ministers and officials.

NB8 cooperation within international organizations

Cooperation between the Nordic and Baltic countries is not limited to the NB8 structure. It also includes international organizations such as the EU, NATO, the Council of Europe, the OSCE and the UN. Our recommendations in the following are inspired by meetings with representatives from the region.

United Nations

The United Nations is unofficially divided into five geopolitical regional groups, within which coordination and cooperation take place concerning candidacies to UN positions. The Nordic and Baltic countries are divided into two separate regional groups, the *Western European and Others Group* (WEOG) and the *Eastern European Group*, also known as *Countries with Economies in Transition* (CEIT). More coordination and cooperation between the two groups should be possible with regard to the promotion of candidacies, thus increasing NB8 influence at the UN.

4. More NB8 coordination and cooperation within the UN regarding promotion of candidacies.

The World Bank and the International Monetary Fund

Extensive and well-functioning NB8 cooperation takes place within the World Bank and the International Monetary Fund, where the NB8 countries share a seat on the Board. This cooperation could, however, be strengthened, if all NB8 countries were to play a more active role.

5. More active participation within the NB8 group at the World Bank and the International Monetary Fund.

The European Union

Work in the EU and the new decision-making procedures of the Lisbon Treaty have increasingly shown the need for Member States to seek alliances in order to maximize their influence. The NB6 countries meet informally at the level of prime ministers and foreign ministers prior to meetings at the EU in order to exchange views and to compare notes. Norway and Iceland



Courtesy of the EU

have previously been invited to meetings, which have had the aim of strengthening Nordic-Baltic influence at the EU. These meetings should continue and if possible be intensified, also at the level of civil servants and experts. A lead nation for organizing such meetings should – where relevant – be found, based on informal, existing rotation principles.

At the same time, where relevant and within different policy areas, the Nordic and Baltic countries should explore the possibility of formal or informal alliances with other groups of likeminded Member States, e.g. the Visegrad countries.

6. More exchange of positions prior to EU meetings.

Cooperation concerning diplomatic representations

How can we improve our diplomatic representation globally through strengthened NB8 cooperation?

The Nordic foreign ministers have agreed to implement the recommendation of the Stoltenberg report concerning strengthened Nordic cooperation on diplomatic representations. As a follow up, the Nordic countries are currently preparing a report for the Nordic foreign ministers meeting in November 2010 regarding the implementation of this recommendation.

At present the Nordic countries already cooperate in parts of the world by either housing each others' diplomats or – as in Berlin – by having some joint facilities adjacent to the embassies. In some places this cooperation has also included Baltic representation, although this seems more to be an exception. Latvia and Estonia are cooperating on representation in Cairo. The implementation of the EU External Action Service presents new opportunities which should be explored further, e.g. regarding handling of consular issues.

Sharing diplomatic facilities is a way of increasing diplomatic representation in parts of the world where budgetary constraints and priorities would otherwise have prevented such representation. At the same time extended cooperation in this field could also contribute to making NB8 cooperation more visible.

More should therefore be done in the area of joint diplomatic representation. A first step could be the setting up of an informal Clearing House where the NB8 countries could share information about opportunities for housing other NB8 countries' diplomats.

7. An informal Clearing House regarding diplomatic representations should be set up among the foreign ministries.

8. Each NB8 country should identify at least one diplomatic representation which should be able to host diplomats from other NB8 countries.

Exchange of diplomats among the ministries of foreign affairs would contribute to improving mutual cooperation and understanding at working level. This already takes place, but only bilaterally. This practice could later be expanded to other ministries and fields.

9. Possibilities and practical aspects of exchanging diplomats among the MFAs should be examined.

Civil security

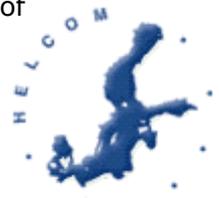
How can Nordic-Baltic cooperation protect the environment and strengthen the surveillance of the Baltic Sea?

Each year thousands of ships cross the Baltic Sea, which is a difficult area for navigation due to its narrow seaways and shallow waters. Each year 120-140 accidents occur in the Baltic Sea, mostly in the form of groundings. In the EU's Strategy for the Baltic Sea, the greatest of four main challenges is to make the region an environmentally sustainable area.

Transportation of oil and other potentially hazardous cargo is increasing in the Baltic Sea. The scenario of an oil spill disaster with consequences as seen recently in the Gulf of Mexico cannot be ruled out. More should therefore be done to protect the Baltic Sea region from falling victim to environmental damage.

Public Awareness and fighting pollution

The Helsinki Commission ("HELCOM") works to protect the marine environment of the Baltic Sea against all sources of pollution and is an intergovernmental cooperation between Denmark, Estonia, Finland, Latvia, Lithuania, Poland, Russia, Sweden, Germany and the EU. Within the framework of HELCOM an ambitious program called "The Baltic Sea Action Plan" (BSAP) was adopted in 2007. BSAP aims at restoring the ecological status of the Baltic marine environment by 2021 and addresses all of the main environmental problems which affect the maritime environment of the Baltic Sea.



Courtesy of HELCOM



Courtesy of the Royal Danish Navy

As part of the BSAP, the involved countries have committed themselves to ensuring Public Awareness concerning the environmental aspect.

A way forward for increased NB8 cooperation in this field could be to establish a "Marine Environmental Watcher" program in all NB8 countries. Inspiration could be taken from the program coordinated by the Royal Danish Navy

(www.sok.dk), a program which 12,500 people so far have joined. If a Watcher detects an oil spill or some other kind of pollution somewhere in Danish waters, that person can contact the Navy, using one central

phone number. Based on the call, the Navy will assess the situation and ensure full national coordination in order to identify the party responsible for the pollution and to have it cleaned up.

10. All NB8 countries should have a Marine Environmental Watcher program.

When the program has been introduced in all NB8 countries, informal exchange of best practices and information should take place among the countries.

In order to protect the environment in the Baltic Sea, proper legislation also needs to be in place. Harmonized NB8 legislations could make it more difficult for polluters to escape justice. The Nordic countries have legislation in place for issuing fines to polluters, but the same is not the case in the Baltic countries. Informal capacity building already takes place between the Nordic and Baltic countries in this field, but more should be done.

11. The legislation in the NB8 countries should be harmonized with the aim of fighting pollution in the Baltic Sea.

Marine Search and Rescue (SAR)

Within the field of Search and Rescue (SAR), many different fora already exist and could be further explored and utilized. Since 1989 the Nordic countries have had the *Nordred* SAR cooperation, which makes it possible for the Nordic countries to give mutual assistance in emergencies. Today the cooperation includes regional and local cross-border cooperation within civil protection, police, and marine search and rescue. This cooperation could be expanded to include the Baltic countries and thus bring added value to NB8 cooperation as well as Nordred. A first step could be to grant the Baltic countries observer status in Nordred.



Courtesy of Nordred

12. The Baltic countries should be given observer status in Nordred.

In order to expand mutual understanding and knowledge of each other's emergency capabilities and to increase mutual cooperation in this field, NB8 participation in annual emergency exercises should be given priority. Every year during the first week of May the Baltic SAREX exercise takes place near the Danish island of Bornholm, with the participation of many of the countries around the Baltic Sea, including some of the NB8 countries. It would contribute to the capacity building of the participating nations if they could take turns hosting the exercise, as seen with HELCOM's annual marine exercise BALEX DELTA. In that connection the individual host nations could draw on Danish experience and expertise.

13. The Baltic SAREX exercise could be hosted by a different country every year.

Civil protection

Cooperation could also be enhanced in the field of civil protection, e.g. by increasing the level of information between the countries. Currently the NB8 countries do not have the relevant contact information at hand should they need to contact colleagues in other countries instantaneously in case of an emergency.

14. An informal information network should be established, listing the capabilities of each nation and contact information for relevant people and institutions in case of an emergency.

On the basis of the "Haga Declaration" of 27 April 2009, the Nordic countries cooperate on e.g. commonly agreed thematic projects with the purpose of mutual exchange of experience and closer cooperation. This cooperation could be expanded to the Baltic countries as well.

15. Useful information, experience and knowledge could be exchanged by having observers from other NB8 countries participate within the framework cooperation of the Haga Declaration.

Emergency exercises

The NB8 countries each hold national emergency exercises, but inviting observers to these events mainly takes place on ad hoc basis. Having observers would give added value to the host nation as well as to the observers and would also further enhance cooperation on joint emergency actions.

16. Observers from the NB8 countries should be invited to major national emergency exercises.

A specific emergency exercise could be held for NB8 countries only, preferably based on a joint risk scenario. The first one could take place in the jubilee year 2011 (the 20th anniversary of the Baltic countries regaining their independence), which could also have the effect of increasing public awareness of NB8 cooperation. If possible, the exercise could take place back-to-back with the NB8 foreign ministers meeting in August.

17. An annual NB8 emergency exercise could be held, the first one, if possible, in August 2011.

Civilian capabilities

How can we utilize civilian capabilities better?

When it comes to cooperation on civilian assistance to disaster areas, the *International Humanitarian Partnership* (IHP) should be mentioned. This comprises informal cooperation between the national civil protection authorities in Denmark, Sweden, Norway, Finland, Estonia, the UK and the Netherlands. The cooperation normally entails operational services in the form of support modules. These modules are designed for rapid deployment to support UN

missions, but can also be deployed to support other organizations, e.g. the EU's Civil Protection Mechanism. The cooperation has been successful, and the modules have been used in many disaster situations all over the world, most recently in Haiti.

The IHP is also in charge of the only international civilian humanitarian exercise ("TRIPLEX"), which is held every two years with participants from international organizations, the military and civil protection organizations.

18. All NB8 countries should be encouraged to apply for membership of the IHP.

In order to use the Nordic-Baltic civilian capacities efficiently, a joint pool of resources should be established with the aim of deploying personnel to areas in need of stabilization or capacity building. For example: if one NB8 nation was to receive an appeal from the OSCE for civilian assistance in the field of good governance, but was unable to find the necessary national resources, that nation could then use the NB8 pool of resources to find the required personnel in another NB8 country.

19. An NB8 pool of civilian resources should be established.

It should be explored how to further utilize the *Baltic Defence College* (BALTDEFCOL) by offering relevant courses e.g. in Rule of Law for people figuring in the NB8 pool of resources.

20. More courses should be held at BALTDEFCOL with the aim of further strengthening the NB8 pool of resources.

Cyber security

How can we improve cyber security?

Attacking a country's Internet systems not only has security implications for the nation's defense, but also for the citizens' feeling of security and the community's sense of stability. Cyber attacks on Estonia in 2007 were to a large extent aimed at public services, e.g. the Central Bank. It could have had serious implications for the financial stability of Estonia had the Bank taken a serious hit.

Strengthened cooperation in this field could take advantage of the work being done at the Cooperative Cyber Defence Centre of Excellence (CCDCOE) in Tallinn, Estonia. This Centre, being accredited by NATO's North Atlantic Council (NAC) as an International Military Organization and funded by several NATO allies, is also open to NATO partner countries and institutions.



Courtesy of CCDCOE

The Nordic countries have agreed on the recommendation in the Stoltenberg report to enhance cooperation concerning cyber security and are currently looking into the implementation of this recommendation. One way of doing this could be to establish an informal Nordic cyber security network, focusing on the civilian aspects of cyber security. At a later stage such a network could be expanded to include the Baltic countries as well. However, a precondition for such a

Nordic-Baltic network would be to have well-functioning *Computer Emergency Response Teams* (CERT) in all NB8 countries and to have a multilateral security agreement. A first step could therefore be to carry out capacity building where needed.

21. Capacity building of Computer Emergency Response Teams in relevant NB8 countries should be implemented.

When well-functioning CERTs are present in all NB8 countries, a next step could be to look at having a multilateral Nordic-Baltic security agreement to enable cooperation concerning classified documents.

Defense cooperation

How can we improve and strengthen NB8 defense cooperation?

NB8 defense cooperation entails annual meetings of defense ministers as well as cooperation *on the ground*, e.g. at the *Baltic Defence College* (BALTDEFCOL) in Tartu, Estonia. The Nordic and Baltic countries have also cooperated outside the region by providing support to the Multinational Staff Officer Center in Kiev, Ukraine.

The Nordic-Baltic defense cooperation is working very well, especially bilaterally and trilaterally, as well as within EU and NATO operations. But more could be done, especially multilaterally. In that regard it would be natural to look at the Nordic defense cooperation (NORDEFECO). NORDEFECO is based on five different areas of cooperation:

1. Strategic development (including research and longer term strategic analysis)
2. Capabilities (including armament/acquisition and logistics)
3. HR and education (e.g. vocational training)
4. Training and exercises
5. Operations (e.g. the Nordic Battle Group within the EU)

22. All NB8 countries should be encouraged to contribute to the EU Nordic Battle Group 2011².

Nordic cooperation is not limited to the Nordic region. Regional capacity building takes place in the Western Balkans and in Africa. In the Balkans, the Baltic countries are part of this cooperation.

23. Including the Baltic countries in the Nordic cooperation in Africa should be considered.

² With respect to the defense dimension of the EU, Denmark has an opt-out and will therefore not be able to contribute to the Nordic Battle Group.



Courtesy of BALTDEFCOL

Well-functioning cooperation exists at BALTDEFCOL, which is a joint Baltic defense academy. The main objective of BALTDEFCOL is to provide high standard military education and training according to NATO standards and the needs outlined by the Baltic governments. BALTDEFCOL is open to all students from NATO nations or EU member states as well as students from countries which are part of NATO's Partnership for Peace (PfP). The Nordic countries participate with instructors, secondment of students (from the Nordic countries and as well as from other countries) and financially.

Based on an independent international review carried out in 2009, a new five year Development Plan for BALTDEFCOL was adopted by the Baltic defense ministers in May 2010. In the Development Plan the need for multinational involvement was stressed, including the importance of having foreign instructors and lectures. The Nordic countries could do more to support the goals set out in the Development Plan, e.g. by sending more students and instructors to BALTDEFCOL.

24. More instructors and students from the Nordic countries should be sent to BALTDEFCOL.

Utilizing BALTDEFCOL for one day events or seminars could also be considered, inviting high ranking speakers such as defense ministers or chiefs of defense.

25. Short seminars should be organized at BALTDEFCOL, inviting high ranking speakers.

Enhancing cooperation with NATO and the EU regarding hosting courses at BALDEFCOL should also be considered, courses which are normally held at NATO or EU facilities (e.g. the European Security and Defence College).

26. Enhance cooperation with NATO and the EU regarding courses to be held at BALTDEFCOL.

Energy

How can the NB8 cooperation contribute to increased energy security and energy efficiency?

A new Baltic Energy Market Interconnection Plan (BEMIP) was launched by the European Commission in November 2008 and afterwards also included in the EU Strategy for the Baltic Sea Region. The main goal of the initiative is the full integration of the three Baltic countries into the European energy market through the strengthening of interconnections with their EU neighboring countries and through the adoption of the Nordic model for implementing the EU aquis with regard to the internal market for electricity. Denmark, Estonia, Finland, Latvia, Lithuania and Sweden participate in this cooperation as well as Germany and Poland. Norway holds observer status.

The debate on energy has to a large extent been focused on the question of energy security, including the issue of energy supply, especially the traditional energy sources (fossil and nuclear). There seems to be less focus on the issues of renewable energy sources (biomass, water and wind) and energy efficiency.

Concerning renewable energy sources, the NB8 region holds the potential for utilizing them to a far greater extent than today for the benefit of the entire region, especially the environment in the region. Enhanced NB8 cooperation within the field of energy should therefore focus on how to increase the utilization of renewable energy sources.

For decades the issue of energy efficiency has been high on the agenda in the Nordic countries, and they have developed considerable competences in this field. This should be used to everyone's advantage within NB8 cooperation. Reducing energy consumption would benefit not only the environment, but also the economy, since the cheapest and greenest energy is the energy which is not used.



Courtesy of Vestas Wind Systems A/S



Picture showing the isolation standard of a house. Courtesy of Rockwool International A/S

Furthermore, using renewable energy sources and reducing energy consumption lessen the dependence on external energy sources of a more traditional kind and thus improve the individual country's energy security.

Cooperation concerning reducing energy consumption, improving energy efficiency and promoting the utilization of renewable energy sources in the NB8 countries in general should be established, with special focus on the Baltic countries. The importance of having a high level political commitment behind such an initiative as well as strict deadlines should be underlined. Furthermore, the political commitment must be supported by financial possibilities to strengthen the cooperation. This could e.g. be in the shape of loans from the Nordic Investment Bank to projects aiming at improving energy efficiency.

27. Each NB8 country should select a national representative for a high level working group. Six months after its establishment, the working group should present an action plan with specific recommendations for the expansion of renewable energy sources and improved energy efficiency in the NB8 countries.

Another way to strengthen cooperation on energy could be to enhance research and development cooperation. Since 2008, the Nordic countries have had a five year joint Nordic research program ("*Nordic Top Research*"), focusing on climate changes, energy and the environment. The cooperation is based on funds from the participating countries. Including the Baltic countries in this cooperation could be considered.

28. Including the Baltic countries in the Nordic Top Research program could be considered.

The NB8 brand

How can we strengthen the visibility of NB8 cooperation?

Nordic-Baltic cooperation is working well in a number of areas. However, key stakeholders and ordinary citizens do not seem to have sufficient knowledge of NB8 cooperation. Much more could therefore be done in the field of Public Diplomacy.

2011 marks the 20th anniversary of the Baltic countries regaining their independence. The jubilee year could be used as a platform for highlighting NB8 cooperation through joint events.

Special cultural and historical bonds exist between the Nordic and Baltic countries. The jubilee year could be used to manifest and highlight these bonds.

29. Each NB8 country should select a national representative for a working group, which should present specific suggestions for events to take place during the jubilee year.

Another suggestion could be a regional conference, involving journalists, historians, researchers and others with special interest in and knowledge about the Nordic-Baltic cooperation. The focus of the conference should be the present Nordic-Baltic cooperation and future possibilities. The conference could take place back-to-back with the Nordic-Baltic foreign ministers meeting in August 2011 and by doing so achieve synergy between the two events.

30. A regional conference should be held, focusing on Nordic-Baltic cooperation.

The ministers meeting itself should also be highlighted, e.g. through better media coverage.

31. A joint article by all NB8 foreign ministers should be made prior to the ministers meeting.

The recommendations in this report will be discussed at the NB8 foreign ministers meeting in Riga in August 2010. After a decision has been taken on which recommendations are to be implemented, stocktaking should take place in connection with the annual NB8 foreign ministers meeting in order to ensure smooth implementation and follow up, where needed.

32. A stocktaking session regarding the wise men recommendations should be part of the annual NB8 foreign ministers meeting.

There are many activities within NB8 cooperation. There are meetings of ministers, conferences for academics, exchange of students, etc. However, the information concerning these activities seems hard to find. Some NB8 countries have information concerning the cooperation on the website of their foreign ministry, but unfortunately this is not a general trend.

33. All NB8 countries should have at least a generic NB8 website on their foreign ministry's website.

34. Sector ministries – such as the ministries of education – should be encouraged to include information on mobility schemes and funding opportunities for collaborative activities.



NORDPLUS

Courtesy of NordPlus

Informing the public about the NB8 framework would not only provide people with more knowledge about the cooperation, but it could also strengthen the future cooperation itself by getting

more students interested in the exchange program of e.g. the Nordic Council of Ministers (NordPlus). This could help improve the situation of under-utilization of student and research exchanges as recognized in the EU's Strategy for the Baltic Sea.

Another way to improve knowledge of cooperation and mobility is to support the convergence among NB8 countries to European standards and the Bologna process on matters such as degree structures, quality assurance and university management. The OECD has a long tradition of organizing international reviews of its member countries, thus providing input for national processes of change. It could be relevant to use NB8 cooperation to carry out Nordic reviews of e.g. the Baltic higher education systems. The recommendations of such reviews could subsequently be transformed into concrete collaborative improvement projects, e.g. funded by the EU. The reviews should be financed with funds, e.g. from the Nordic Council of Ministers.

35. Nordic reviews of the Baltic higher education systems should be carried out.

NB8 cooperation could also be highlighted by giving a few, but prestigious, scholarships to students or young researchers who e.g. carry out research concerning Nordic-Baltic cooperation, including the issue of public opinion. The scholarships could be financed by funds, e.g. from the Nordic Council of Ministers.

36. Specific NB8-scholarships should be offered.

Finally, the student and research exchanges could benefit from including the Baltic countries in Nordic university cooperation. In 1995 the Nordic university cooperation, *NUS*, was established between the five Nordic countries. The aim of this cooperation – which is supplemented by the Nordic Association of University Administrators, *NUAS* – is to ensure mutual information concerning the development of higher education and research in the Nordic countries and to improve Nordic cooperation in this field. *NUS* also aims at coordinating the national university bodies' participations in international cooperation.

37. The Baltic countries should be included in the *NUS* and *NUAS* cooperation.

Within the Nordic countries, and to some extent within the Baltic countries, people seem to have a fair degree of knowledge about the neighboring countries, whereas in general this does not seem to be the case within the NB8. One way of improving general knowledge and fostering people-to-people contact could be through cross-border and, in particular, twin-cities cooperation.

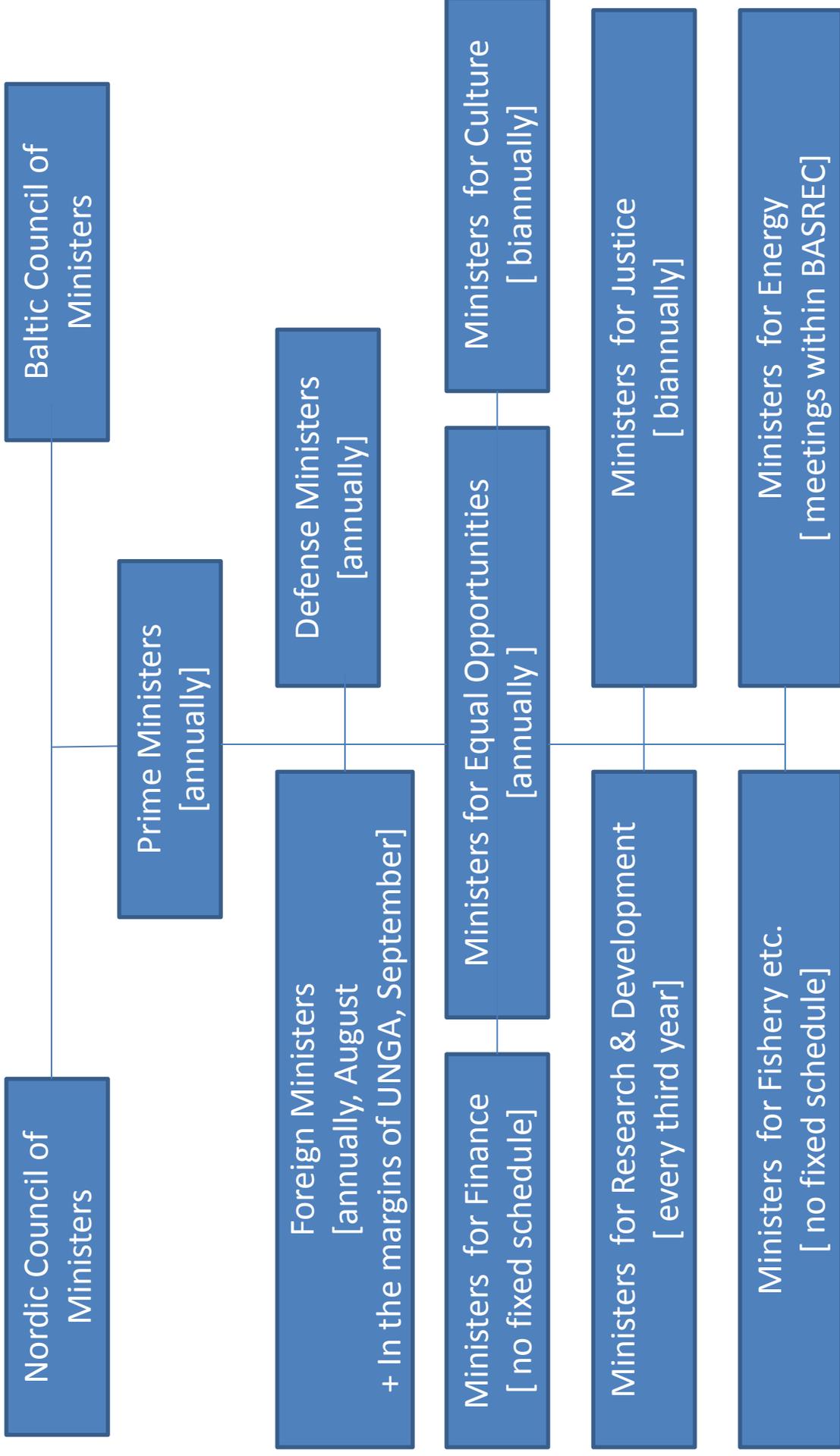
38. Larger NB8 cities should be encouraged to have at least one twin-city in one of the other NB8 countries.

Final remarks

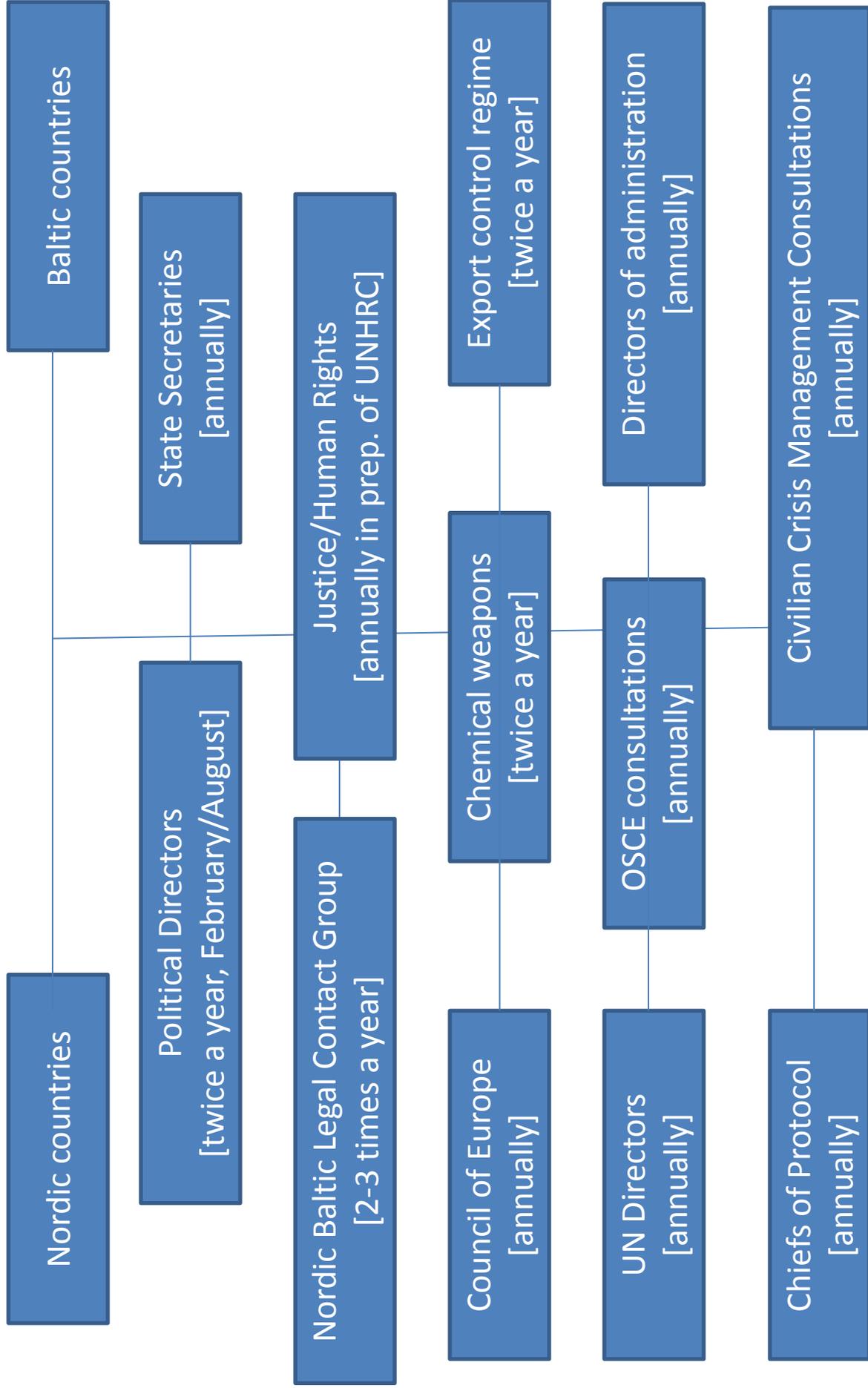
The task we were given by the Latvian and Danish foreign ministers was to look at how NB8 cooperation could be strengthened. The recommendations presented in this report could all lead to added value for NB8 cooperation as well as for the individual NB8 countries.

But it should be stressed that implementation of the recommendations is not sufficient in itself. For NB8 cooperation to further develop, also in the longer run, political will, considerations and awareness are essential. We have recommended that a stocktaking of the implementation of our recommendations should take place at the foreign ministers meeting in the jubilee year of 2011. It is our hope that the foreign ministers meeting will confirm that such a political commitment does exist.

NB8 STRUCTURE



NB8 STRUCTURE



Security Policy Consultations
[biannually]

Migration consultations
[no fixed schedule]

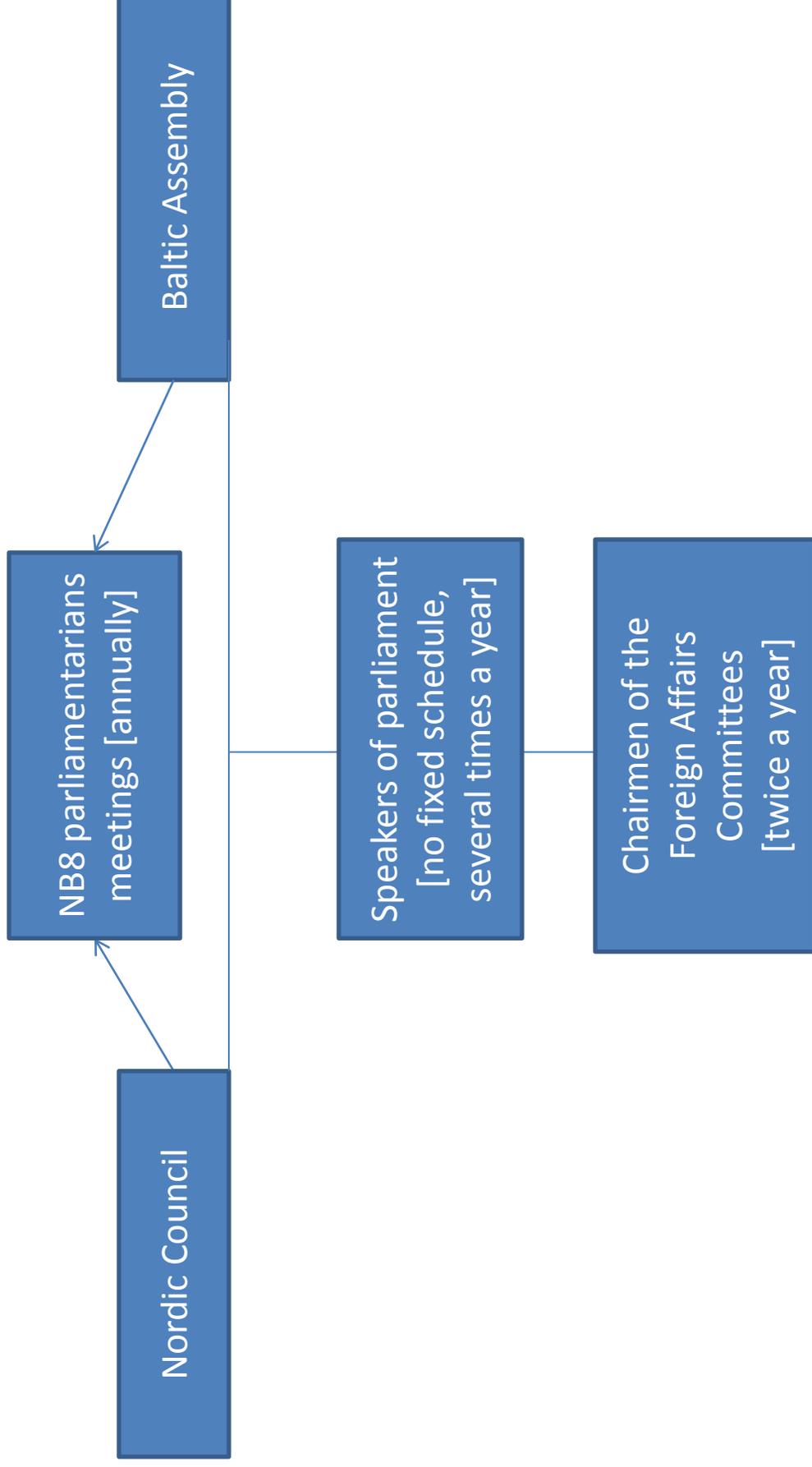
Heads of Information
[annually]

Research and Development
[2-3 times a year]

Fishery etc.
[annually]

Policy planners
[Not established yet]

NB8 STRUCTURE



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Links

Baltic Assembly: www.baltasam.org

Baltic Defence College (BALTDEFCOL): www.bdcoll.ee

BEMIP (Baltic Energy Market Interconnection Plan):
http://ec.europa.eu/energy/infrastructure/bemip_en.htm

Cooperative Cyber Defence Centre of Excellence: www.ccdcoe.org

EU Strategy for the Baltic Sea Region:
http://eu.baltic.net/Baltic_Sea_Region_strategy.7428.html

Haga Declaration: [http://www.fmn.dk/videnom/Documents/Deklaration%20Haga-deklarationen%20slutlig%20\(4\).pdf](http://www.fmn.dk/videnom/Documents/Deklaration%20Haga-deklarationen%20slutlig%20(4).pdf)

HELCOM: www.helcom.fi

International Humanitarian Partnership (IHP): www.ihp.nu

NBS foreign ministries

Denmark: www.um.dk

Estonia: www.vm.ee

Finland: <http://formin.finland.fi/Public/default.aspx?>

Iceland: www.mfa.is

Latvia: www.mfa.gov.lv/en/

Lithuania: www.urm.lt

Norway: www.regjeringen.no

Sweden: www.sweden.gov.se/sb/d/2059

Nordic Association of University Administrators (NUAS): www.nuas.org

Nordic Council of Ministers/Nordic Council: www.norden.org

Nordic Investment Bank: www.nib.int

NordPlus: www.nordplusonline.org

Nordred: www.nordred.org

Royal Danish Navy: www.sok.dk

Stoltenberg report: <http://www.regjeringen.no/upload/UD/Vedlegg/nordicreport.pdf>