The Union's policies: a Northern dimension, Russia and Baltic countries. Vienna European Council

1998/2227(COS) - 25/11/1998 - Non-legislative basic document

PURPOSE : To present a European strategy for closer relations with the countries in North-Eastern Europe. CONTENT : The Commission was requested to prepare this report at the Cardiff Summit in June 1998. It follows on from Finland's proposal concerning a Northern Dimension in the policies of the Union in view of its border with Russia and the serious challenges it faces with respect to the environment. This report : - recalls the union's activities and instruments with regard to the Northern dimension; - sets out the challenges facing this region and identifies areas where the EU could provide value added; and - establishes guidelines and proposes operational recommendations for future activity in this area. It points to the fact that the Northern region is of particular significance to the EU as it is a region of great natural resources, with considerable human and economic potential. Aspects of its environmental situation are a cause of concern and will present a major challenge to future generations. The Northern region is also the Union's only direct geographical link with the Russian Federation and, as such, is important for co-operation between the EU and that country. The EU provides considerable financial assistance in support of the countries of Northern Europe. In view of the accession of Sweden and Finland in 1995, the European Community put in place structural assistance designed specifically to address issues related to the EU's northern regions which have an extremely low population density. Estonia, Latvia, Lithuania and Poland all benefit from the Phare programme which supports their preparations for EU membership. The Russian Federation is a beneficiary of the Tacis programme. In terms of the challenges facing the Union, three main priorities have been pinpointed : security, stability and sustainable development. In the field of nuclear waste, the problems are such that a vigorous and comprehensive approach is needed to resolve them. It is therefore important to create a climate favourable to such change and to incorporate high environment protection standards in all new industrial investment. The region is also home to substantial natural resources, such as natural gas, oli, minerals and forest resources. It is in the EU's interests to ensure that it has secure and reliable sources of energy. The EC is becoming increasingly dependent on imported energy and this trend will be reinforced with Community enlargement. At the same time, the share of gas in energy consumption in the Community is expected to increase. The EU, therefore, needs to diversify sources and ensure that it has access to modern networks that can deliver energy imports. The economic development and interdependency of the North will require the development of transport infrastructures and establishment of new connections with European-wide networks. The future successful development of the economy in the region will also require efficient telecommunications and postal networks and information systems supporting modern business activity, as well as stronger competition and state aid rules to ensure that businesses compete fairly. The further promotion of the Northern Dimension concept shouldtake place where there is clear added value, within the existing instruments and frameworks, and should be based on contractual relationships such as Partnership and Co-operation Agreement with Russia and Europe Agreements with the Baltic States and Poland. It should be seen as a means to strengthen the Union's external policies and available instruments in the region. At the same time, it should also help to emphasise the positive inter-dependence between Russia and the Baltic Sea Region and the Union. The Northern Dimension approach shall in particular : - promote economic development, stability and security in the region (exploitation of natural resources, especially in North-Western Russia) - address cross-border issues (present new cross-border technical assistance and investment programmes, as well as programmes promoting customs co-operation and helping in the fight against crime) - contribute to narrowing the disparities of living standards and prevent and ward off threats originating in the region (remove administrative barriers to trade and improve the transport infrastructure)

- contribute to reducing environmental and nuclear threats (promote the establishment of an effective environmental administration and infrastructure, and introduction of pollution control measures to reduce trans-boundary pollution).