

Speech by DG at the Opening panel

The 10th Annual Baltic Sea Forum of Finland

**“GLOBAL STORMS AND THE ECONOMIC DEVELOPMENT IN THE BALTIC SEA
REGION”**

Turku School of Economics, University of Turku, Finland

May 30, 2017

Your Magnificence, Excellencies, Ladies and Gentlemen,

It is great honour for the Council of Baltic Sea States and me personally to be invited to the Anniversary Forum in Turku. The CBSS, too, is celebrating its 25th anniversary this year, and the invitation to represent it here is a recognition of the work the Council has done over these years.

I will share with you the ways we deal with some of the challenges facing the region, and some of our efforts to contribute to the growth in the Baltic Sea area.

One must realize that today's global economic challenges, natural disasters and military conflicts, immigration and refugee crises are partly also caused by the climate change. Climate change isn't just about the environment, though. Growing number of flooding and mega storms caused by changing weather patterns destroy homes, kill people and damage infrastructure and vital services in many places across the globe.

The consumptions habits, patterns and volume of global goods of about 90 million people in our region are contributing to the greenhouse gas emission and global warming, thus we also are responsible for providing solutions.

In line with the CBSS long-term priority, *'Safe and Secure Region'*, we support the strengthening of local resilience towards major risks across the region. Community resilience is a key in establishing stable and sustainable economic systems, and in ensuring the longevity of investments. Early adaptation actions save money and lives. To exemplify this, I would like to remind that according to relevant statistical data 1 euro spent on flood protection could save 6 euros in damage costs. The CBSS Secretariat work contributing to building community resilience is conducted through various efforts:

- Currently within the project *'From Gaps to Caps'* - assessment of capabilities to manage risks and combine expertise and knowledge from the fields of civil protection and climate change adaptation.
- The United Nation's *'Sendai Framework for Disaster Risk Reduction'* embodies a paradigm shift from disaster management to risk management. At the CBSS Secretariat, the teams working with civil security issues and with sustainable development, have developed a proposal of the first Sendai-focused project aiming to create improved knowledge about Baltic Sea Region macro-regional, and city-level, climate change risks.

As the coordinator of the Horizontal Action Climate, the CBSS, besides building the resilience of our society to the negative effects of climate change, is also supporting the transformation of the region into a low carbon economy in order to mitigate climate change.

CBSS is key player in the BSR countries coordinated action to implement the most comprehensive global strategy to address main challenges – namely the 2030 Agenda of the United Nations and its 17 Sustainable Development Goals. The CBSS Expert Group on Sustainable Development is preparing an action plan of cooperative and synergistic work to advance the 2030 Agenda in the Baltic Sea Region. Climate change is one of these focus areas, and the framework presented in this Action Plan emphasizes the transition to a low-carbon economy and increasing climate resilience, as these remain critical challenges and areas of priority collaboration in the Baltic Sea Region.

The Baltic Sea Region was the first macro-region in the world to adopt common goals for sustainable development and now, with renewed Agenda2030, expected to be adopted by the foreign ministers meeting in June this year, our region is continuing to be a forerunner in addressing complex global challenges.

A well-functioning labour market is a crucial element for the overall competitiveness of the countries in the Baltic Sea Region. The challenges we are currently facing are numerous and concern the need for better synergies between educational systems and labour markets' demands, demographic trends including the response to ageing workforces and the pressures on pension systems, youth unemployment and the existing barriers to the free movement of labour. Beside growing economic

integration, labour market integration is becoming more and more important. It is of common interest that labour mobility improves - and “brain drain” should be transformed into “brain circulation” - the movement of skills and talent that is advantageous to all parties and of utmost importance for the competitiveness of the Baltic Sea Region.

Currently the CBSS Secretariat is working on CBSS Labour Ministers’ Meeting taking place on the **15th of June 2017 in Berlin**. The meeting will address the topics defined as areas of common concern for countries in Baltic Sea Region in the field of labour and employment: the already mentioned labour mobility issues; Demographic challenges – such as senior policy, silver economy; labour market forecasting and research, Youth employment, Migration/Integration, participation of people with special needs in the labour market.

The role of the tourism as a cross-cutting sector of economy contributing to the socio-economic stability and growth of the territories plays an important role for the development of the Baltic Sea Region.

The CBSS is eager to contribute to the general awareness and the political visibility of the Baltic Sea Tourist Forum, by including it in the calendars of activities of the rotating presidencies.

The 10th Baltic Sea Tourism Forum 2017 will be held in Turku in November 2-3, 2017, with ‘The Future of Baltic Sea Tourism’ as the principal theme.

No doubt, that due to its centuries-old history and its exceptional atmosphere and sights, Turku will be a very suitable location for this anniversary Forum.

An important element of the priority Prosperous Region is the CBSS Expert Group on Maritime Policy, (EGMP). A key objective is the development of sustainable maritime economy and international competitiveness of the Baltic Sea region. It is important to position the Baltic Sea region as a model region for maritime best practices and use its attractiveness as a safe and secure destination, particularly in times of global unrest. The EGMP deals with such topics as Maritime education and training; Small ports and cruising companies’ cooperation; Energy efficiency; Power supply; as well as Innovation - Autonomous ship technology.

And finally, the CBSS Science, Research and Innovation Agenda – which was launched after the CBSS Science Ministerial held last summer. Its two cornerstones is the science – business cooperation project Baltic TRAM, as well as the Baltic Science Network – a macro-regional forum for higher education, science and research

cooperation. I commend the outstanding participation of the University of Turku as a partner in both these projects.

To increase the visibility of the CBSS Science, Research and Innovation Agenda, the CBSS Secretariat took the initiative to organize a pilot Conference “Baltic Sea Science Day”, which took place in February 2017 in St. Petersburg. It has been recognized by participants as useful and worth developing further, and the decision to have it on annual basis has been taken. In this regard, let me thank Rector Kalervo Väänänen for his continuous support to the CBSS efforts by the active engagement in the Baltic Sea Science Day in St Petersburg and supporting the idea to organize the next BS Science Day in Turku in in January 2018, back-to-back with the Fifth Baltic University Program Rectors’ Conference, which this time will be organized by Uppsala University together with Åbo Akademi University, and will be the first event this year to celebrate the 100 year anniversary of Åbo Akademi. We appreciate very much this excellent occasion as an opportunity for the CBSS Science Day to be developed.