

2nd CBSS meeting of Ministers in Charge of Industry and Economy-Gdansk (1998)

**CHAIRMAN'S RESUME**  
**The Baltic Sea Region Second Ministerial Meeting in Gdansk**  
**March 19-20, 1998**

At the invitation of the Minister of Economy of Poland, hosting and chairing the meeting, the Ministers in Charge of Industry and Economic Affairs of Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, the Russian Federation and Sweden met here in Gdansk on 19-20 March 1998 for their second conference. The European Commission and the European Bank for Reconstruction and Development were also represented at the meeting.

The Ministers welcomed the progress achieved in the co-operation between their countries since their first meeting in Helsinki in August, 1995.

With reference to the Second Baltic Sea States Summit, held in Riga, on January 22-23, 1998, the Ministers discussed the measures which would promote a secure and sustainable economic development and strengthen the economic co-operation of the Baltic Sea Region in the future. The Baltic Summit in Riga stressed the importance of co-operation between the Baltic Sea States as an important element in the European integration process and provided a broad political platform for regional co-operation.

The support given to the process by governments and by a significant number of regional bodies will further consolidate the development of the Baltic Sea co-operation, basing on mutual respect of the common interests of all the states of the region.

The Ministers underlined their responsibility for promoting a secure and sustainable economic development and for strengthening economic co-operation, especially between the Small and Medium-sized Enterprises ! (SMEs).

The Ministers noted with satisfaction the activities of the Baltic Chambers of Commerce Association (BCCA) in establishing better communication between the business community and public administration of the region, as well as of the Baltic Business Advisory Council (BAC) which is providing the respective institutions of the region with the opinions of the business community on economic development (opportunities, bottlenecks).

The Ministers discussed with great interest the problems of industrial co-operation and know-how transfer, the issues connected with the energy network around the Baltic Sea and the promotion of Small and Medium sized enterprises (SMEs) in the region.

SMEs contribute a major share to the creation of value added. They play a very important role in the development of the region and overcoming its imbalances. In order to allow SMEs to prosper, the governments need to take them consistently into account in all their policy decisions.

The Ministers discussed ways to facilitate the industrial co-operation and to increase the competitiveness through the elimination of existing barriers and bottlenecks of investments procedures. Barriers of a technical nature (i.e. procedures concerning the acceptance of the

quality standards and products safety regulations) should be harmonised with the international and EU requirements.

The Ministers asked for exploratory studies on ways to strengthen the rules of law and legal harmonisation as well as general certification procedures to their next meeting.

The Ministers stressed the importance of the energy network for safe and effective energy supplies in the Baltic Sea Region. Developing a well- functioning energy market is important not only for the enterprises, that supply energy but also for the economy of the region.

The Ministers welcomed the activities of the Nordic Ministers of Energy to strengthen the basis for enhanced co-operation in the energy sector and for a sustainable energy system in the Baltic Sea Region. They noted with satisfaction the completion of the feasibility study on the Baltic electricity ring. The parties in the Baltic Ring Study were encouraged to take the necessary steps for its implementation in close co-ordination with the respective national authorities. The Ministers expressed satisfaction with the co-operation between the energy administration, power producers, electricity and gas transmission companies, utility organisations in developing the energy transmission grids and the market framework.

The Ministers pointed out the significance for more intensive co-operation in the field of High Technology, especially information technology and the co- operation between universities, research institutions and enterprises of the region. Looking ahead to the year 2000 the promotion of a new information technology will be an important instrument in expanding regional co-operation. Development of telecommunications and transfer of know-how will also be of great importance for the economic development and for improving the standards of living in the respective countries of the Baltic Sea Region.

The Ministers, underlining the achievements and results of regional co- operation so far, stated that further efforts and initiatives will be necessary, to eliminate the existing barriers to trade and industrial co-operation between the countries of the Baltic Sea Region and to promote the dynamic development of the Northern dimension within European integration.

The Ministers should advise the appropriate authorities in their countries to examine in detail in and outside of the Baltic Sea Region the existing problems, in co-operation with the UE institutions and to report back on the results in the second half of this year.