Denmark and Baltic Sea Cooperation

Danish Baltic Sea Policy Framework

Denmark has decided to step up involvement in regional cooperation. To do this, a new Danish policy framework for the Baltic Sea region was developed. The aim is not only to raise Denmark’s political profile in the Baltic Sea context but also to increase focus and impact on the Baltic Sea cooperation.

The Danish policy framework has one main goal: to tie the Baltic Sea Region together in an even stronger cooperation between all Baltic Sea States. It has two priorities: to protect the environment and climate, as well as to create growth in a broad sense. And it focuses efforts mainly on three main fora for cooperation: The EU Strategy for the Baltic Sea Region (EUSBSR), the Council of Baltic Sea States, and the Northern Dimension. Danish efforts in other regional fora such as Helsinki Commission (HELCOM) pull in the same direction. The economic potential and the challenges to secure a sustainable region will only grow in the years to come. Poland, currently holding the Presidency of the Council of the Baltic Sea States, and Denmark can work together on both.

Denmark and the EU Strategy

The European Union’s Strategy for the Baltic Sea Region (EUSBSR) is the first macro-regional strategy in Europe. It aims at reinforcing cooperation within this large region by working together, as well as promoting a balanced development in the area. The Strategy also contributes to the implementation of major EU policies and reinforces the integration within the area.

The EU Baltic Sea region counts 85 million inhabitants (17% of EU population) and eight countries (Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden), which share common features and challenges. Hence there are clear benefits to be gained from joining forces in cooperation.

The Strategy was approved by the European Council in 2009 following a communication from the European Commission. It provides an integrated framework for improving the environmental condition of the sea, reducing transport bottlenecks and improving energy interconnections as well as facilitating the development of competitive markets across borders and common networks for research and innovation.

The Strategy is implemented by means of Flagship Projects and contributing projects - many of which, but not all - co-funded by the various EU funding programmes. These projects have a macro-regional impact and are based on joint initiatives involving partners from different countries.

The Strategy has three overriding objectives and intends 1) to save the Baltic Sea in terms of environmental sustainability, 2) to connect the region better in terms of transport and accessibility, and not least 3) to increase prosperity of the region.

Denmark as a Baltic sea state and shipping nation

Denmark enjoys a central position in the Baltic Sea Region and is located by the belts and the sound connecting the Baltic Sea with the open seas. Denmark’s coastline exceeds 7300 km, and the largest part faces the Baltic Sea. This is by far the longest coastline of all Baltic Sea countries¹. Ever since the Vikings, transport by sea has been essential and a core Danish competence – and today, Denmark is still home to some of the World’s largest shipping

¹ Source: https://en.wikipedia.org/wiki/List_of_countries_by_length_of_coastline#List
companies and maritime equipment manufacturers. Denmark is the 8th largest shipping nation in the World measured by operated tonnage, controls 5% of the total merchant fleet across segments, and transports some 10% of world trade measured by value. Shipping constitutes approx. 20% of total Danish exports.\(^2\)

Shipping is global by definition, and as a global actor in shipping Denmark generally prefers regulation to be adopted at global level in the International Maritime Organization rather than at the European or regional level. A level playing field for all is essential. Regional cooperation can, however, play a constructive role when it comes to development of new products or initiatives, which can be tested regionally before being conveyed to the global or European level. Countries in a region can also work together to enable early or harmonized implementation of international rules.

The EU Strategy for the Baltic Sea Region represents a new way of collaboration in a macro-region of Europe, which allows a project-oriented policy dialogue among actors from across sectors and at different horizontal levels as well as private sector involvement. In this dialogue, there is a short distance from identifying a need politically to initiating a project actually addressing this need, and to prioritize funding for it. In a region with complex decision-making and numerous stakeholders such as the Baltic Sea Region, such dialogue can be a useful instrument for coherent implementation of policies.

All nations around the Baltic have a proud maritime history and also today possess strong maritime competences, but all our nations also share a wish for increased growth in the blue sector. Similarly, all countries around the sea are facing difficulties with the pollution of the Baltic Sea. By cooperating smarter, we can hopefully not only save the Baltic sea, but also enable better connectivity and at the same time work for higher and more sustainable growth.

In this light, it was natural for Denmark to opt for a coordinating role in the maritime field when the EU Strategy for the Baltic Sea was adopted in 2009. After all, the maritime sector proudly contributes to achieving all three corner stones of the strategy – cleaner environment, connectivity and growth. Denmark, represented by the Danish Maritime Authority coordinates the cooperation in the policy area of clean shipping and, together with Finland, the policy area of maritime safety and security. The policy areas strive to provide platforms for the maritime stakeholders within these fields to turn the Baltic sea region into a leading region for maritime safety and a model region for clean shipping. The following are examples of their work on behalf of the EU countries of the Baltic Sea Region:

**Policy Area on maritime safety and security**

More than 2,000 vessels are constantly operating in the Baltic Sea – and large quantities of goods, oil and chemical substances are being transported each day. Such dense traffic inevitably presents a risk of maritime accidents, which can be detrimental and have substantial negative consequences for the Baltic Sea states, due to their dependence of the sea and the fragile ecosystem. Fortunately, the Baltic Sea region already has a relatively good level of maritime safety.

The waters of the Baltic Sea are, however, not the easiest to navigate. The Baltic Sea is generally quite shallow and the entrance to the sea is limited to the curved and narrow straits of Denmark and the Kiel Canal, which is the world’s busiest artificial waterway. During winter, ice-covered waters cause difficult navigation conditions in the northernmost areas that affect the safety

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and reliability of maritime transport. This calls for traffic management and a high level of maritime safety.

A broad range of policy activities and flagship projects have been conducted in the framework of the policy area on maritime safety and security, and a series of results have already been achieved. These results are either being used directly for the benefit of maritime safety and security in the region, or have helped pave the way for new project activities, developing the already achieved results further.

The results achieved in maritime safety include inter alia:

- creation of a regional project-based policy dialogue among maritime authorities, researchers, project makers and regional organisations which convene in the policy area’s international Steering Committee to prioritize, select and use projects and their results;
- three EU co-funded projects on e-Navigation, which have helped in the development of services and testing of infrastructure to dynamically provide the helmsman with updated information and allowing authorities in land to monitor and manage traffic better. The results of these projects have helped shape a global policy process on e-Navigation in the IMO as well as create the Baltic Sea region e-Navigation Forum, and may in turn give companies of the region taking part in the development a comparative advantage;
- two projects on information exchange among maritime authorities and coast guard functions, contributing to a Common Information Sharing Environment;
- three projects on resurveying shipping routes and ports of the Baltic Sea with modern technology, providing more accurate sea charts and safer maritime operations. This will allow bigger vessels to operate and provide for more efficient shipping;
- a number of other projects on such topics as reducing accidents in fisheries, minimizing the risks related to the transportation of dangerous goods at sea and facilitating exchange of knowledge and innovation in the field of maritime safety.

**Policy Area on clean shipping**

Shipping has been a driver for connectivity and growth in the Baltic Sea for centuries. While maritime transport is a very energy efficient mode of transport measured in emissions per tonnes of cargo, increasing shipping can have negative effects on the environment through e.g. emissions to the air and the sea. At the same time, the Baltic Sea is environmentally fragile due to its shallow, semi-closed waters and densely populated shores. Furthermore, the Baltic is severely affected by many years of pollution from the coastal states.
The EU Strategy for the Baltic Sea Region sets the target for the region to become a model region for clean shipping. This is rather ambitious due to the technical demands connected with the transition towards cleaner and greener shipping. Some observers claim that the transition to green shipping will be more demanding in terms of technology and financing than the transition from wooden to steel ships a century ago.

Clean shipping is a multitude of measures all aimed at making maritime transport greener when building and operating vessels and during port calls.

A transition towards greener shipping is, however, required. A new environmental regulation which entered into force on 1 January 2015 stipulates that bunker fuel for shipping cannot exceed 0,1% Sulphur for operations in the Baltic and North Sea.

Consequently, ships either have to discontinue using heavy fuel oil and change to more expensive diesel (marine gas oil), or to install a scrubber onboard to clean their exhaust gases. Concerted enforcement of these new rules is essential to maintain a level playing field for shipping companies – and cooperation on implementation and compliance monitoring of the regulation may well become a subject for regional cooperation in the coming years.

Since the adoption of the EUSBSR, a broad range of policy activities and flagships have been conducted in the framework of the policy area on clean shipping, and a series of results have already been achieved.

The results achieved in clean shipping include:

- creation of a regional project-based policy dialogue among maritime authorities, researchers, public and private project makers as well as regional organisations which convene in the policy area’s international Steering Committee to prioritize, select and use projects and their results;
- three projects on development of infrastructure and value chain of LNG in the Baltic Sea region. The projects build on each other’s results and have gradually moved closer and closer to concrete infrastructure investments;
- two HELCOM policy processes and elements of two concrete projects working to enhance port reception facilities of sewage and waste in the ports of the Baltic Sea region;
- two projects focusing on the cost of more environmentally friendly shipping in the Baltic Sea region and on economic incentives for maritime stakeholders.

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