

## Russia Programme 2006-2008

### **Introduction**

Conditions changed in the region adjoining the Nordic countries when ten new countries joined the European Union on 1 May 2004. Accelerated political and economic integration in Europe and economic progress in neighbouring countries are of great significance to the Nordic Region, particularly in terms of the potential for economic growth.

On 10 December 2004, the Ministers for Nordic Co-operation adopted new guidelines for co-operation with Estonia, Latvia and Lithuania as well as with North-West Russia for 2006-08. The guidelines govern all activities and are to be implemented by all ministerial councils.

The guidelines are not a definitive blueprint, but constitute a new phase in the ongoing process of developing co-operation, a phase during which all the countries involved (especially Russia, which needs to play an active part in implementing the programme) are seeking new ways forward.

Co-operation between the Nordic Council of Ministers and neighbouring countries should be regarded as complementary to bilateral co-operation between individual Nordic countries and their neighbours.

Extra funding will be available to increase the level of initiatives in North-West Russia in 2006. These initiatives, which should lead to greater visibility, will be targeted at sectors where the Nordic Council of Ministers has something special to offer. Co-operation with Russia will, therefore, include activities that are easier for the Nordic countries to organise jointly than individually, and activities that generate Nordic synergy. The new guidelines constitute the framework for co-operation with North-West Russia.

The ministerial councils report annually on current and planned activities to the Ministers for Nordic Co-operation.

Co-operation with Russia focuses on sectors where added value is generated. The guidelines emphasise key subjects such as: democracy and the rule of law; cross-border co-operation; research and innovation; IT co-operation; social issues; health; and the environment and sustainable development. Co-operation projects with NGOs will be a part of the co-operation. Activities which promote the Nordic Region are in the interests of all the Nordic countries.

In accordance with the overall principles approved by the Ministers for Nordic Co-operation, a gender equality perspective must be integrated into all projects and activities under the Russia Programme.

Geographically, the aim is that activities in North-West Russia should take place close to the Nordic Region, without imposing any restrictions on the Russian concept of North-West Russia.

The Nordic countries can be active partners, either bilaterally or through the Nordic Council of Ministers, and can contribute to the implementation and development of the EU's Northern Dimension, the new European Neighbourhood Policy and the four 'common spaces' (common economic space; common space for freedom, security and justice; common space for co-operation in the field of external security; and common space for research, education and culture). The Nordic Council of Ministers contributes actively to the European Commission's new Northern Dimension Information System, which provides regular updates on activities in the areas covered by the Northern Dimension.

Regional co-operation provides new opportunities in a new Europe. The Council of Ministers is open to new political initiatives and is prepared to embrace multilateral cross-

border co-operation between the Nordic Region, the Baltic States and their neighbours Russia and Belarus. Other organisations and the new EU Financial Instrument can also be incorporated into this co-operation. Current network-building between what are referred to as the 'Euroregions' will be followed up and built upon in co-operation with other regional organisations.

Co-operation with the Nordic Region's neighbours is evaluated annually, when the ministerial councils report back on their activities in the Baltic States and North-West Russia to the Ministers for Nordic Co-operation. The work done by Nordic institutions in neighbouring countries is co-ordinated by the appropriate ministerial council, which describes the activities in its annual report. The institutions are required to follow the principles contained in the guidelines for co-operation.

Activities in Russia (the Russia Programme) cover a wide range of work carried out and financed by the various ministerial councils in accordance with the overall guidelines. In addition – and in collaboration with the ministerial councils – activities are also financed through the Council of Ministers' special policy for the neighbouring countries. Reports are also submitted about the activities of the individual ministerial councils and their subordinate institutions. The major activities financed and conducted through the Neighbourhood Policy are:

- knowledge building and networking
- participation in the EU's Northern Dimension
- co-operation with the non-governmental organisations in North-West Russia
- co-operation in the Barents Region.

Like the activities of the ministerial councils, this work is supported by the Nordic Council of Ministers' Office in St Petersburg and will also be supported by the Kaliningrad office when it opens.

Other activities that apply to a large part of the region include:

- cross-border regional co-operation
- the Nordic Project Export Fund (NOPEF).

The focal point of neighbourhood activity consists of promoting knowledge building and networking, and the Nordic Council of Ministers has been particularly successful at both of these so far. Knowledge has been transferred from parts of the Nordic Region to promote democracy, the rule of law and economic growth.

Concentrating on knowledge transfer is also a way of assuring the quality of the Nordic Council of Ministers' work in North-West Russia. The impact of knowledge investments lasts far longer than any specific activity.

Complementing knowledge-building activities with partnership work accords with the efforts of the Nordic Council of Ministers, as a regional organisation, to work closely with the EU. Collaboration of this type promotes quality.

The Nordic countries also have something special to offer in the non-governmental sector, which is of major significance for the future of every society, including North-West Russia.

Finally, the new and closer form of co-operation with the Barents Euro-Arctic Council is a mark of the Nordic Council of Ministers' desire for more systematic co-operation with the other regional organisations in northern Europe.

These activities are described in greater depth below.

## Knowledge building and networking

Major efforts are being made to promote knowledge building in North-West Russia, for example, by means of scholarships and networks in crucial sectors where the Nordic countries have something special to offer as partners. The Nordic Council of Ministers coordinates scholarship programmes, exchange programmes and networks as part of its overall knowledge-building programme. New sub-programmes are set up according to need. The programme covers the Baltic States and North-West Russia, but with the emphasis on the latter.

The programme is designed to improve knowledge and develop competencies, to promote economic development and competitiveness in the Nordic Region and the Adjacent Areas and to strengthen democracy and the rule of law. It also aims to raise the level of awareness of Nordic values, methods of working and entrepreneurship, and includes general knowledge transfer about how co-operation works in the Nordic Region and in the EU/EEA. Knowledge-transfer activities of this type also provide the Nordic countries with useful information through their Russian and Baltic partners.

Knowledge transfer and networking are important for the dynamic development of the area in a democratic direction. The Mobility Programme and networks are at the heart of this form of co-operation, even though the content of the programme may vary from time to time and has to be guided by the needs of the current situation. The Council of Ministers co-operates with Nordic authorities on the joint implementation of specific sub-programmes.

Nordic organisations such as official bodies, universities, colleges, non-governmental organisations, local authority associations and business organisations are all invited to join new networks, including as providers of internships and organisers of seminars. The Nordic institutions are also invited to take part.

The current scholarship programme is based on the principle that participants have to find their own internships in ministries, local authorities or businesses, even though they enjoy the support of the Nordic Council of Ministers' Office in St Petersburg. Under the new arrangement, participants will be offered complete packages including internships and training.

The target group for the new programme should be as wide as possible, including opinion-makers such as journalists, MPs, other politicians, researchers, teachers, students, artists, authors, private entrepreneurs, local government officers and employees of small and medium-sized enterprises.

The Knowledge Development Programme includes all of the mobility and networking schemes run by the Nordic Council of Ministers, as well as new sub-programmes created as they are needed. The current mobility and networking arrangements are as follows:

- Nordplus Neighbour and NordForsk Neighbour promote long-term co-operation between institutions of higher education in the Nordic Region, North-West Russia and the Baltic States, as well as within the non-profit sector. The idea is to strengthen co-operation by building networks and organising exchange programmes for researchers, teachers and students. Part of the scholarship programme covers the non-governmental sector.
- The civil service exchange programme supports stable, foreseeable and democratic development in Russia by improving governance systems and administrative structures in public administration and by raising levels of competency about democracy and citizenship. This arrangement also covers the Baltic States.
- The scholarship programme for MPs aims to pass on experiences of Nordic parliamentary work and representative democracy.
- NordProLink offers scholarships in Nordic companies to young people from the Baltic States and North-West Russia, so they can gain knowledge and experience of running modern enterprises under free market conditions.

- Sleipnir is a travel scholarship programme, which aims to increase mobility among young artists and encourage them to work in the Nordic Region. It has proven useful for forging contacts between the Nordic Region, the Baltic States and North-West Russia.
- Cultural exchange programmes for children and young people are among the longest standing Nordic activities in the Baltic States and North-West Russia. The exchanges are for participants up to and including the age of 18.
- The Journalist Exchange Programme consists of courses and scholarships aimed at providing journalists from North-West Russia with insights into general media traditions and methods.
- The Energy Dialogue aims to forge direct contacts between energy authorities in the different countries in order to promote sustainable energy supplies.
- The exchange programme for young politicians promotes wider youth exchange programmes between North-West Russia and the Nordic countries.

As mentioned previously, in addition to these current activities, new activities are developed to meet specific needs.

The Nordic Co-operation Committee (NSK) has set up a working group consisting of experts on mobility schemes from each of the Nordic countries and autonomous territories, to support knowledge-building and networking activities. The aim is to guarantee broad and varied competency for the knowledge-building programme in North-West Russia.

The working group will submit annual reports to the NSK containing general evaluations of the knowledge-building programme. The reports will also include evaluations by the various ministerial councils. It should be pointed out that under the guidelines for co-operation with North-West Russia, these ministerial councils must submit annual reports about all of their activities to the Ministers for Nordic Co-operation.

### **Participation in EU partnerships within the framework of the Northern Dimension**

The Nordic Council of Ministers and the EU are both committed to the Northern Dimension. The Nordic Council of Ministers bases its participation on the fact that the partnership adds value to that which individual countries are able to achieve on their own, and on the fact that its activities provide some form of Nordic synergy. All Northern Dimension activities are subject to continuous evaluation.

The Nordic countries participate in the EU's Northern Dimension and in the new European Neighbourhood Policy at national level and according to national priorities. They also take part in certain multilateral partnerships through the Council of Ministers, such as the environmental partnership, the partnership in health and social well-being and the partnership-style IT co-operation.

The Nordic Council of Ministers, particularly through its funding institutions, will continue to participate in the environmental partnership which concentrates on large-scale infrastructure projects. This form of co-operation is complemented by sectoral work on the environment, which is regarded as an important means of getting activities off the ground in North-West Russia.

The Nordic Council of Ministers participates in the Northern Dimension's partnership in Public Health and Social Well-being on an equal footing with the other members (a total of 13 countries and eight international organisations). Participation is based on identically worded resolutions passed by the ministerial councils for Health and Social Services (MR-S), Equality (MR-JAM) and Drug Abuse (MR-Narko). The main priorities of the partnership are to combat infectious diseases (particularly HIV/AIDS) and lifestyle-related illnesses, and to promote physical and social well-being through exercise, diet, lifestyle habits and social interaction. The Council of Ministers contributes by linking its programmes to partnership activities and providing co-ordination. It has also been providing full-time back-up (working in tandem with the partnership secretariat) from its St Petersburg office, for the

last two years. Fundamental to the participation of the Nordic Council of Ministers is a cross-sectoral approach which prioritises perspectives affecting children, young people and gender equality. The aim is to link social activities to this partnership more explicitly in the future.

The Nordic Council of Ministers, the Council of the Baltic Sea States (CBSS) and the EU have initiated collaboration on information technology (IT) and the knowledge society. On 1 January 2005, the Council of Ministers entered into a partnership agreement on information technology with the CBSS and the EU Commission, as part of the Northern eDimension Action Plan (NeDAP). Within the framework of the Northern Dimension, NeDAP directs attention to the special political opportunities and challenges in the Baltic Sea Region in relation to information technology in particular and the knowledge society in general. The collaboration is based on mutual political interests and involves rigid prioritisation and funding.

If it proves possible to increase the commitment of participants (particularly the EU) to NeDAP, the Nordic Council of Ministers will also consider increasing its commitment.

The Nordic Council of Ministers actively seeks out participation in other joint partnership projects. It may also be interested in future multilateral EU partnerships (for example, on research) that also involve Russia.

In future, the Nordic Council of Ministers will continue to provide input to the EU Commission's Northern Dimension Information System, which lists activities in the region. The input will involve describing specific projects and programmes as well as an overall picture of activities in northern Europe.

### **Co-operation with non-governmental organisations in North-West Russia**

The promotion of social structures that bolster constitutional democracy is an important element of the programme. Progress towards a democratic model of society requires constant awareness of human rights and the principles of constitutional democracy as a precondition for civic dialogue and participation in socio-political activity. Properly functioning, independent social structures are crucial to the free exchange of opinions and to ensure that responsibility lies with the citizens.

Priorities include support for non-governmental organisations that play an important part in popular participation. The development of, and support for, an NGO network is vital to the democratisation process. The aim is a documented and quantifiable increase in the activities and scope of NGO networks that play an important role in the process of democratisation. Nordic participation is based on the premise that the Region has special expertise in this field.

### **Co-operation in the Barents Region**

The regional co-operation organisations in northern Europe often have similar political objectives and working methods. Within the framework of its own budget and the decision on co-funding adopted by the Ministers for Nordic Co-operation, the Nordic Council of Ministers often decides to participate in activities initiated by other regional councils.

The work of the Nordic Council of Ministers and the Barents Euro Arctic Council overlaps in geographic terms. An appropriate allocation of responsibilities between the Nordic Council of Ministers, the Barents Euro-Arctic Council and the Barents Euro-Arctic Regional Council is desirable. It would allow the Nordic Council of Ministers to limit its own initiatives in the geopolitical area covered by the Barents Region but still to serve as a partner in joint projects initiated by the Barents Euro-Arctic Council and the Barents Euro-Arctic Regional Council. The Nordic Council of Ministers' information centres in Murmansk and Archangel

are to be co-ordinated with the corresponding office of the Norwegian Barents Secretariat as far as possible.

This co-operation has been facilitated by the fact that the Barents Euro-Arctic Council and the Barents Euro-Arctic Regional Council have established working groups and programmes similar to those in which the Nordic Council of Ministers is involved. The Nordic Council of Ministers' activities in the Barents Region are being adapted in consultation with the relevant working groups. This work also involves Nordic institutions with relevant competencies. It is vital that specific forms of co-operation are documented and reports are submitted to the Nordic Co-operation Committee (NSK).

### **Nordic Council of Ministers' Office in North-West Russia**

The Baltic Sea Region possesses the potential to become a leading growth region in Europe. Within this Region, North-West Russia (particularly St Petersburg) is of the greatest importance. Kaliningrad, with its unique geographic location, is also of particular importance.

Above all, the strength of the Nordic Council of Ministers in future co-operation with North-West Russia lies in the fact that it has enjoyed a presence in the area for the last decade, with an office in St Petersburg and contact points in the Barents Region, Murmansk, Archangel and Petrozavodsk. This presence will be strengthened if the planned office in Kaliningrad can be opened in the near future.

The work of the offices is governed by the guidelines laid down by the Ministers for Nordic Co-operation for working with North-West Russia.

The office in St Petersburg plays a key role in identifying appropriate Russian participants for the various activities, and the new office in Kaliningrad will play a similar role.

The St Petersburg office often plays a part in implementing Nordic commitments to various activities. This is because the office:

- is the local contact point for the Nordic ministerial councils, their committees and working groups and is therefore capable, for example, of identifying appropriate Russian partners and facilitating co-operation
- builds networks with the national authorities, NGOs and other national and international stakeholders in the Russian regions
- is the local observer for the Nordic Council of Ministers, identifying trends and opportunities for joint Nordic-Russian co-operation
- is an exponent of everything 'Nordic', working to increase awareness of co-operation in the cultural sphere
- has a significant level of competence which is useful to ministries wishing to refine co-operation with Russian regions
- takes care of practical casework, quality assurance, etc., for activities such as exchange programmes, in a more efficient way than would otherwise be possible.

The office reports back on its work as part of the procedure for monitoring its performance-related contract.

### **Cross-border regional co-operation**

Following EU enlargement, cross-border regional co-operation along the EU's external borders has assumed new importance. The EU has decided that, as part of this co-operation, neighbourhood policy programmes and new financial instruments are to be introduced. The EU and Russia have also reached agreement on co-operation within the 'four common spaces' (common economic space; common space for freedom, security and justice; common space for co-operation in the field of external security; and common space for research, education and culture), giving new opportunities for cross-border regional co-operation. Its experience in cross-border projects enables the Nordic Council of

Ministers to make a contribution to this process and help lay the foundations for the development of stable growth regions. It is vital that tangible results are documented and reported back to the NSK.

The Nordic Council of Ministers is developing a new cross-border project on the external borders of the EU, involving co-operation between the Nordic Council of Ministers, the CBSS, Nordic cross-border committees and border regions in the Baltic States, Russia and Belarus. The new project, the Baltic Euroregional Network (BEN), acts as the successor to the cross-border regional project run by the Nordic Council of Ministers from its Vilnius office in 2002-2004.

### **The Nordic Project Export Fund (NOPEF)**

NOPEF's objective is to improve the international competitiveness of small and medium-sized enterprises (SMEs) by offering loans on favourable terms for feasibility studies in advance of internationalisation projects and project export in the Adjacent Areas and in Eastern Europe outside the EU and EFTA.

To these ends, NOPEF co-operates with the Nordic Investment Bank (NIB) and the Nordic Environment Finance Corporation (NEFCO). NOPEF's resources are used for example to co-fund feasibility studies by offering loans on favourable terms to identify projects, loans for project export and loans for information work among Nordic companies.

NOPEF is involved in several countries but focuses in particular on North-West Russia. The volume of loans to Russia totals DKK6 million.

### **Co-operation between ministerial councils, Nordic institutions and Russia**

A number of ministerial councils co-operate with North-West Russia. Examples of work funded by the ministerial councils include:

- a manual for product safety and market research in North-West Russia
- a drug prevention support network for parents and professionals
- a high-level seminar on gender mainstreaming for vice-governors in North-West Russia.

It is difficult to state the financial contribution of the ministerial councils precisely, because many of the projects also involve the Baltic States. Projects are also co-funded by other ministerial councils, institutions and regional stakeholders.

The Nordic Investment Bank (which has been jointly owned by the Nordic and Baltic states since January 2005) funds activities over a wider area, including activities important to economic development in Russia.

Several Nordic institutions are active in Russia to a significant extent. NEFCO, for example, is involved in various projects in the area, through which the Council of Ministers contributes to environmental improvements. NEFCO is responsible for implementing much of the Nordic Council of Ministers' environmental policy and achieving its goals.

Other institutions include the Nordic Research Board, which runs the exchange and networking programmes known as Nordplus Neighbour and NordForsk Neighbour.

The Nordic institutions must follow the guidelines laid down by the Ministers for Nordic Co-operation for work in North-West Russia. The Council of Ministers Secretariat is also required to submit an annual report on the total extent of co-operation with North-West Russia by ministerial councils and Nordic institutions.

## **Allocation of responsibilities with other regional organisations**

The work of the Nordic Council of Ministers should be seen in the context of the work done by other regional organisations (CBSS, BEAC, AC). The Russia Programme provides for even closer co-operation between the various organisations and an even more reasonable allocation of responsibilities between them. In terms of collaboration with the CBSS, the programme provides support for the Northern eDimension and cross-border regional co-operation. Co-operation with the Barents Euro-Arctic Council is improved by refocusing the work of the Nordic Council of Ministers in the Barents Region. The Nordic Council of Ministers' Arctic Programme is an instrument for working along with the Arctic Council in the Arctic Region.