

Environmental Co-operation in the Baltic Sea Region

An outstanding case of peaceful dialogue



Summary in English of
a report by Christina Gestrin

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This is an English summary of the report *Miljösamarbetet i Östersjöregionen: Ett exempel på en fredlig dialog*.
The report is written in Swedish and can be downloaded from the publication portal at the website [norden.org](http://norden.diva-portal.org/smash/record.jsf?pid=diva2%3A1185836&dswid=-1013):
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Summary

Environmental cooperation in the Baltic Sea region as an example of a peaceful dialogue

I had three objectives in mind when I wrote this report. First, to describe how environmental cooperation in the Baltic Sea region has developed and what goals have been achieved so far. Second, to elaborate on the risks and consequences of the current policy in the Baltic Sea region for people living in the area and their environment. And, third, to outline measures that should be taken to ensure a positive development of environmental cooperation in the region and to safeguard continuous dialogue between Russia and the other Baltic Sea states.

Environmental cooperation in the Baltic Sea region has developed positively during the last 40 years. The first attempts to deepen environmental cooperation in the region date back to 1974 when the first Helsinki Convention (HELCOM), which committed all the contracting states to protect the common sea area, was signed.

The role of HELCOM as a platform of collaboration between all the Baltic Sea states and the European Commission is still of great importance today.

Public awareness of environmental degradation and pollution in the Nordic countries increased significantly during the decade from 1970 to 1980.

In the former Soviet Union and Eastern Europe, environmental protection was badly neglected, and when the Iron Curtain fell, Nordic countries immediately initiated environmental cooperation with Estonia, Latvia and Lithuania and, shortly after that, also with Russia. An initiative called "Environment for Europe" was launched with a mission to create structures for environmental cooperation in the Baltic Sea region, and gather

experts and financiers for a Project Preparation Committee.

From 1990 to 2014, remarkable progress and development took place in the Baltic Sea region. In 1997, the first loan was granted from EBRD to Vodokanal St. Petersburg for the restoration of wastewater treatment plants and sewage systems in St. Petersburg.

The successful measures to restore the sewage systems in St. Petersburg would not have succeeded without the diligent efforts of officials working in government ministries and environmental agencies and the financial support from Nordic and European Financing Institutions.

The Northern Dimension Environmental Partnership (NDEP) has been an important mechanism in developing environmental cooperation between EU and Russia. The personal close contacts between professionals in crucial positions at Vodokanal and International Financing Institutes have also been crucial, as has been the strong support from politicians in leading positions in the Nordic countries.

Environmental cooperation in the Baltic Sea region became a unique model for global regional environmental cooperation. During the past twenty years, many new stakeholders have joined the group of driving forces for the protection of the Baltic Sea. Foundations have been established with the sole task to protect our common sea. There are also several NGO's working for the protection of the Baltic Sea. During the last few years, Russian NGOs have encountered problems due to resistance from the political regime.

The era of positive development ended abruptly in 2014 when Russia occupied the Crimea region. Political tension in the Baltic Sea region has intensified and has had a harmful impact on environmental cooperation in the area.

Because of the political measures taken by the EU Council and EU Commission in summer 2014, EU Financial Institutions and the NDEP have been unable to conclude new agreements to facilitate and finance new environmental projects in Russia. The Nordic Investment Bank has adhered to the same stringent policies as the EBRD and EIB; only agreements that were signed before the crises begun will be implemented and completed.

Within the scope of projects agreed under the NDEP funded St. Petersburg Neva Programme for 2009 and 2017, the wastewater treatment plant in Kaliningrad was completed in 2017, and the inauguration of the Northern Wastewater Treatment Plant in St. Petersburg was carried out in October during the same year.

The only exception to the current policy is a decision by the Board of NDEP in November 2017 to allow NEFCO's participation in small scale projects in Krasny Bor and the Arctic region.

Since 2014, new NDEP loans and grants have only been offered to Belarus and Ukraine. Russia's weak economy, combined with the lack of political domestic environmental pressure, has meant that municipalities in the Leningrad region have refrained from investing in new environmental projects. Previous experience has shown that international expertise, pressure and cooperation

are the requisite ingredients for initiating new environmental projects in Russia.

Nordic countries have brought expertise and seed money to kick start environmental projects in Russia and the Baltic region. This has given Nordic clean-tech companies significant opportunities to develop their skills, knowledge and business practises.

The total investment costs in wastewater treatment plants and sewage systems in St. Petersburg from 1997 to 2017 is about one billion euro, of which approximately one third comprise international loans and grants and two third domestic resources. The vast majority of the investments have been funded by Russia.

This report is based on more than 20 interviews carried out with a network of people involved in the Baltic Sea environmental activities. All of them have deep insights and experience of international cooperation in the Baltic Sea region and come from diverse professional backgrounds, such as banking and finance, research, politics and the diplomatic circle.

In the Leningrad region 184 sites are still without proper functioning wastewater treatment plants and sewage systems. Meanwhile, agro-industries centred around cattle, pig and poultry production have expanded rapidly during the last years and are creating serious risks of pollution and discharge of nutrients to the watercourses.

The most visible environmental danger associated with Krasny Bor is the landfill for hazardous waste close to St. Petersburg. For decades, large amounts

of highly toxic liquid and solid wastes have been deposited in big ponds. To make matters worse, the landfill is located not very far from the Neva River and Vodokanal's water intake, which means that a major leakage of toxic compounds would have serious consequences on St. Petersburg's freshwater supply.

And on St. Petersburg's southwest lies Sosnovy Bor, which is one of Russia's nuclear towns with four Chernobyl type nuclear power plants, which are still operating. A further four new nuclear plants are under construction, and Sosnovy Bor is a testing facility for submarine nuclear reactors and the handling of large amounts of radioactive waste.

An important consideration is that, in order to operate efficiently, all the wastewater treatment facilities require constant maintenance. A lack of common or mutual projects will presumably lead to weaker contacts and less exchange of information and communication between people working in various positions within the Baltic Sea region. In the long run, this will result in an increased number of critical situations which affect the health and security of the people living in the Baltic Sea region, as well as the environment.

To prevent this, regardless of the political situation in the area, the people living in the Baltic Sea region have the right to demand a continuation of the environmental cooperation.

By way of conclusion, I call upon Governments in the Baltic Sea region to:

- Initiate a discussion with the EU Council and Commission to change the interpretation of the sanctions regime that complicates

environmental cooperation and finance projects in the northwest part of Russia. It is also of utmost importance that new NDEP projects in the Russian part of the Baltic Sea catchment area and in the Arctic region should be planned, and that EBRD, EIB, NIB and NEFCO can push forward these projects and contribute to their financing. Environmental cooperation must continue despite politically challenging times.

- Design and implement a common strategy and action plan to fight against climate change and its impact on the Baltic Sea. The Council of Baltic Sea States (CBSS) together with HELCOM could be assigned the task of coordinating and spearheading these measures.
- Strongly support the implementation of HELCOM's Baltic Sea Action Plan (BSAP). The HELCOM ministerial meeting in March 2018 is an important forum to address these issues.
- Strive for efforts to make the Baltic Sea region a pilot area for the circular economy, green technology, sustainable farming practices and cross-border cooperation on spatial planning.
- Ensure that the highest security standards are established and maintained in nuclear power plants, as well as in the management of storage and disposal of radioactive fuel and wastes, and strive for open and direct communication in the region.
- Continuously keep environmental issues on the political agenda in bilateral and multilateral contacts, in the UN and other international organizations, and commit to common agreements and conventions.



PHOTO: NORDISKA IN VESTERINGSBANKEN

Vodokanal in Saint Petersburg operates efficiently under HELCOM's strict limits on emissions of phosphorus and nitrogen.



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