

A Year of Renewal

The Nordic Council and Nordic Council of Ministers

2005



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The pictures in this year's annual report are linked to the general theme of cities and people. More and more of us live in cities, and urban spaces play a major role in our lives, places to meet or be seen and places we pass by regularly, perhaps even daily. Often, we pay no attention to them, but it is not just big surfaces, the façades and the streetscapes that we encounter. Details such as handles, drainpipes, benches, signs and a myriad of other objects add colour and shape to the face of the city.

The pictures from various Nordic cities were taken by Johannes Jansson. The pictures from the Nordic Council Session in Reykjavík were taken by Magnus Fröderberg and Johannes Jansson. Picture on page 1 taken by Magnus Fröderberg.

A Year of Renewal

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Nordic co-operation

Nordic co-operation, one of the oldest and most wide-ranging regional partnerships in the world, involves Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland and the Åland Islands. Co-operation reinforces the sense of Nordic community, while respecting national differences and similarities, makes it possible to uphold Nordic interests in the world at large and promotes positive relations between neighbouring peoples.

Co-operation was formalised in 1952 when the Nordic Council was set up as a forum for parliamentarians and governments. The Helsinki Treaty of 1962 has formed the framework for Nordic partnership ever since. The Nordic Council of Ministers was set up in 1971 as the formal forum for co-operation between the governments of the Nordic countries and the political leadership of the autonomous areas, i.e. the Faroe Islands, Greenland and the Åland Islands.

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The year 2005 was an exciting one for Nordic co-operation. Both the organisation and nature of the work were refined and adapted to make them more relevant in an international context.

Nordic co-operation must be modern and relevant. If it is to function properly, it is also essential that it has the right structure. Over the last year the Council of Ministers has streamlined its organisation, improving its ability to cope with the challenges facing the Nordic countries, particularly those stemming from economic globalisation. The Nordic Council has also pruned back its organisation, for example abolishing the annual spring theme meeting.

Co-operation with Estonia, Latvia and Lithuania on a basis of equal partnership was consolidated during the year. The Council of Ministers adopted a new, more focused programme to develop co-operation with Russia. An agreement to open a Nordic Council of Ministers office in Kaliningrad was signed, and Russian MPs expressed an interest in stepping up co-operation.

Support for the democratisation process in Belarus also made it onto the Nordic agenda with the decision, taken in conjunction with the EU Commission, to support the European Humanities University (EHU) in exile in Vilnius.

Close attention was paid to obstacles to freedom of business movement in 2005. A virtual tax office, an online business portal and an online job centre in the Øresund Region were just some of the results of that work.

The Nordic Region ran a joint stand at EXPO 2005, the world exhibition in Japan, promoting themes such as Nordic equality, research and innovation. All in all, 2005 was an eventful year for the Region.

The reform process will now continue down a path designed to pursue the benefits that Nordic co-operation offers, while bearing in mind that co-operation must be seen in a wider European and international context than has previously been the case.

A blue ink signature of Frida Nokken.

Frida Nokken, Director, Nordic Council

A blue ink signature of Per Unckel.

Per Unckel, Secretary General, Nordic Council of Ministers



Nordic co-operation today

New areas of co-operation, modernisation of the organisations and greater freedom of movement for Nordic citizens and businesses are among the outcomes of Nordic co-operation in 2005.

Nordic Session in Reykjavik

“From now on, the annual Session of the Nordic Council will set even more of the Nordic agenda than it has done in the past,” the President of the Nordic Council 2006, Ole Stavard, said in his thank-you speech following his election. At the Session – which took keynote decisions about renewal and modernisation – many interesting debates were held and decisions were forwarded to the Nordic governments for follow-up.

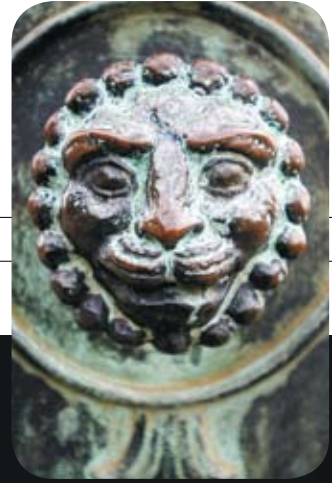
The Session gave its support to the Council of Ministers’ new Russia Programme. The Russian contribution to the debate indicated a desire for a Russian-Nordic partnership to make the programme a success.

Research, an Arctic university, climate change, pollution and the situation of the indigenous peoples were some of the topics discussed under the Council of Ministers’ new Arctic Programme. There was general agreement that the important problems in the Arctic require action, not more organisations.

In the debate on a new Nordic Council of Ministers programme of co-operation on energy policies, the spokesman for the Council’s environmental committee, Asmund Kristoffersen, focused on three areas: an expected shortage of Nordic electricity output; grid capacity; and price developments for consumers. He pointed out that the Nordic region is not self-sufficient in electricity output, but relies on transfers from neighbouring countries to cope with peaks in energy demand.

On the subject of gambling markets, the Session recommended that the Nordic Region should work together, in the context of the EU Service directive, to make sure the individual countries retain the power to regulate them. This is important in order to be able to conduct research, combat gambling addiction and monitor the international gambling companies, said Lars Wegedal, chairman of the Cultural Committee. Martin Saarikangas MP (Cons) Finland, said it would









be a disaster for Nordic sport if international companies were to take over – at least 25% of income would disappear.

The Nordic Ministers for Foreign Affairs reported that they were working in a variety of ways to strengthen disaster co-operation, not just between capitals, but also between the embassies of the Nordic countries. This would include joint crisis management, press centres, emergency housing and evacuation. The report from the Nordic Ministers for Foreign Affairs was in response to a letter from the Nordic Council following the Tsunami catastrophe of Christmas 2004.

The Session also gave support to a new co-operation programme on industry, a new programme on equality, an action plan on 'design for all' for the Nordic Council of Ministers, and a proposal to support the victims of human trafficking. Question time gave rise to many interesting debates on subjects such as internships for medical students, the mining and export of uranium, regulations for reindeer husbandry and fish quotas between Norway and the Faroe Islands.

In the debate on organisational policy, assurances were sought that support for practical co-operation on consumer affairs would continue when the formal Council of Ministers for Consumer Affairs was abolished.

Although the special envoy tasked with issues of freedom of movement, former Danish Prime Minister Poul Schlüter, concluded his work by reporting back to the Session, many obstacles to freedom of movement remain to be dealt with. Early retirement, bank charges and the position of people from third countries were raised, as were double taxation of pensions, student travel discounts and telephone charges. The Council of Ministers will also continue work on obstacles to freedom of movement.





Nordic Council president Rannveig Guðmundsdóttir

Parallel with the Session, the usual meetings took place between the Nordic Prime Ministers, who also met with the Baltic Prime Ministers. Meetings were also held between the Nordic Ministers of Foreign Affairs, Ministers of Finance, and Ministers of Culture, Education and the Environment. The Nordic Council Presidium held bilateral meetings with the Presidium of the Baltic Assembly, the leadership of the West Nordic Council, visitors from the Russian State Duma and Federation Council, and the North-West Russian Parliamentary Assembly. A round-table conference was held with all the guests and international organisations to discuss closer collaboration and co-ordination on issues relevant to Northern Europe.

Equality and climate change on agenda for Presidency

“This has been the high point of my political career,” Rannveig Guðmundsdóttir, President of the Nordic Council 2005 said in her closing speech to the Session in Reykjavík. The role and work of the President has evolved over the years. It includes a great deal of representational work both in the Nordic countries and elsewhere – generally in Europe, but the President was also present at EXPO 2005 in Japan, speaking on welfare policies on Nordic Day. Her role as President also took her on official visits to Russia, Albania, the Baltic States and the USA. In order to share the burden

of the presidency, the office of Vice President was made permanent at the annual Session. Jónína Bjartmarz served as Vice President in 2005.

Equality issues and climate change have been constant political themes during the presidency of Rannveig Guðmundsdóttir. National consolidation of Nordic co-operation has also been on the agenda. The President has spoken on opportunities for fathers to stay at home with their children, on women in politics as role models, and on the fight against trafficking in women and children for sexual purposes as one of the great challenges of our time. On 8th March, International Women’s Day, on the initiative of the President, the Nordic Council held a seminar on equality in Reykjavík in association with a meeting of the Presidium there.

In both the Nordic Council and in Arctic parliamentary co-operation, where she represented the Council, Rannveig Guðmundsdóttir warned that climate change around the North Pole is a serious environmental threat with consequences far beyond the Polar Region.

Up-to-date co-operation with a clear focus

“We would like the Nordic Region to exert as much influence as possible on the world around us. But that calls for focus, commitment, action, consistency and perseverance. And it also means we have to continually reassess and adapt our priorities,” said the Danish Minister for Co-operation, Connie Hedegaard, when the proposal to alter the structure of the Nordic Council of Ministers was put to the Nordic Council Session in Reykjavik.

In future, the Nordic Council of Ministers will concentrate on ten sectors:

- Labour market and working environment
- Business, industry, energy and regional policy
- Fisheries, agriculture, forestry and food
- Cultural co-operation
- Equality
- Legislative affairs
- Environmental protection
- Health and social services
- Education, training and research
- Economic and fiscal policy

A Council of Ministers will cover each of these ten sectors and the Ministers for Nordic Co-operation will constitute the 11th Council of Ministers, a substantial reduction from the current 18. The new structure took





effect on 1 January 2006. The Secretariat of the Council of Ministers was also reorganised as of 1 January 2006 to reflect the new arrangements.

The new structure is the result of the Danish Presidency's aim of achieving more focused Nordic co-operation. Some councils are being merged into new, larger councils, while others cease to exist as formal bodies. Connie Hedegaard stressed that politicians have to give priority to more important meetings:

"Nowadays, ministers and politicians are bombarded with invitations to attend international meetings and conferences, so it is absolutely crucial for the future of Nordic co-operation that meetings feel relevant, specific and efficient. In that sense, the proposed simplification and streamlining of the structure also safeguards the future of Nordic co-operation."

The Councils of Ministers to be disbanded dealt with energy policy, narcotics, information technology, consumer affairs, transport policy, regional policy and construction and housing policy.

Important issues relating to these topics will be looked after in different ways. Business and industry policy,

energy policy and regional policy will all come under the umbrella of a single Council of Ministers for Business, Industry, Energy and Regional Policy. Issues relating to narcotics will fall under the auspices of the Council of Ministers for Social and Health Affairs and, to a lesser extent, the Council of Ministers for Legislative Issues. The Ministers of Education, Training and Research will assume responsibility for IT issues.

Other areas of co-operation, which will cease to be part of the formal structures, may continue on an informal basis at the discretion of the national governments. It will not be a question of Nordic co-operation disappearing in these areas, but rather of it taking different forms.

Nordic MPs at the Session gave majority backing to the new structure, although there were concerns about the risk of consumer issues being given lower priority in future, and the Danish Minister for Families and Consumer Affairs, Lars Barfoed, raised the changes with the Nordic Council's Citizens' and Consumer Rights Committee. In fact, ministers will continue to meet and discuss current consumer issues, but in less formal meetings. Per Kaalund, acting chair of the Citizens' and Consumer Rights Committee, summed up by saying that the parliamentarians had

felt reassured after the proposals for the future had been explained in full.

During 2005 the Nordic Council also held discussions with the chairs of the Nordic parliaments on ways to consolidate the work of MPs at national level. The chairpersons would like the Nordic Council to hold fewer meetings, to reduce the time that Council members are absent from the work of their home parliaments. The outcome of the discussions was that in future the Nordic Council will hold one fewer meeting a year, and the national committees will receive specific information on Nordic co-operation.

The Nordic Council also decided to seek closer co-ordination between membership of national committees and of committees in the Nordic Council. The Council will invite the chairs of the national parliaments for an annual dialogue on its work and budget priorities, and committees of the national parliaments will be invited to theme-based meetings of Nordic Council committees. The question of the best time to hold the annual Session of the Council was also discussed with the chairs of the Nordic parliaments.

Nordic equality – a model for the world

The Nordic Council of Ministers has adopted a new Nordic collaborative programme on equality. When Finnish Minister for Co-operation Jan-Erik Enestam presented the new programme to the Nordic Council Session, he made it clear that the women's strike in Iceland a couple of days earlier had underlined how much Nordic countries still had to do in the area of equality.

The programme, "With a focus on gender, the aim is a society of equals", takes up two themes: Gender and Power, and Gender and Youth.

Gender and Youth was the theme for a panel of Nordic Ministers for Equality, arranged in connection with the UN Women's Commission in March in New York. In November a conference was arranged under the Danish Presidency of the Council of Ministers, where Nordic youth discussed gender and the sexualisation of the public sphere with the Danish Equality Minister, Eva Kjer Hansen.

The budget of the Nordic Council of Ministers now outlines how resources are distributed from an equality perspective. There are clear guidelines for allocation on gender lines in Nordic co-operation organisations. All Councils of Ministers now track the progress of equality work.

Campaign against human trafficking

Both the Nordic Council of Ministers and the Nordic Council prioritise the campaign against human trafficking. In October the Council of Ministers and the St Petersburg city council arranged a joint conference, *WoMen and Democracy*. Speakers at the opening ceremony included the governor of St Petersburg, Valentina Matvienko.

The conference focused on three main themes: *WoMen and Power*; *WoMen and Economy and the Labour Market*; and *Alternatives to Violence*. Seven hundred people from 14 countries took part, including decision-makers, civil servants, researchers and representatives of voluntary groups.

"The greatest challenge for equality in Europe is the campaign against human trafficking, which is a particularly serious crime," Nordic Council President Rannveig Guðmundsdóttir told the conference. "The campaign against people-smuggling requires regional co-operation. That is the way to make the maximum impact on organised crime."

The Nordic Council's Citizen Committee has been pushing for increased protection for victims of human trafficking. The Session in Reykjavik adopted a proposal to take the initiative in investigating how official permission to extend stays in receiving countries affects prosecution of the trafficking godfathers. It was also decided to collect information on experiences in other European countries and to exchange ideas on the most effective means of tracking the victims of human trafficking. Offers of protection available to the victims, including the possibility of cross-border protection, also need to be identified and assessed.



In June 2005 the Danish Presidency arranged a meeting, on behalf of the Council of Ministers, with task forces and international organisations working to combat trafficking in women in the region covered by the EU Northern Dimension. The meeting discussed ways of making information exchanges and joint projects more effective and avoiding wasteful overlaps.

New agreement on extradition

A meeting of the Nordic Ministers of Justice in Skagen in June agreed on a convention on the extradition of law-breakers. The aim of the agreement is to streamline legislation to reduce the time it takes to extradite a convicted person or suspect.

The agreement states that when a Nordic country requests the extradition of a person for prosecution or punishment, the request must be complied with – unless the case encompasses one of the few grounds for rejection stipulated in the agreement.

“This new convention sends a strong signal that the Nordic countries are able to reach agreement that goes further than European co-operation,” said the Danish host, Minister of Justice Lene Espersen. “The convention permits smoother and more efficient co-operation than the European Arrest Warrant.” The other participants in the meeting were Justice Ministers Björn Bjarnason (Iceland), Thomas Bodström (Sweden), Odd Einar Dørum (Norway) and Johannes Koskinen (Finland).

Joint Nordic facility for influenza vaccine

At their meeting of 16 December the Nordic Ministers of Health discussed the possibility of establishing a joint Nordic facility for the production of flu vaccine and agreed to keep working to try to find a joint method of securing supplies in the event of a pandemic. The great fear is a repeat of the Spanish flu, which killed almost 40 million people in 1918–19.

The Ministers of Health exchanged views on the preferred co-operative models of the different countries. The basis of their debate was the *Report to the Nordic Council of Ministers on Joint Nordic Production of Influenza Vaccine*, which indicated two lines of approach – a Public Private Partnership (PPP) or a public-sector solution. In order to inject an element of dynamism into the process, Sweden is looking into a PPP model. A solution based on Statens Serum Institut in Copenhagen, currently the only public-sector institution in the Nordic Region producing a vaccine, is also being considered. Both studies will report back to a working party chaired by the 2006 Norwegian Presidency of the Nordic Council of Ministers.

Finland within Nordic cooperation

Finland became a member of the Nordic Council in 1955, so a 50th-anniversary seminar on ‘Finland as a Nordic country’ was held in the Finnish Parliament in October.

The Speaker of the Finnish Parliament, Paavo Lipponen, spoke on the Nordic Region in Europe.

“To the Nordic countries, and particularly to Norway and Iceland, I direct the question: how can we secure the common interests of our countries in the development of European co-operation and integration? We lack a common strategic concept. The Nordic countries, with their differing approaches, have slumbered while their interests have been neglected on many issues. When will we be able to find each other and be a strong voice in Europe?”



The chair of the Finnish delegation to the Nordic Council, Outi Ojala, spoke out on the same issue.

“Nordic co-operation has grown in importance with the expansion and regionalisation of the EU. The Nordic Council will continue to have the important task of standing guard on Nordic co-operation, on our common culture, our community of values and Nordic identity. In this context I would like to say that co-operation between Denmark, Finland and Sweden within the framework of the EU could be intensified. We should push more strongly than we have done on issues which are Nordic strengths, such as our welfare model and openness in society.”

The singing group MeNaiset performed and the Vice President of the Nordic Council, Jónína Bjartmartz of

Iceland, made a speech, as did the Finnish Prime Minister and other prominent guests.

It was in January 1956 that the Speaker of the Finnish Parliament, Karl-August Fagerholm, led the Finnish delegation to their first Session in Copenhagen. Finland was greeted with profuse words of welcome. “For us, there was a chair that was empty while Finland was not here, the country that has for centuries been on the front line in defence of Nordic law and civilisation,” said then Council President Bertil Ohlin in his welcoming address at the time.



Growth and welfare



Nordic assessments of the region's strong position in terms of global competitiveness need to be supported by measures to improve mobility and joint initiatives in research and innovation.

The Nordic Region as a Global Winner

"There is no doubt that we are well placed to build on our strengths," the Danish Trade and Industry Minister Bendt Bendtsen said following a meeting with his counterparts to discuss the report *The Nordic Region as a Global Winner*.

The report was published by the Danish think-tank Mandag Morgen in collaboration with the Nordic Council of Ministers. The report emphasises that the success of the Nordic countries is related to their shared social values, which form the basis for Nordic strengths such as innovation, the skills base and the talent for good design.

In the report, 27 leading opinion-formers from business, academia, public authorities and cultural life picked out the Nordic values that serve as sources of strength in international competition. They are:

- Equality
- Confidence
- Lack of distance between authorities and people
- Inclusive attitudes
- Flexibility
- Respect for nature
- Protestant work ethic
- Aesthetics

These opinion-formers believe the Nordic values represent untapped competitive potential. However, there is a need for visionary political leadership capable of mediating the positive opportunities that globalisation provides for the Nordic countries. Ideal conditions exist for competitiveness and growth, and people in the Nordic countries must dare to take initiatives, take risks and make commitments without fear of the consequences.

Prime Minister of Denmark Anders Fogh Rasmussen took up these challenges in his opening speech to the Nordic Council Session in Reykjavik in October:









“We must ensure that the good times in the Nordic Region are made sustainable. There is a need for a globalisation strategy with two primary aims: to strengthen competitiveness so that we can continue to be among the richest countries in the world; and to ensure continued social cohesion so that no groups in the labour market are crushed by development.”

The Nordic Prime Ministers discussed how the report could help make the Region more competitive at their meeting on 25 October.

Ole Stavad, chair of the Danish delegation, emphasised to the Session that the Region has the best answers to current challenges such as globalisation. In the ensuing debate, the new report was praised highly by the Nordic MPs. Steingrímur Sigfússon MP, an Icelandic member of the Left-wing Socialist and Green Group, said that the report constitutes an argument for closer Nordic co-operation.

The Nordic Region as a Global Winner has been published as the 2005 joint yearbook of the Nordic Council of Ministers and the Nordic Council.

One workplace, one home market

For the last three years, at the request of the Swedish Presidency of the Nordic Council of Ministers, former Prime Minister Poul Schlüter has served as special envoy promoting freedom of movement. At the Reykjavik Session he summarised his efforts and presented his report *The Nordic Countries – One Workplace, One Home Market* before handing the baton on to the Norwegian Presidency of the Council of Ministers for 2006. The Swedish Minister for Co-operation Berit Andnor thanked him for his efforts and commitment and highlighted the new tax portal, the new digital labour exchange in the Øresund Region and the new business portal on the Hello Norden website as important initiatives in 2005. However, she also pointed out that there is still much to be done.

The Icelandic Minister of Business and Industry, Valgerður Sverrisdóttir, inaugurated the new Nordic business portal in Reykjavik. It is designed as a service for SMEs in need of information on conditions in neighbouring countries. The business portal is part of the Hello Norden information service.

The Nordic Finance Ministers inaugurated the Nordic tax portal (www.NordiskeTax.net) and the Nordic Virtual Tax Office in May. The virtual tax office is not a physical unit, but rather consists of a network of civil servants. The tax portal is also an integrated part of the Nordic information service Hello Norden.

Outsourcing to the Nordic Region

The business challenges faced by the Nordic region today in an ever more globalised world were the subject of a major Nordic conference organised by the Nordic Council of Ministers, the Nordic Council and the Nordic Innovation Centre (NICE) in Copenhagen in May 2005.

The Danish Presidency of the Nordic Council of Ministers 2005, and the Danish Minister of Trade and Industry, Bendt Bendtsen, the main speaker at the conference, stressed the need to shift the focus of the debate from cheap labour to skills.

“The Nordic Region will never win a cheap labour competition. We must compete on knowledge, new ideas and on the ability to find new solutions – areas in which we really do have a lot to offer. We have a lot to offer in research and in innovation, which emerges from interaction between companies, customers and suppliers – in short, what we call good business skills,” he said. Bendtsen did not draw a bleak picture of globalisation: “Even though jobs are lost to relocation, the process of creating new ones has been relatively rapid. Growth in Eastern Europe and East Asia also encourages increased consumption – including consumption of Nordic goods.”

Rolf Larsen from Copenhagen Capacity was optimistic about prospects for the Nordic countries. “There is plenty of hard work ahead, but the Nordic region will cope,” he said. “Given the growth in creative areas such as film and electronic games, there is now space to experiment and propose new ideas.”

The Nordic welfare model – “a bumblebee”

The Nordic welfare model is under pressure, not least because the population of the Nordic countries is getting older and there are fewer people to support the pensioners. In January the Finnmark I Alta high school in Norway was the forum for a dialogue on welfare. Student social workers got together with politicians to

discuss the themes in *How is Nordic Welfare Doing?*, which was the joint yearbook of the Nordic Council and the Nordic Council of Ministers in 2004. The book has been the basis for a series of meetings on the Nordic welfare state throughout the Nordic countries. Its authors include politicians, researchers and journalists from the five Nordic countries and Greenland.

“The Nordic welfare model is like a bumblebee. In theory, it is too heavy to fly, but it still does, and the Nordic welfare model is in fact becoming an export commodity of interest to other European countries,” concluded Jon Kvist, Senior Researcher at the Social Research Institute of Denmark, on April 21 when he presented his section entitled “The Future Nordic Welfare Model in a European Perspective”. Danish Education Minister Bertel Haarder spoke about the chapter “Long Lines of Sight and Small Steps”, which he wrote while he was Minister of Integration. In his opinion, the overriding problem lies in avoiding social division, increased ghettoisation, ethnic isolation and social exclusion.

In Vasa the main speaker was Eva Kuuskoski, former Secretary General of the Mannerheim Children’s Fund in Finland and former government minister. Kuuskoski, also one of the authors of the anthology, said children are worse off in Finland today than they were a few years ago.

At the Helsinki seminar another former minister, Eva Biaudet, said that working parents should have better access to domestic help, especially while children are small. This would increase the birth rate and reduce the divorce rate. She stressed that high employment levels are crucial for the Nordic welfare model. “If we want



everyone in work, there has got to be some mechanism for compensating families with children whose main shortage in life is of time,” she said. “How is it that we can get deals on company cars but not on help with housework?”

By learning from the other Nordic countries we can avoid errors and save money. This was the theme of the Stockholm seminar, where one of the 11 authors of the anthology, welfare researcher Gunnar Wetterberg, highlighted the Swedish pension system, the Danish maternity and paternity leave system and the Norwegian health service as examples of areas in which countries should look at their neighbours’ experiences rather than reinventing the wheel. Another author, Benedikte Thorsteinson from Greenland, posed the question of whether the strength of the Nordic welfare system is making people passive rather than helping them.



Local government responsibility for welfare in the future was the theme in Umeå, where Professor Åke Daun, one of the Swedish authors and General Secretary of the Nordic Council of Ministers, took part in the debate.

Investing in research, education and training

The Nordic Council of Ministers institution NordForsk (Nordic Research Board), which was established in January 2005 in Oslo, took over the responsibilities of NorFA (Nordic Academy for Advanced Study) and FPR (Nordic Science Policy Council). The Council of Ministers Secretariat has also transferred a number of research programmes and other activities such as Nordic Centres of Excellence (NcoE) to NordForsk.

NordForsk is governed by a board consisting of five representatives from the national research councils, three from the universities, and one business rep-

resentative. The board also has observers from the Autonomous Territories and a joint observer from the Baltic States. NordForsk's first director, Liisa Hakamies-Blomqvist, took over in mid-October. Its corporate strategy is still being worked out. The popular NorFA activities such as network building and research training will continue. In addition new activities will be introduced.

At its October meeting, the Council of Ministers for Education affirmed its support for the general principles of the Secretariat report "Nordic Follow-up to the Lisbon Strategy". The report focuses on activities that promote knowledge, innovation and growth in the Nordic Region. It consists of contributions from management groups, the Nordic Research Board and NICE. This work is continuing in 2006.

Nordic Council Session in Reykjavik

October 2005

From left to right: Magnus Fröderberg (MF); MF; Johannes Jansson (JJ); MF; MF; JJ; MF; JJ; MF; MF; MF; MF; MF; MF; MF; JJ; JJ.







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The Nordic Region and international co-operation

Important steps in Nordic relations with Russia and other neighbours were taken in 2005. New co-operation programmes for Russia and the Arctic and new forms of co-operation with Estonia, Latvia and Lithuania were introduced. Cross-border co-operation on EU external borders intensified, and support for democracy in Belarus was launched.

Co-operation with Russia

Nordic government-level and parliamentary co-operation with Russia both grew during 2005. On 27th October the co-operation ministers adopted a new programme for 2006–2008 following discussion of the programme at the Nordic Council Session in Reykjavík.

This decision by the ministers means that co-operation with North-West Russia will be intensified. In his speech to the Session, the Finnish Minister for Nordic Co-operation, Jan-Erik Enestam, stressed the importance of this new instrument and explained that in 2006 co-operation with North-West Russia will focus on four areas:

- Skills development and networking
- Participation in the Northern Dimension partnership
- Co-operation with voluntary groups in North-West Russia
- Co-operation in the Barents Region

Jan-Erik Enestam stated that this is “one of the most important developments currently under way in regional co-operation in Northern Europe, creating benefits for the Nordic countries and adjacent areas, and for all of Europe. Through dialogue and joint action with the other councils – the Arctic Council, the Barents Council and the Council of Baltic Sea States – we complement each other and support the EU Neighbourship policy and the Northern Dimension.” Enestam also asserted that “the new co-operation programme for Russia is also a good start for the Norwegian Presidency. We believe it is important to cement our dialogue with the Russian authorities. We also draw attention to the fact that Norway places great importance on the St Petersburg area and will do its best to expand co-operation with the Murmansk area. The core items are democracy, a lawful society, economic growth, sustainable

development, environmental issues and indigenous peoples.”

The Russia Programme should be seen as a realisation of the guidelines for working with North-West Russia laid down by the Ministers for Nordic Co-operation on 10 December 2004. The programme provides for reduced overlaps in co-operation in Northern Europe to achieve a better division of labour between the Arctic Council, the Barents Council and the Council of Baltic Sea States.

The Nordic Council politicians at the Session in Reykjavík gave their support to the new Russia Programme of the Nordic governments. The spokesperson for the Presidium of the Nordic Council, Gabriel Romanus, who is also the Nordic Council’s rapporteur for Russia, stressed the importance of attracting NGOs into the programme.

Russian MPs present in Reykjavík when the programme was approved declared themselves very pleased with the Nordic interest in Russia. They also proposed that Russia and the Nordic Council should form a partnership.

An agreement to open a new Nordic Council of Ministers office in Kaliningrad was signed in Moscow on 22 December by the Council of Ministers and the Russian Federation.





“The Nordic Council of Ministers has enjoyed close co-operation with North-West Russia over the last decade. Considerable effort has been devoted to increasing the level of activity, including in Kaliningrad, so we

are pleased to be opening a new office there. It fits well with our overall goal of closer co-operation throughout the Baltic Sea Region,” said Per Unkel, Secretary General of the Nordic Council of Ministers.

Co-operation with North-West Russia will now be taken a step further through greater involvement in Kaliningrad. In collaboration with local bodies, the office will co-ordinate and implement the Council of Ministers’ Russia Programme in Kaliningrad – in particular in relation to the new guidelines and programme for co-operation. The exchange and networking programme for civil servants, researchers, artists, politicians and business will be open to citizens of Kaliningrad. Collaborative projects will be launched involving local parties in Kaliningrad and partners in the Nordic Region. The Council of Ministers also envisages closer political co-operation with the local administration in Kaliningrad.

EU Northern Dimension

In the future there will also be increased co-operation with Russia within the framework of the EU’s Northern Dimension.

At a ministerial conference on the Northern Dimension in Brussels on 21 November, Per Unkel said:

“One of the highest priorities for co-operation between the Nordic Council of Ministers and Russia is skills development and exchange programmes. There is also a particular interest in participating in EU partnerships that include Russia. We want to play an active role in the development of the environmental partnership and the partnership for public health and social wellbeing. We also put great emphasis on the ‘Northern e-Dimension’, which is an integral part of co-operation within the Northern Dimension.”

The Secretary General stressed that the Nordic Council of Ministers also considers Arctic co-operation an important part of the Northern Dimension. The Council of Ministers and other stakeholders are therefore organising a conference on Arctic issues as a follow-up to the one held in Greenland in 2002.

The Nordic Council has co-operated with Russia by participating in the CIS IPA (Inter-Parliamentary Assembly of the Commonwealth of Independent States) session and celebration of the 60th anniversary of the victory over Nazism. In connection with the celebration, Nordic Council President Rannveig Gudmundsdóttir made a speech. The Nordic Council also took part in the St Petersburg Economic Forum in June.

During the year, 19 Russian MPs visited parliamentary colleagues in Reykjavik and Copenhagen under the Nordic Council scholarship programme. A number of Russian MPs also participated in a conference of MPs from the Barents Region in Bodø.

During the Nordic Council Session the Presidium met representatives from the Russian Federation Council, the State Duma and the Parliamentary Assembly of North-West Russia (PANWR). Russia stated that it would like a partnership with the Nordic Council, not membership. After the Session the rapporteur on Russia, Gabriel Romanus, held a working meeting with PANWR in Petrozavodsk on co-operation at regional parliamentary level.

The Bodø conference of Barents Region MPs had three main themes: co-operation in Northern Europe; sustainable economic development in the Barents Region; and the status of the indigenous peoples of the countries in the Barents Region. It was stated from the chair that the rest of Northern Europe can learn from the way that the countries in the Barents Region work together. Positive dialogue between governments and members of parliament was stressed as being of particular significance.

Goal-directed Nordic-Baltic co-operation

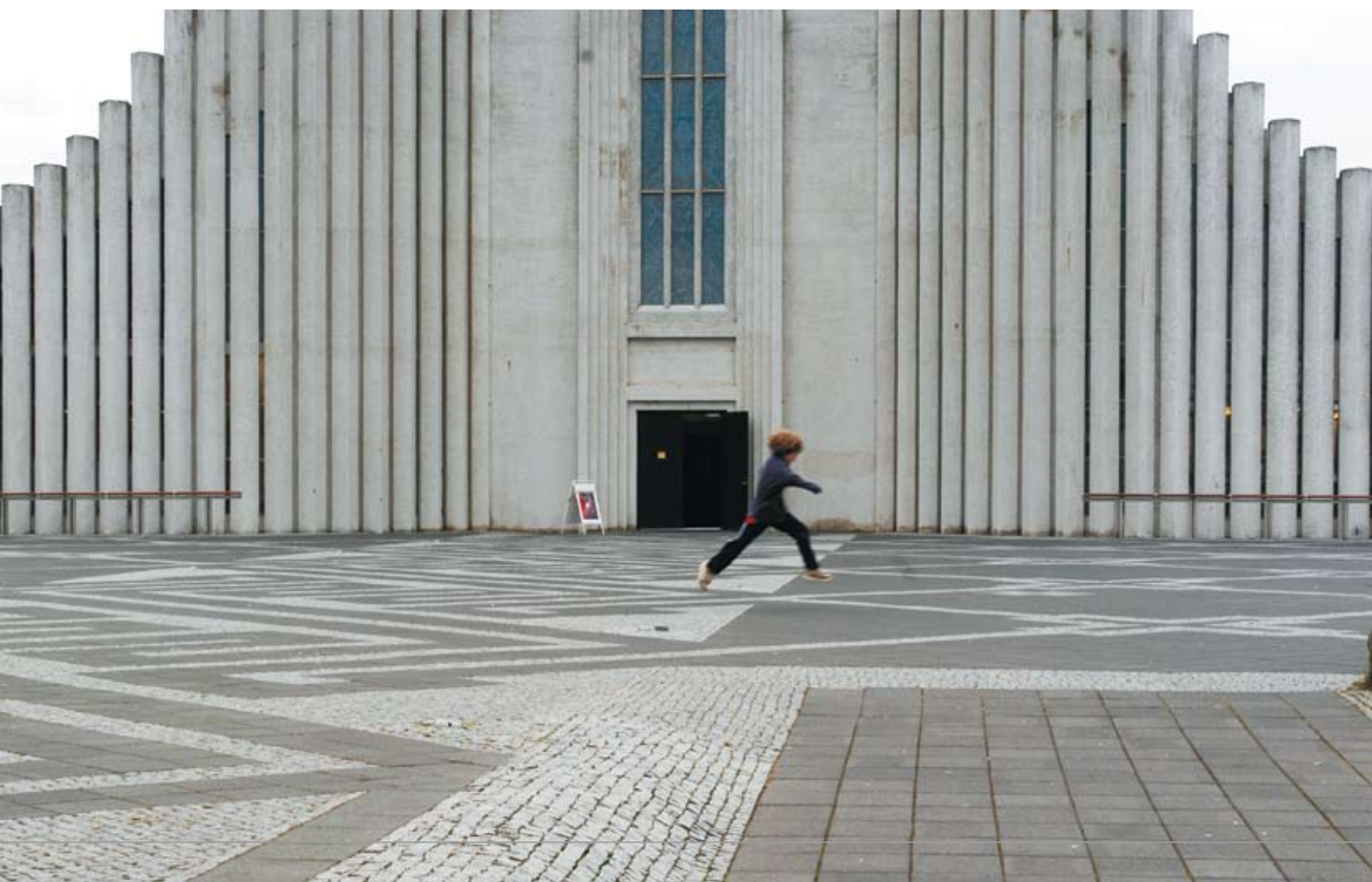
The Nordic countries had a close working relationship with the Baltic States as early as 1990, when Estonia, Latvia and Lithuania were still not independent. Both at inter-governmental and at inter-parliamentary level, Nordic-Baltic co-operation has moved onto a more equal basis. A year and a half after the expansion of the EU it is clear that both sides want to build on and extend their good relationship.

For example, the Nordic Council and the Baltic Assembly got together for a joint meeting in the spring of 2005 in Pärnu, Estonia. This was the fifth – and last – of these large joint meetings. The Nordic and Baltic MPs agreed to work through specialised committees in future so that the contact focuses on priority issues and on achieving tangible results.

The politicians intend to give priority to education, the Baltic Sea environment, labour-market issues, fighting corruption and alcohol policies. Rannveig Guðmundsdóttir of Iceland summed up:

“The biggest problem is organised crime, and the worst form of crime is trafficking in women and children. This form of modern slavery is terrible and unacceptable. The Nordic and Baltic regions have major common interests in the environment, especially with respect to the Baltic Sea. Relations with Russia will also be crucially important.”

The Nordic countries have no reason to be concerned about the migration of Baltic labour. This was the reassuring message from Tarmo Kriis, chairman of the Estonian Employers' Confederation, speaking to the





delegates in Pärnu. He was more concerned about whether Estonia can continue to enjoy high economic growth. Tom Saxen, General Secretary of the Council of Nordic Trade Unions (NFS), stressed that all employees must have equal rights and that neither Estonia nor the EU can base growth on social dumping. He also stood up for the Nordic welfare model, which he says has made the Region highly competitive precisely because of the way the labour market is regulated. Employers and trade unions alike were at least able to agree that closer Nordic/Baltic co-operation on labour-market issues is a positive development.

There have also been efforts during the year to strengthen the Nordic Council of Ministers' co-operation with Estonia, Latvia and Lithuania. There was progress under the Danish Presidency within the frame-

work of the Council of Ministers' guidelines for working with Estonia, Latvia and Lithuania, which were adopted by the Ministers for Nordic Co-operation on 10 December 2004. High-level consultations led to the launch of specific co-operation programmes. NB8 co-operation took the form of a series of joint meetings both at ministerial and at senior official level. The Nordic and Baltic countries also work together within the EU's Northern Dimension partnership. At the end of the year, the Ministers for Nordic Co-operation approved guidelines for the work of the Nordic joint institutions in co-operation with Estonia, Latvia and Lithuania.

In addition, the Nordic-Baltic partnership is constantly being strengthened by the growing co-operation between the Nordic Council and the Council of Baltic Sea States. This covers areas such as cross-border regional

co-operation (the Border Euroregional Network (BEN) project), transport and ICT (The Northern eDimension Action Plan).

Strengthening cross-border regional co-operation

The BEN (Baltic Euro-regional Network) is a new cross-border regional project with 35 partners in the Baltic Region, from the Baltic states, Russia and Belarus. A number of regional authorities and NGOs also participate. The aim is to reduce the number of obstacles to co-operation across the EU's new borders in the wake of the enlargement. The project is jointly financed by the Nordic Council of Ministers and the Council of Baltic Sea States (CBSS). The Nordic Council of Ministers office in Vilnius has primary responsibility as the leading partner, and contributes around €350,000 annually. The CBSS contributes €80,000. The project was launched with an opening conference in Vilnius on 27 September. It is expected to run until December 2007. Specific projects with the Arctic Council and Barents Council are also being prepared.

Backing for Belarussian exile university

“What is the best way we can work together to promote continuation of the democratisation process in different parts of the world? How can we help ensure a peaceful transition to democracy in Belarus? It will not be an easy task – but it is an important one.”

The Danish Minister for Nordic Co-operation, Connie Hedegaard, addressed the hearing “Belarus in Europe” on 31 October, which discussed what the Nordic countries can do to promote democracy in Belarus. The hearing was organised by the Danish Ministry of Foreign Affairs, the Secretariat of the Nordic Council of Ministers and the Danish Institute for International Studies as part of the Danish Presidency of the Nordic Council of Ministers 2005.

The Danish Minister highlighted two initiatives taken by the Nordic Council of Ministers. The first is the BEN project, the second is the efforts to secure Nordic and European funding for the European Humanities University (EHU).

On 29 October the Nordic Council of Ministers signed an agreement with the EU Commission pledging support for the Belarussian European Humanities University. This will ensure that learning will continue at the last independent Belarussian university, which was closed by the authorities in Minsk in July 2004. Following its closure, the university moved to Vilnius, the capital of Lithuania. Per Unckel, Secretary General of the Nordic Council of Ministers, said:

“It is the responsibility of all countries to contribute to the promotion of democracy and human rights in Belarus. The efforts of the Nordic Council of Ministers

should be seen as part of its wider and growing engagement in Belarus. Support for the EHU is also an example of the Nordic Council of Ministers seeking to expand co-operation with the EU. Another example is the Baltic Euro-Regional Network, a cross-border regional scheme that includes Belarus. Collaboration between the EU and the Nordic countries is a good example of the role regional organisations with particular skills and conditions can play within the overall framework of EU co-operation.”

The university in Vilnius, with the support of the EU Commission and the Nordic Council of Ministers, will provide a range of courses, all leading to recognised European qualifications. Up to 350 Belarussian students will be given the opportunity to study in Vilnius. The agreement, which has been signed by the Nordic Council of Ministers and the EU Commission, will run for three years and provide funding of around DKK 20 million. The funds from the EU Commission are being channelled through its European Initiative for Democracy and Human Rights programme. In addition to the EU and the Nordic Council of Ministers, Finland and Sweden are also providing bilateral aid to the project.

The establishment of EHU has succeeded thanks to the support of the Lithuanian government. Over a number of years the Nordic Council of Ministers has established a constructive co-operative relationship with the government in Vilnius.

The Nordic Council also had Belarus and other countries to the east on its agenda over the last year.

“The EU has acquired new neighbours and we would like them to be democratic. It's not enough to stand on the sidelines when it comes to helping develop democracy in our eastern neighbours such as the Ukraine.” This was the message from Zenonas Petrauskas, Deputy Foreign Minister of Lithuania, speaking to the Nordic-Baltic meeting in Pärnu in April.



Dramatic climate changes in the Arctic

A new Arctic Programme of the Nordic Council of Ministers was given support by the Nordic Council Session in October 2005. Running from 2006 until 2008, it will continue Nordic efforts in the Arctic and focus on the special challenges that the whole Polar Region faces. This programme makes the Nordic Region an active player in Northern Europe through both the work of the Nordic countries in the Arctic Council and the effort it will put into the International Polar Year 2007–2008.

The programme focuses on living conditions for the indigenous peoples and opportunities for economic and cultural development. It places special emphasis on research. Co-operation on climate issues and measures to stop the spread of heavy metals and environmentally toxic substances are other top priorities.

The Arctic Programme of the Nordic Council of Ministers has an annual budget of DKK 7 million, in addition to a large number of projects in the Region that are run individually or collaboratively by the specialised Councils of Ministers.

The projects and activities in the Arctic are co-ordinated via a committee of Arctic experts set up by the Ministers for Nordic Co-operation. This advisory committee consists of the permanent Nordic representatives to the Arctic Council plus representatives of the Autonomous Territories. Its engagement with the Arctic Council provides the committee with a broader perspective on activities in the Arctic and identifies where the Nordic countries can contribute to the greatest advantage. The expert committee advises on the design, implementation and follow-up of the Council of Ministers' activities in the Arctic, recommending which proposed projects the Council should support. The committee held its annual meeting in December 2005, when it discussed activities for 2006.



During the year a vital Arctic parliamentary programme was implemented, and US Republican Senator Lisa Murkowski from Alaska met Nordic members of the Permanent Arctic Parliamentary Committee. Senator Murkowski opened up dialogue, not just with the Arctic countries, but with the indigenous peoples as well. The Nordic Council participants in the meetings of the Arctic Parliamentary Committee declared themselves positive towards the increased US interest.

A central issue in the discussions was the US attitude to climate change. A follow-up of the major ACIA (Arctic Climate Impact Assessment) report on climate change was also on the agenda for the Nordic politicians in 2005. It is intended that committees of the Nordic Council will follow up on the ACIA report and the report on living conditions in the Arctic.

From north to south – Nordic experiences

Nine Ministers of Culture and representatives of countries in South-East Europe signed an historic agreement in Copenhagen on 31 March 2005. The agreement aims to build a network between Culture Ministries in the region in order to promote cultural exchange, share information and experiences and strengthen multilateral co-operation. Danish Minister for Culture Brian Mikkelsen, who hosted the meeting, welcomed the new agreement:

“Experience demonstrates that understanding between peoples is strengthened by the improvement of cultural co-operation. It is therefore my strong belief that this new co-operation will contribute to stability and progress in a region of Europe which has for all too long been characterised by conflict. And I am proud to have acted as host for this meeting where the agreement was signed. This is an historic event for the countries of South-East Europe.”

In addition to the signing of the agreement, a joint meeting was held between the Nordic Ministers of Culture and the ministers and representatives from South-East Europe. Swedish Minister of Culture Leif Pagrotsky commented: “It is exciting to see that the Nordic example has spread so far. This meeting shows the importance of network building for international co-operation.”



Reklambyrå

Turistbyrå

This ministerial meeting was the culmination of a comprehensive cultural project launched in 2003 by the West Balkan countries (Albania, Bosnia-Herzegovina, Croatia, Macedonia (FYROM) and Serbia and Montenegro). The project had two aims: to build new networks between the Nordic countries and the West Balkan countries, and to introduce the Nordic model of co-operation.

The project bore the title “Norden – Balkan – Culture – Switch”, and targeted young professionals in the two regions. The project covered five areas – music, visual arts, literature, film, and contemporary dance and choreography – alongside an exchange programme targeting people working in cultural institutions. All projects were conditional upon participation from at least three West Balkan countries.

The project was planned and executed by the Nordic cultural institutions NIFCA (Nordic Institute for Contemporary Art), NOMUS (Nordic Music Committee), NordScen (Nordic Centre for the Performing Arts) and other relevant organisations such as literature centres and the Nordic film institutes, working in collaboration with institutions in the West Balkan countries.

More than 35 different projects were carried out, resulting, among other things, in the translation and publication of new literature from both regions; extensive exchanges between film festivals in the two regions; a series of workshops with a total of 200 participants from 18 academies of art, resulting in an exhibition shown in Belgrade and Helsinki; a comprehensive resident artist programme for visual artists; Nordic music at West Balkan festivals and new West Balkan music at festivals in the Nordic countries. The project as a whole has resulted in the building of networks and useful contacts for the individuals and institutions taking part.

A further aim of the cultural project was to present Nordic co-operation and its significance for cultural life in the Nordic countries. Its multilateral character struck a chord with authorities in the West Balkan countries, and on the initiative of the Albanian Minister for Culture discussions began in autumn 2004 on the establishment of a mechanism for cultural exchanges in the Balkan Region. The circle of interested countries widened and Bulgaria, Romania, Greece and Turkey took part in the discussions, which led to the Ministers of Culture signing the *Charter of the Council of Ministers*

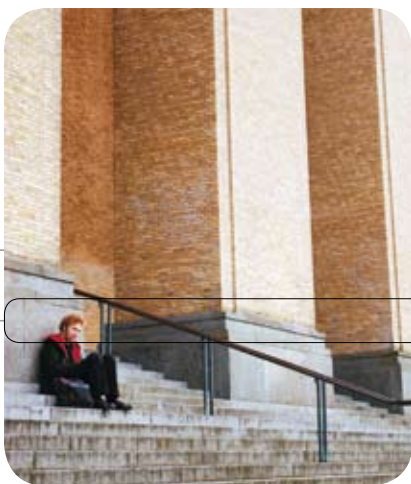
for Culture of South East Europe (SEE) in Copenhagen on 31 March 2005.

Nordic co-operation was also a point of interest in the context of the EU's Barcelona process. Per Unckel recounted the experiences of Nordic co-operation at the opening of “The Euromed Regional Conference Barcelona +10” in Barcelona in November. He was invited to relate how the Nordic countries had expanded their co-operative projects to include the whole Baltic Region:

“The countries around the Baltic Sea have developed co-operation that others can also benefit from. We have learned that co-operation needs to be concrete and provide benefit for participants, who must feel it is meaningful. EU co-operation will soon cover 30 countries, not counting all the non-EU countries with which the EU co-operates. The northern and southern EU have much to gain by exchanging experiences, as both co-operate with EU members and countries outside the EU. Both areas also have great development potential.”

The conference was one of several arranged in the run-up to the summit of heads of state/government from the EU and ten Mediterranean countries to mark the tenth anniversary of the launch of the Barcelona Process.

In late autumn Nordic Council President Rannveig Guðmundsdóttir took part in a meeting in Tirana with the Parliamentary Assembly of the Black Sea Economic Co-operation (PABSEC). The main themes of the meeting were migration issues, and in particular the fight against human trafficking and organised crime.



The Council President stressed the importance of regional inter-parliamentary co-operation in the face of international problems such as human trafficking. She also highlighted the need for closer and more wide-spread contacts between the north and south of Europe to tackle this type of problem.

The Baltic Sea Region is competitive

“I am convinced that the Baltic Sea Region is one of the most interesting regions in Europe, if not the most interesting. The countries around the Baltic have co-operated for centuries. We know each other. We may agree or disagree, but we continue to respect each other with our similarities and our differences. Many of these countries share the same cultural identity.”

This is a quote from an interview in *Baltinfo*, published by the Council of Baltic Sea States, with Nordic Council of Ministers Secretary General Per Unckel. He emphasised that the Region must work for defined objectives if it is to become a leader in Europe.

At the Baltic Development Forum (BDF) in Stockholm in October, Per Unckel spoke of the Nordic Council of Ministers’ Northern Dimension Working Group on Innovation, which gathered together participants from 11 countries around the Baltic. The Nordic Council, which puts a high priority on research and innovation, believes it is important to contribute to the development of the whole Baltic Region. In connection with the BDF meeting, the Nordic Council of Ministers was asked to lead the Baltic Sea Initiative (BSI), a “network of networks” for promoting competitiveness in the Region.

Baltic regional co-operation is also being developed within the framework of the EU Northern Dimension. The Nordic Council of Ministers is playing an active role in the development of the environmental partnership and the partnership for public health and social well-being. The “Northern e-Dimension” is an integral part of the Northern Dimension in which the Nordic Council of

Ministers works closely with such bodies as the Council of Baltic Sea States. Its activities include the development of statistics on the use of IT in the region and co-operating with NORDUnet on advanced IT infrastructure research.

Vulnerable marine environment in the Baltic

The Baltic Sea has again been afflicted by algae growth this summer due to excess use of fertilisers. MPs from all of the Baltic countries gathered on 28–30 August 2005 in Vilnius, Lithuania for the “14th Baltic Sea Parliamentary Conference (BSPC)”.

“The condition of the Baltic Sea is far from satisfactory. Emissions of pollutants by industry, agriculture and the cities along the coast have caused algae growth. As MPs, we have a duty to exert greater political pressure on these issues.”

These were the words of Rannveig Guðmundsdóttir, in one of the opening speeches at the conference. Ole Stavard, chair of the Danish delegation, wondered why Russia is reluctant to classify the Baltic as a Particularly Sensitive Sea Area, which could lead to a ban on single-hulled oil tankers. A resolution was passed calling, amongst other things, for politicians in the Baltic Sea Region to play an active role in EU efforts to devise a new policy for protecting the marine environment.

MPs from both the Nordic Council and other Baltic Sea co-operative organisations have fought for many years to have the Baltic recognised as a Particularly Sensitive Sea Area. The International Maritime Organisation (IMO), which is part of the UN, is expected to give the Baltic PSSA status in the summer of 2006. This would lead to new, stricter regulations for shipping in the Baltic, designed to improve safety at sea. The Nordic Council of Ministers has also debated this question.

Through its involvement in the environmental field, the Nordic Council of Ministers has continued to work to improve water quality in the Baltic. In 2005 alone, seven projects were carried out to combat excessive levels of nutrient salts, which cause eutrofication, at a total cost of more than DKK 2.8 million.

A sustainable Nordic region



New action plans for the environment, energy, food and forestry have grown out of the new strategy for a sustainable Nordic region. Nordic food, health, marine research, the future of in-shore fishing and EU chemicals legislation are all covered in the strategy, which attracted particular attention in 2005.

New Nordic strategy for sustainable development

The Ministers for Nordic Co-operation have adopted the revised strategy for sustainable development, fixing 20-year goals for sustainability and specific targets in a range of areas for the period 2005–2008. The strategy has also been strengthened by the incorporation of significant social and economic aspects of sustainable development.

The strategy has been launched internationally, in the EU, UN and OECD, to stimulate other countries and regions in the direction of sustainable development.

The strategy for sustainable development is supplemented by a set of dedicated indicators that make it possible to measure the extent or effect of sustainable development in the Nordic region against objectives set by the governments.

Energy, environment and sustainable development

Energy co-operation between the Nordic governments from 2006 to 2009 will be governed by a new action plan adopted in 2005. It specifies that Nordic co-operation must contribute actively to the development of energy policy in the Nordic Region and Europe. The action plan has the full backing of the MPs in the Nordic Council's Environment and Natural Resources Committee, and the Council Session also supported the programme. Crucial elements of Nordic energy strategy were the three main areas on the agenda in 2005:

- The energy market
- Sustainable energy systems
- The Nordic Region in international co-operation

Twenty years of investment in energy research have strengthened the Nordic research environment and helped to build extensive knowledge networks, raising the general level of competence in the energy industry. This solid knowledge base has given Nordic industry the opportunity to participate in the development and introduction of new technology and to help maintain its strong international competitive position.

Nordic Energy Ministers and MPs worked together with their Baltic and Russian colleagues through BASREC (Baltic Sea Region Energy Co-operation) in 2005.

Nordic Environment Ministers backed each other up in the final, decisive negotiations on the EU chemicals policy reform, REACH, and in completion work on the international chemicals strategy. Nordic MPs have also actively advocated the adoption of REACH.

In 2005 the priority for Ministers of the Environment was to have the most dangerous chemicals replaced by less dangerous ones (and to have the replacement recognised as a result of REACH). Another joint Nordic demand is that producers and importers of chemical substances assume responsibility for ensuring that their production and use is as responsible as possible and does not cause damage to the environment or to health. While most chemicals in the Nordic countries are used by industry, it is also important for consumers to know what dangerous substances are being used and what precautions are necessary.

Otherwise, in 2005 the Nordic ministers focused on environmental technology, as the Nordic countries,





individually and collectively, have wide expertise in this field and can thus contribute to new solutions that provide greater long-term benefits. During 2005 this led to the preparation of a Nordic publication on environmental technology, which contains a series of examples of how the Nordic Region has been a pioneer in areas such as shipping, energy-efficient buildings and bio-based growth in agriculture and forestry.

The environmental action plan, which covers Nordic co-operation as well as co-operation with the EU, focuses on four areas – environment and health, the sea, nature, and culture and leisure – plus sustainable production and consumption. Some important elements of the action programme in fishing, agriculture, forestry and food are covered below.

In-shore fishing has a future

Has in-shore fishing in the Nordic countries any development potential, and what difference can the fishermen make to their own situation? These were among the questions raised at a conference held by the Nordic Council of Ministers and the Nordic Council in Grenaa, Denmark on 2 and 3 May 2005 to discuss the future of in-shore fishing.

In-shore fishing faces serious challenges in all the Nordic countries – and even if fishing with smaller vessels and passive equipment is associated with smaller, local coastal communities, there are differences between the countries. The crisis in fishing is leading to more and more smaller boats being scrapped and replaced with larger ones. This weakens recruitment in in-shore fishing and represents a threat to the survival of smaller coastal communities.

The Nordic Council and the Nordic Council of Ministers, together with a number of other organisations, put the spotlight on fishing as a livelihood at the conference, which brought together leading politicians, fishermen's organisations and fisheries officials from throughout the Nordic Region.

The fishermen's organisations prepared a paper on the future of fishing, which was discussed by the conference, and in-shore fishermen from throughout the Nordic Region adopted a declaration on in-shore fishermen's rights. One of their demands is that the Nordic governments do away with the option of selling fish quotas.

"We will take action to safeguard the foundations of a profitable fisheries industry and in the long term that ap-

plies to in-shore fishing as well," said Danish Food Minister Christian Schmidt when he spoke at the conference. "Consumers want quality fresh fish and that is exactly what Nordic in-shore fishermen offer," he added.

To make fishing sustainable in the long term, Kristen Touborg Jensen, a member of the Nordic Council's Committee on the Environment and Natural Resources, would like to see more research and information work done on sustainable methods of fishing and on the principles for training identified and prioritised by the Nordic Council of Ministers in its report "Marine Knowledge Needs". Touborg Jensen asked the Nordic Council of Ministers to look at the existing training agreements and assess whether these could provide extensive co-operation in the training of Nordic fishermen.

Nordic centre of excellence in marine research

The Nordic Marine Academy, which will lead all Nordic research in the marine area, was launched by the Nordic Ministers for Co-operation in 2005. The Norwegian Minister of Fisheries and for Nordic Co-operation, Svein Ludvigsen, opened the Academy along with the Icelandic Minister for Nordic Co-operation and of Trade and Industry, Valgerdur Sverrisdóttir, and the Faroese Minister for Nordic Co-operation, Jógvan við Keldu.

"This co-operative project involving research institutes throughout the Nordic region proves once again that Nordic partnership can show the way and generate innovative thinking for the benefit of all of us," Ludvigsen said.

The idea is to develop Nordic skills in marine and fisheries-related research – everything to do with marine resources, the marine eco-system in its entirety, sustainable use, quotas, breeding and aquaculture. The Nordic Advisory Board for Fisheries Science (NAF) and the Nordic Research Board have each provided the Nordic Marine Academy with NOK 5 million in funding over five years. Gúdrun Petursdóttir, Director of the Fisheries Research Institute in Iceland, and Professor Arild Folkvord of the University of Bergen also attended the opening ceremony.

Healthy food brings better health

Healthier diets and the fight against obesity and lifestyle-related illnesses were central issues in the Nordic countries during 2005. The Nordic Council of Ministers is preparing a new action plan for improved quality of life following a series of seminars and meetings of working groups in 2005, which looked at the



connections between good food and good health. More exercise, less fat and less sugar in the diet would contribute to improving the health of the population. People in the Nordic countries are better placed than their European neighbours, but the warning lights are flashing and the time is ripe to take measures to deal with the global obesity epidemic. The many common elements in the Nordic lifestyle provide a good basis for a joint action plan to support national measures and policies.

The policy framework was laid down in 2005, covering themes such as closer Nordic co-operation in the international debate, empowerment of private interests, sharing of knowledge and joint monitoring, research and development, plus the establishment of common objectives. Since then, proposals for concrete measures have been discussed by a major conference in November 2005 in which more than 150 people took part. The proposals can be summarised as follows:

- Restrictions on TV advertising for unhealthy food directed at children (the food industry proposed that the authorities make use of industry experience in communicating positively with children to promote good habits)
- Information for pregnant women (breast feeding, diet and the child)
- Focus on children and vulnerable socio-economic groups
- Promotion of all kinds of physical activity
- Strengthening of research and innovation
- A database of ideas for and experience with health campaigns, and joint guidelines for devising such campaigns
- Better labelling of nutritional information for consumers.

Marking World Food Day

More than 750 children and young people took over the secretariat of the Nordic Council of Ministers on 13 October 2005 as part of a project to mark the UN Food and Agricultural Organisation's World Food Day. This

year's theme was "Agriculture and inter-cultural understanding". The purpose of the project was to improve dialogue between urban and rural areas by showing examples of what is harvested in the Nordic countries, and how food is treated and processed before it ends up on the supermarket shelf.

Because of our social development, city populations have lost basic knowledge about exactly where their food comes from. Both children and adults in the Nordic countries have limited ability to enquire about what they are eating, what it is possible to eat, whether their food is healthy and how to treat nature to ensure sustainable development in the future.

Through physical contact with animals and plants, through tasting and play, the children were shown the wealth and variety of Nordic food and raw materials and the importance of healthy food for their wellbeing. They also gained an understanding of the enormous contrast between what we eat and the simple foods that still constitute the most important elements in the diets of people in the poorer parts of the world.

One way of marking World Food Day was by focusing on New Nordic Cuisine. On Friday 14 October more than 2,000 people found their way to the torch-lit courtyard of the Nordic Council and Nordic Council of Ministers building. There they were served food based on raw regional materials but prepared in new and innovative ways. Later in the evening guests continued to drop by the peaceful courtyard for refreshments, pausing in the hectic round of activities of the annual Copenhagen "Cultural Night".

In Århus on 30 June 2005, the Nordic Council of Ministers for Fisheries, Agriculture, Forestry and Foodstuffs adopted a declaration on New Nordic Cuisine. The ministers decided that a progressive multi-sector initiative promoting New Nordic Cuisine would have every chance of playing a leading role in the future development of cuisine and food culture, both in the Nordic Region and at international level. They also hope that the campaign will encourage Nordic agriculture and fisheries to develop a wide range of raw materials and foodstuffs, and provide the population with a healthier diet that improves the quality of life. The declaration followed up on the work of the Nordic Cuisine Symposium, which had drawn up a Nordic manifesto.

The ministers also launched a preliminary New Nordic Cuisine project to identify potential areas of activity.





Nordic culture



In 2005 Nordic cultural co-operation was characterised by the ambition to improve the effectiveness of measures in the cultural area. The major Scandinavian design exhibition continued its tour. The joint Nordic pavilion at EXPO 2005 in Japan proved a success.

New structure for Nordic cultural co-operation

The Nordic Ministers of Culture took a decision in 2005 to reform the structure of Nordic cultural co-operation and make it more flexible and open to new ways of working at both Nordic and international level. The reform will also free up funds from administration to support content such as international exchange programmes for artists and art, and new events and programmes.

Nine out of the 20 committees and institutions involved in cultural co-operation will be abolished, but their functions will continue to be carried out within the new structure.

The following co-operative bodies, committees and institutions are being abolished: Steering Committees for Cultural and Mass Media Co-operation, for Children's and Youth Culture, and for Nordic Cultural Projects Abroad; the Nordic Journalist Centre; Nordic Institute for Contemporary Art (NIFCA); Nordic Music Committee (NOMUS); Nordic Literature and Library Committee (NordBok); Nordic Centre for the Performing Arts (Nord-Scen); and Nordic Museum Committee.

Institutions being retained are the Nordic Cultural Fund, the Nordic Film and TV Fund, the Nordic Information Centre for Media and Communication Research, and the Nordic Houses and Institutes in Iceland, Greenland, the Faroe Islands, Åland and Helsinki.

The Ministers of Culture also decided on the first two programmes under the new structure, which will be launched in 2006. One of them is a mobility and residence programme for artists and performers of all types, the other is a much-improved version of the programme for co-operation on computer games for children and young people.

The new structure will be fully in place by 2007.

New Nordic film prize

A new prize was introduced in 2005. The Nordic Council Film Prize, which was awarded on a trial basis on the occasion of the organisation's 50th anniversary in 2002, was made permanent and awarded for the first time as an ongoing prize. The 2005 award went to the Danish film *Drabet (Manslaughter)*, to be shared between the scriptwriter, the director and the producer.

Drabet is the final film in a trilogy about the Danish class structure. In its judgement the jury highlighted *Drabet* as a major Nordic film that tells a moving tale of timeless issues, but does so in contemporary language and on contemporary terms.

In addition, the Nordic Council handed out three other prizes. The Literature Prize went to Sjórn from Iceland for the novel *Skugga-Baldur*; the Music Prize went to the Norwegian group Cikada in recognition of their many years of work on contemporary music in the Nordic countries; and the Nature and Environment Prize went



to Ann-Cecile Norderhaug for her unique work on the Nordic cultural landscape.

Traces of the Congo – The Nordic role in history

The travelling exhibition “Scandinavia in Congo – Congo in

Scandinavia” opened at the Ethnographic Museum in Stockholm on 18 November. It has been produced by Swedish Travelling Exhibitions and other Nordic museums of ethnography.

The aim of the exhibition is to increase understanding of Scandinavia’s participation and role in one of Europe’s most brutal colonisation projects. “Traces of Congo” tells about Nordic missionaries, engineers, soldiers and discoverers, and of the influence they had on the history of the Congo. The exhibition also provides insights into the current situation and what the Congo has meant for the Nordic Region. Nordic ethnographic museums contain more than 40,000 artefacts from the Congo.

The exhibition examines the objectives of 130 years of Nordic presence in the Congo, illuminating important issues of cultural inheritance and historical responsibility. More than 1,500 Nordic citizens played a part as participants in or critics of the Belgian colonisation. In parallel with the exhibition, seminars have been arranged for both researchers in the area and for the general public.

Every second year the Nordic Cultural Fund makes a major contribution to a co-operative project between the Nordic museums. The fund refers to its grant recipient as the Nordic Exhibition of the Year. The Congo Exhibition received the 2005 grant of DKK 3 million.

Nordic region unites at EXPO 2005 in Japan

With 2.3 million visitors, the joint Nordic pavilion at the EXPO 2005 World Exhibition in Aichi, Japan was one of the most popular at the exhibition. During the 185 days it lasted, there were five national days on behalf of each of the Nordic countries, a Nordic Day and Moomins and Pippi Longstocking days. Hundreds of Nordic artists,

including Sjórn, the winner of the year’s Nordic Literature Prize, followed each other on the stand as part of the cultural programme.

The Nordic pavilion was a co-operative project between the Nordic countries and the Nordic Council of Ministers. The theme of the pavilion was sustainable development, presented through exhibitions of renewable energy sources, environmentally friendly technology and sustainable development of natural resources. The architecture of the pavilion was also an expression of the same theme, with its tight lines and clear, clean colours. Stone and wood from the Nordic countries were used as building materials.

Opening in February, the pavilion hosted events ranging from seminars on dyslexia to performances by Nordic rock artists. Seminars on equality and co-operation on research and development to improve the competitiveness of small countries were held under the auspices of the Nordic Council of Ministers. Members of the royal families of Sweden, Norway and Denmark visited the exhibition, along with a large number of government ministers and the President of the Nordic Council.

Nordic region at Gothenburg book fair

In 2005 the Nordic Council and Nordic Council of Ministers also took part in the largest book fair in the Nordic region, Bok & Bibliotek (Book and Library) in Gothenburg. The book fair was attended by around 110,000 visitors and nearly 1,400 journalists.

In order to focus on the many talented authors in the Nordic countries, for the first time an anthology was published that featured contributions from all the nominees for the Nordic Council Literature Prize. The anthology, *Litteratur i Nord (Literature in the North)*, was launched at a seminar at the book fair at which three of the nominees debated issues such as the significance of the Prize. All three agreed that it brought great prestige to be nominated for, and particularly to win, the Prize, and that one should not underestimate the increase in media coverage or the significance of Nordic authors being able to meet each other at various events as a result of their nomination. Some of the authors found that, following the nomination, there was increased interest in translating their works, not just into the other Nordic languages, but into other languages too.



The extent to which the Nordic languages are understood in their neighbouring countries was another question raised at a seminar held at the book fair, based on an investigative study entitled *Does Language Hold the Nordic Region Together?*, which was financed by the Nordic Cultural Fund.

The research report investigated the understanding of Swedish, Norwegian and Danish across Nordic borders and found that major changes have taken place since the 1980s: young Nordic people today are significantly less able to understand each other's languages than their parents' generation was. The study, carried out by the Nordic Languages Institute at the University of Lund, covered no less than 1,800 young people from throughout the region. As well as investigating their understanding of neighbouring languages, the study also looked at their parents' understanding and at the young people's understanding of English. The study showed that young Nordic people are very good at English – better, in fact, than at the languages of their neighbouring countries.

Values and social development

Is the “multi-religious” Nordic Region rich in values or poor in values? This was the theme of a conference on religious values arranged in Alta, Norway, in February. Nordic Council of Ministers Secretary General Per Unckel opened the conference, which brought together researchers of religion, historians and politicians from the whole Nordic Region.

The conference was an offshoot of the Nordic Council of Ministers' research programme “The Nordic Region and Europe”, which prioritised research into the humanities and social sciences and resulted in the publication of several hundred academic articles and more than 50 books.

Social development is moving in the direction of multi-cultural Nordic and European societies, which will influence these societies' future values. Are we moving towards tolerance of others rather than “one true religion”? The conference looked at themes such as integration, youth and the meaning of life, which were linked to the current debate on the significance of religion in social development.



Information and publishing

Information

The Nordic Council and Nordic Council of Ministers have a joint website, www.norden.org. Text on the website is mainly in the Scandinavian languages – i.e. Danish, Norwegian or Swedish – but a great deal of the text is also translated into Finnish, Icelandic and English.

News briefs on the Nordic Region and Nordic co-operation are posted daily on the website. News is also distributed by e-mail to several thousand subscribers within and beyond the Nordic Region. This news is in Scandinavian, Finnish, Icelandic and English.

The website also carries the web magazine *AnalysNorden* (Nordic Analysis), which features political analyses from the Nordic countries. *AnalysNorden* is issued monthly in Scandinavian, Finnish and Icelandic.

Top of Europe is an electronic newsletter about the Nordic Region and Nordic co-operation. The Nordic Council and Nordic Council of Ministers publish the *Nordic Region This Week* fact sheet in several languages, with brief notes on the various areas of co-operation. The fact sheet can be ordered in the printed version or downloaded as a PDF document.

Publishing

The Nordic Council and Nordic Council of Ministers publish between 150 and 180 reports and books annually. These publications cover more or less all topics relating to Nordic co-operation.



Below is a small selection from the most recent books published by the Nordic Council and Nordic Council of Ministers:

- The comparable statistics in the *Nordisk statistisk årsbok (Nordic Statistical Yearbook) 2005* provide an accessible method of examining the similarities and differences between the five Nordic countries – Denmark, Finland, Iceland, Norway and Sweden – plus the Faroe Islands, Greenland and Åland.
- *The Nordic Region as a Global Winner* is a debate piece on the future of the Nordic Region. Twenty-seven Nordic opinion-formers from business, academic and cultural life and from public authorities present their views on the strengths of and opportunities for the Nordic countries in the global economy of the future.
- *Nordic Nutrition Recommendations*. This book presents Nordic recommendations for a good daily diet.

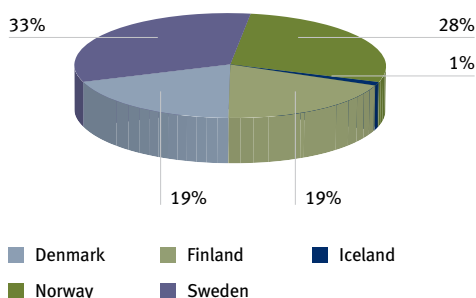
- *The Nordic Region has a Contribution* is a debating text for high-school students on Nordic identity and the Nordic Region in the new Europe. Five Nordic authors, all winners of the Nordic Council Literature Prize, give their interpretations of what it means to be a Nordic citizen, a European and citizen of the world.
- *Litteratur i Nord (Literature in the North)* is an anthology of contributions from all the authors nominated for the Nordic Council Literature Prize 2005.

There is more information about publications at www.norden.org/publikationer, where one can also search for and order publications. On the website it is also possible to sign up for the “Publication News via E-mail” email service, which sends out information when publications have been issued in areas of interest specified by recipients.



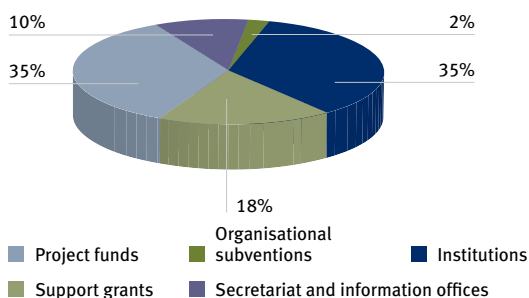
Facts about the Nordic Council of Ministers and the Nordic Council

Nordic Council of Ministers. National contributions to budget 2005

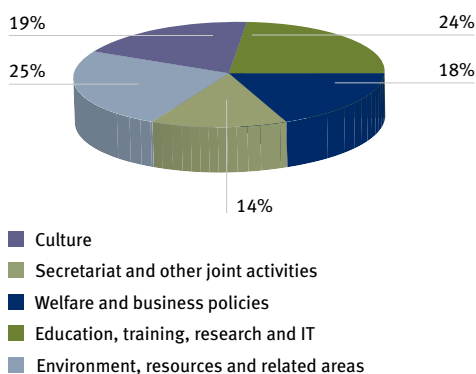


The budget of the Nordic Council of Ministers amounts to DKK 817,517 million. Countries contribute to the Nordic Council of Ministers on the basis of a key related to their gross national income. The Autonomous Regions do not contribute to the financing of the activities of the Nordic Council of Ministers.

Nordic Council of Ministers. Budget item categories 2005



Nordic Council of Ministers. Budget 2005 by main areas



The Nordic Council of Ministers

The Nordic Council of Ministers is the formal forum for co-operation between the governments, but informal consultations and exchanges of information also play a significant role.

The role of the Council of Ministers is to reinforce co-operation and the mutual Nordic sense of identity and to promote Nordic interests abroad. All multilateral decisions are made by consensus.

Separate councils exist for each sector in which the governments work together. The ultimate responsibility for co-operation lies with the Prime Ministers, but in practice it is co-ordinated by the Ministers for Nordic Co-operation and their representatives on the Nordic Committee for Co-operation. Most councils of ministers meet several times a year. Committees of Senior Officials and the Secretariat prepare the agenda for meetings and follow up on issues and decisions.

With effect from 1 January 2006 the Councils of Ministers are as follows:

- Labour market and working environment
- Business, industry, energy and regional policy
- Fisheries, agriculture, forestry and food
- Cultural co-operation
- Equality
- Legislative affairs
- Environmental issues
- Health and social services
- Education, training and research
- Economic and fiscal policy

Ministers for Co-operation as of 7 December 2005:

Connie Hedegaard, Denmark
 Jógvan à Lakjuni, Faroe Islands
 Josef Motzfeldt, Greenland
 Jan-Erik Enestam, Finland
 Lasse Wiklöf, Åland
 Sigríður Anna Þórðardóttir, Iceland
 Berit Andnor, Sweden
 Heidi Grande Røys, Norway

The Nordic Council

The Nordic Council is a political forum for MPs and governments. It holds an annual Session, at which MPs meet with Nordic ministers. The Presidium and five standing committees look after the work of the Council for the rest of the year.

The Council acts in a proactive capacity, advises ministers about the direction Nordic co-operation should take, and monitors whether governments implement the decisions taken. The Council identifies annual political priorities, e.g. the environment, defence and security, culture, sustainable development, children and young people, consumer affairs, etc.

Nordic Council Presidium as of 7 December 2005:

Rannveig Guðmundsdóttir, President, Social Democratic Group, Iceland

Jónína Bjartmarz, Centre Group, Iceland

Arja Alho, Social Democratic Group, Finland

Berit Brørby, Social Democratic Group, Norway

Dagfinn Høybråten (1.10–31.12), Centre Group, Norway

Anita Johansson, Social Democratic Group, Sweden

Kristian Pihl Lorentzen, Centre Group, Denmark

Inge Lønning, Conservative Group, Norway

Outi Ojala, Left-wing Socialist and Green Group, Finland

Kent Olsson, Conservative Group, Sweden

Gabriel Romanus, Centre Group, Sweden

Simo Rundgren, Centre Group, Finland

Martin Saarikangas, Conservative Group, Finland

Jan Sahl (1.1–30.9), Centre Group, Norway

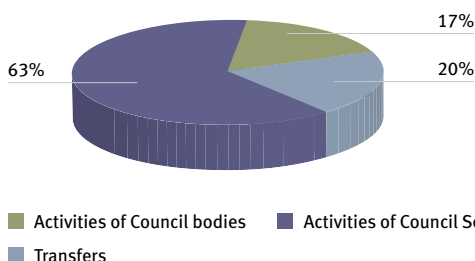
Ole Stavad, Social Democratic Group, Denmark

Proposals processed by the Nordic Council in 2004:

- Nordic Council of Ministers revised strategy for sustainable development 2005–2008
- Measures to promote the theme of sustainable development in international bodies
- Action plan for Nordic environmental co-operation 2005–2008
- Equality work in Nordic co-operation
- Information exchange agreements between the Nordic countries on freedom of movement
- Action plan for Nordic co-operation on fisheries, agriculture, forestry and food 2005–2008

- Nordic Council of Ministers revised strategy for genetic resources for fisheries, agriculture, forestry and food 2005–2008
- EU chemicals legislation, REACH
- Requirements of EU software patent
- Evaluation of proposed EU directive on software patent
- Power supply in Nordic countries
- Conference on corruption
- New structure for Nordic Council of Ministers
- Nordic Council of Ministers Russia programme
- Nordic Council of Ministers Arctic Co-operation programme 2006–2008
- Nordic-Baltic networking for voluntary groups
- Arctic research
- Health and nutrition developments among indigenous peoples in Barents region
- Nordic Council of Ministers structural reform of Nordic cultural co-operation

Nordic Council cost distribution in budget 2005



The DKK 30.6 million cost of activities of Council bodies covers the work of the Presidium and committees and collaborative tasks. Activities of the Council Secretariat cover administration and information work. Transfers consist of support for parties and the Nordic Youth Council and journalist scholarships.





Nordic Council of Ministers
Nordic Council

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