

## **VIII Annual International Conference**

### **Cross-border Cooperation: the Russian Federation, the European Union and Norway**

**Pskov, 6 September 2012**

#### **Hans Skov Christensen, Chairman of Baltic Development Forum**

Ministers, Governors, Excellencies, Ladies and Gentlemen, I have been looking forward to coming to this fascinating corner of the Baltic Sea Region where Russia, Latvia and Estonia meet. It is a pleasure for me to be in Pskov, knowing that the city has played such an important historic role as a key to Russia's interior and a vital border fortress.

I also understand that it is part of the city's historic roots to have been a vibrant trading station closely attached to the Hanseatic League which continues to be a key factor in the Baltic Sea Region identity today. BDF has several cities as members who emphasise their historic Hanseatic status. We would be pleased to work closer together with Pskov.

As former CEO of the Confederation of Danish Industry for more than 20 years, I have done my utmost to promote free trade as well as an internal market of the EU. Free trade and open and fair competition is simply the best way to create the conditions that allow companies to flourish and people to obtain jobs.

We still have, however, a lot of barriers to trade, investment and jobs in the Baltic Sea Region, although many countries in our region are among the most open economies in Europe and indeed in the world.

Most recently Baltic Development Forum issued a new report on the Digital Single Market in the Baltic Sea Region. The report demonstrates that we can unleash a potential of 45 billion Euro, if we abolish barriers and promote enablers in the field. The Baltic Sea Region should take its own initiatives and not only wait for the EU and the Commission to act. We hope to inspire

decision-makers in the EU – and in Russia. We need to have Russia on board when new initiatives are being made in the region.

When I became Chairman of BDF one year ago, I decided that more was needed to strengthen links with the Russian Baltic Sea region provinces and to promote cross-border projects. Attending this well-established cross-border conference in Pskov – and even during the Russian Presidency of the Council of the Baltic Sea States - was high on my to-do list. We are pleased to have established such a close partnership with the organisers of this conference.

BDF would like to work together with the Russian Presidency and to promote the Northern Dimension frameworks both on a political and practical level.

On a project level, Baltic Development Forum leads an energy project in Kaliningrad which focuses on energy efficiency in buildings. We have established an international team of cities, international organisations, companies and universities which are ready to open up to a huge network of partners that are willing to share their experience and best practices in energy efficiency. The project – called RENSOL (Regional Energy Solutions) - is part of the Northern Dimension Partnership on Environment and it is co-financed by the EU. I believe it is a great chance for Russian partners to make use of this offer. In the field of energy we see a huge potential for Russia to learn from some of the most energy efficient countries in the world.

We need both public and private partners to be successful. We need the private sector to promote not only their solutions, but also to finance projects on the basis of transparent rules. Russia has become so rich in its own right that there are limited resources for funding projects based on grants and public money from neighbouring countries. I highlight this aspect, because we are going to present a report in 2013 on different financing models as part of the RENSOL project. We hope to engage a number of private companies as well as international financing institutions.

We look forward to discuss energy cooperation and financing of projects during the third international energy conference in Kaliningrad 1-2 November 2012.

We hope to develop a model that could be useful in other parts of Northwest Russia.

Finally, I would like to mention that the 22 August was also an important date for me. On this day, Russia joined the World Trade Organisation as the 156th Member State and after 18 years of negotiations.

I hope that Pskov will again become a great trading station and a bridge towards Europe as it was the case in Hanseatic times. You neighbour two very dynamic EU countries that have come out of the economic crisis in an impressive manner that stands out as a model and example to follow in other parts of Europe. And generally the economies of the Baltic Sea Region are the strongest in Europe at the moment.

I hope also that this conference will open new doors for closer cross-border cooperation with Russia and the Pskov region. The region and the city of Pskov have shown a great sense of hospitality which is the best basis for an on-going cooperation with the neighbours of the region. BDF wishes you good luck. If you need to broaden your network, we will be ready to help out.

Thank you for your attention.