Declaration on Energy Security in the Baltic Sea Region

Adopted by the 17th Extraordinary CBSS Ministerial Session, Schloss Ploen, 5 February 2012

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The Council of the Baltic Sea States (CBSS), represented by the Ministers of Foreign Affairs of Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, the Russian Federation and Sweden as well as a representative of the European Union, met in Extraordinary Session at Schloss Ploen at the invitation of the Federal Minister for Foreign Affairs of Germany.

On the occasion of the 20th anniversary of the founding of the Council as a successful framework for deepening and enhancing cooperation amongst its Members, the Council reaffirmed the core role of the CBSS as a forum for all multilateral intergovernmental cooperation in the Baltic Sea Region in areas agreed by its Members. The Council noted that the comprehensive Declaration of the 16th CBSS Ministerial Session held in Oslo on 7 June 2011 and the Vilnius Declaration on A Vision for the Baltic Sea Region by 2020 provide valuable guidance for further action.

The Council stressed the significance of a dialogue on energy cooperation and energy security, including, inter alia, reciprocity, non-discrimination, diversification, sustainability, reliability, sound investment climate and investment protection regime for the peaceful development and prosperity of the Baltic Sea Region and its societies. The Council also stressed the significant part the CBSS plays in contributing to mutual trust and transparency.

The Council reiterated that the diversification of energy supply and demand, energy sources, geographical and sectoral markets, transportation routes and means of transport contributes to ensuring energy security for both producers and consumers. This goes along with the modernization of existing and the building of new energy infrastructure1, the promotion of renewable energies and energy efficiency. The Council furthermore underlined the sovereign right of every Member to decide on its own energy mix and to benefit from available and efficient energy sources. It reaffirmed the need for cooperation amongst Members.

The Council commended the work being done by Energy Ministers collaborating in the Baltic Sea Region Energy Cooperation (BASREC) on integrating energy markets and energy infrastructure. In this connection the Council underlined the added value the CBSS provides as a forum for dialogue aimed at further improving the functioning of energy markets and within the relevant legal frameworks.

¹ Inter alia European priority projects under the EU's Trans-European Energy Networks.

COUNCIL OF THE BETTIC SEA STATE

I. Energy Security and Integrated Energy Markets

Transparency, competitiveness, respect for international law, legal frameworks binding for the parties, and contractual obligations are important prerequisites for building reliable, market-based and secure energy relations to the mutual benefit of producers, transit providers and consumers in integrated regional energy markets. Modernizing the energy infrastructure is essential, moreover, if the Region's energy potential is to be fully tapped. Building integrated energy markets requires a level playing field in all aspects, including in the various projects in this sphere.

II. Energy Security, Energy Efficiency and Sustainable Development

Development of effective energy systems, promotion of energy efficiency and the use of renewable energy have an important part to play in meeting energy and climate policy challenges. The Council therefore called for continued efforts by Members to create a political, economic and legal environment conducive to the further promotion of sustainable energy from regional and local renewable sources. It encouraged Members to view the Baltic Sea Region Energy Cooperation (BASREC) and the Baltic21 processes as suitable frameworks for sharing information on methods and best practices in this connection. The Council accordingly encouraged the CBSS Expert Group on Sustainable Development - Baltic21 and BASREC to provide the Rio+20 United Nations Conference on Sustainable Development with a Baltic Sea Region perspective based on the valuable experience gained and lessons learned from their projects.

III. Energy Security and Nuclear Safety

Nuclear energy is one possible component of Members' energy mix. Using nuclear energy entails a responsibility to prevent nuclear accidents, also with a view to their cross-border consequences. Fukushima has underlined the need for intensified international cooperation on nuclear safety as well as vigorous implementation of the IAEA Action Plan on Nuclear Safety. All Members accordingly have a shared interest in developing a strong nuclear safety culture. The Council therefore called for full and mutually transparent implementation of the highest and strengthened international nuclear safety and environmental standards. In this connection the Council commended the ongoing work to enhance Members' nuclear and radiological emergency response capabilities and expressed its continued appreciation for the work being done by the CBSS Expert Group on Nuclear and Radiation Safety.

IV. Energy Security and Environmental Protection

A healthy marine environment in the region is in the interest of all Members. The Baltic Sea has been designated a Sulphur Emission Control Area since 2006. In line with decisions of the International Maritime Organization, this will require the sulphur content of ship fuels to be reduced further. There is therefore a need to



examine ways and means to promote the use of alternative ship fuels and of new technologies, inter alia, LNG and other sulphur content reduction options, as well as the relevant measures for industries. To prevent negative impacts on the marine environment, the exploration, extraction and transportation of fossil fuels should be based on strict environmental standards.

V. Energy Security and Governance

The Council encouraged efforts to explore ways to strengthen reliable, transparent and rules-based partnership in Members' energy relations at the regional level, taking into account the ongoing dialogue between the EU and Russia, including notably the EU-Russia Energy Dialogue, and the legal framework for EU-Russia relations.

The Council pledged continued support for Germany during its CBSS Presidency.

The Council welcomed Germany's offer to host the 9th Baltic Sea States Summit on 30-31 May 2012 in Stralsund and the BASREC Meeting of Energy Ministers on 14-15 May 2012 in Berlin. It noted that the results of the BASREC Meeting could provide valuable input for the Baltic Sea States Summit.

The Council assured the upcoming Russian CBSS Presidency in 2012-2013 of its support in connection with the 18th Ministerial Session of the CBSS to be held in the Russian Federation in 2013.