

# **New Nordic Agenda**

*– follow-up to the report from the Panel of Wise Men*

**The Nordic Council of Ministers** was established in 1971. It submits proposals on cooperation between the governments of the five Nordic countries to the Nordic Council, implements the Council's recommendations and reports on results, while directing the work carried out in the targeted areas. The Prime Ministers of the five Nordic countries assume overall responsibility for the cooperation measures, which are co-ordinated by the Ministers for Cooperation and the Nordic Cooperation Committee. The composition of the Council of Ministers varies, depending on the nature of the issue to be treated.

**The Nordic Council** was formed in 1952 to promote cooperation between the parliaments and governments of Denmark, Iceland, Norway and Sweden. Finland joined in 1955. At the sessions held by the Council, representatives from the Faroe Islands and Greenland form part of the Danish delegation, while the Åland Islands are represented on the Finnish delegation. The Council consists of 87 elected members – all of whom are members of parliament. The Nordic Council takes initiatives, acts in a consultative capacity and monitors cooperation measures. The Council operates via its institutions: the Plenary Assembly, the Presidium and standing committees.

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**New Nordic Agenda – follow-up to the report from the Panel of Wise Men**

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## New Nordic Agenda – Follow-up to the Report from the Panel of Wise Men

Never before has the life of each individual citizen, each family, been so clearly linked to global developments. During the last decade, democracy and market economy have constituted the guidelines for developments in Europe. “Globalisation” has meant better material living conditions and better chances of insight and influence, but in some places the trend towards globalisation expresses itself in a feeling of financial and political powerlessness. Without ever-increasing international co-operation there is a risk that the negative aspects of globalisation will set the agenda both globally and locally – also in the Nordic region where we live.

The Nordic countries have long traditions for active democracy and societies characterized by welfare. At the same time, the Nordic countries are deeply committed to the international community. The Nordic democratic values mean that we cannot simply be enough onto ourselves, but that we must, at all times, look to the world around us and try to gain influence through dialogue. In keeping with the best Nordic traditions, this dialogue must involve all levels affected: governments, political parties, voluntary organisations, trade unions, professional bodies, etc. The Nordic experience and values will become even more important in the ever more globalised social order of the future.

Formal Nordic co-operation has existed for 50 years, and, throughout those years, it has played a unifying role for the Nordic countries. This co-operation has always enjoyed strong popular support, even in periods when the Nordic countries have primarily directed their attention at other co-operation fora. In organisational terms, efforts have consistently been made to adjust tasks and structures to conditions determined by history and social developments. At the turn of the millennium, the time has come to set *a new agenda for Nordic co-operation* to be viewed in relation to the new co-operating Europe, and to other international co-operation bodies.

In the summer of 1999, the Nordic Ministers for Co-operation appointed a Panel of Wise Men to chart the common development trends in societies in the Nordic region, and to assess the challenges with which the new globalisation trends confront the Nordic countries and Nordic co-operation. The Panel was asked to evaluate the consequences of Nordic co-operation to Nordic citizens, and to include the implications of joint Nordic co-operation with neighbouring countries and regions in their report.

The report by the Panel of Wise Men, “Open to the Winds of Change, the Nordic Region 2000”, emphasises ten particularly important development trends in societal development.

The governments of the Nordic countries and the parliamentarians of the Nordic Council have used the Panel’s report as a their point of departure for an overall political assessment of the future agenda and structure of Nordic co-operation. These efforts are reflected in the present report from the Nordic Council and the Nordic Council of Ministers.

In particular, the Nordic Council has focused its attention on the fields of activity of the Nordic Council and the derived organisational structure. The existing geographically based three-pillar structure, with a Norden Committee, a Europe Committee, and an Adjacent Areas Committee, will be replaced by five special committees that are more in keeping with the political fields of activity. These committees will be: the Culture and Education and Training Committee, the Welfare Committee, the Citizens’ and Consumer Rights Committee, the Environment and Natural Resources Committee, and the Business and Industry Committee. The Presidium will have a special responsibility for foreign and security policy. The new structure provides for more flexible interaction with the structure of the Nordic Council of Ministers, which is based on specialised fields, for improved anchorage for Nordic parliamentary activities in the national parliaments, as well as for better interaction with the Baltic Assembly and other international organisations. In the modus operandi of the committees they must also focus on geographical factors, and the committees will be responsible for maintaining contact with the Adjacent Areas and the

corresponding bodies of the relevant international organisations in those specialised fields of which the respective committees are in charge.

The Ministers for Co-operation have set up overall, strategic objectives for Nordic co-operation in the years to come. In order to ensure strong national anchorage, the Ministers for Co-operation have carried out a broad hearing of the different Councils of Ministers. New strategic action will be taken within five areas which individually and collectively are of strategic interest to developments in the Nordic region.

- Technological development, particularly issues relating to the information society and Nordic spearhead research;
- Welfare, including the rights and opportunities of Nordic citizens to live, work, and study in another Nordic country, as well as demography and migration;
- The internal Nordic market, including efforts to remove border obstacles;
- Co-operation with neighbouring countries and regions;
- Environment and sustainable development.

The Nordic Prime Ministers have stressed the need for closer regional political dialogue between the Nordic countries within the framework of wider European co-operation. The present report “New Nordic Agenda – follow-up to the report from the Panel of Wise Men” establishes the importance of Nordic co-operation – both as a working place for Nordic values, thoughts and welfare societies, and as a tool for coordinating Nordic interests in other international fora.

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*President of the Nordic Council*

Part 1 | The Nordic Council

# **The Future Fields of Activity and Actions in a New Structure**

# 1. Introduction

## 1.1 Introduction – political background

The Nordic Council has a central position as one of the prime movers in Nordic co-operation. The Council provides for political co-operation with strong popular anchorage, allows for parliamentary insight into the activity of the Nordic Council of Ministers and for co-operation of the Nordic governments, and provides the national parliaments with more influence on international co-operation.

The Nordic Council is a parliamentary body in which political decision-makers from the entire Nordic region – parliamentarians as well as ministers – can meet. The activities of the Council serve as a source of inspiration for its members, and contribute towards long-term resource building for Nordic co-operation. However, at the same time, activities should be closely linked to substantive issues in the Council of Ministers, the national parliaments, and the national governments.

The Strategy Working Group has read the report from the Panel of Wise Men with interest and fully concurs with the Panel's evaluation of the importance of Nordic co-operation during the transition to the new millennium:

The growth of internationalisation increases the importance of regional co-operation between countries with common interests and shared values, serving the dual aim of achieving influence at international level while at the same time safeguarding national interests. Nordic co-operation is an expression of shared values and a shared perception of the welfare state. It represents an approach to ensuring the rights of Nordic citizens and promoting their opportunities for development in a global environment. It serves as a tool that can be used to reinforce the interest of cit-



izens in societies that are becoming increasingly open to external influences. (Panel of Wise Men report, p. 11)

At the centre of Nordic activities there must be a living political body, in keeping with the historically and socially determined tasks with which the organisation has to deal. Therefore, it is essential for any organisation regularly to evaluate its structure and tasks.

During the last decade of the 20th century, the Nordic Council has been reacting actively to societal and political change in the Nordic region and in its adjacent areas through regular evaluation of the Council's ability to function in a changing world. In connection with the work on the Report from the Panel of Wise Men the structure of the Nordic Council has been reviewed anew; the main question pertaining to this review was how the Nordic Council can best play an active role in an ever more global world in which borders – actual and invisible – are getting more and more blurred, and new political challenges arise.

The Nordic Council is leaving behind the three-pillar structure, which has the Nordic region, the Adjacent Areas, and Europe/EU/EEA as its focal points, and assumes a structure based on specialised committees. The world surrounding the Nordic Council is no longer characterized by the clear-cut demarcation lines of the past, and for this reason a geographically based committee structure must be considered politically/ideologically obsolete; equally, in practical terms the structure is in many ways inappropriate for Nordic Council activities.

When, in 1995, the Nordic Council decided to abandon specialised committees in favour of geographically based committees it was politically interesting to provide the Nordic Council with a strong profile vis-à-vis the three geographical areas. Three of the Nordic countries had joined the EU, borders with Eastern Europe had been opened up while, at the same time, there was a strong political will to emphasise this fact in the work of the Nordic Council. The prelude to these changes in the Council was the discussions of the early 1990s, at which time there was a wish to secure a firm footing for international issues on the agenda. Moreover, 1995 saw the party groups being moved more towards the centre of attention.

One result of globalisation is that, over the period, the international dimension has become more important in virtually every field covered by Nordic co-operation. Now that the Nordic Council is reverting to a structure with specialised committees this is done under circumstances that differ from those of the period prior to 1995. Today, the international aspect affects all the specialised areas dealt with by the Nordic Council, thus, becoming an integral component of the respective committees' treatment of matters. Equally, it is considered a major advantage that, by virtue of these changes, the committee structure of the Nordic Council will become harmonised with that of the Council of Ministers, on the one hand, and with the national parliamentary committees, on the other, which means that smoother and more systematic communication between the Nordic Council and these can be envisaged. At the same time we can expect better utilisation of parliamentarians' expertise and closer contacts can be maintained with the Councils of Ministers concerning specialised subjects.

The reform of the Nordic Council is a response to the internationalisation of political activities and a response to the new sets of problems facing us. Better utilisation of parliamentary resources and systematic treatment of issues in an international perspective will ensure a topical agenda, that matters will be dealt with in an appropriate context, and that duplication of effort can be avoided. The structure also allows for interdisciplinary treatment of issues.

The action areas prioritised in a new structure are reflected by the headlines of the Presidium and the committees: Foreign and Security Policy; Culture and Education and Training; Welfare; Citizens' and Consumer Rights; the Environment and Natural Resources; Business and Industry.

The bodies of the Nordic Council will ensure that Nordic co-operation will include perspectives pertaining to the Nordic region, the Adjacent Areas, Europe/EU/EEA, and other international perspectives.

## 1.2. Introduction – process

Prior to the 52nd session of the Nordic Council in Reykjavik in November 2000, the Nordic Council received the report "Open to the

Winds of the World” commissioned by the Ministers of Co-operation in the summer of 1999. The Panel of Wise Men were to analyse the future structure of and tasks for Nordic co-operation (mentioned above in the present report)

The 52nd session of the Nordic Council in November 2000 debated the report produced by the Panel of Wise Men. Special note was taken of the fact that the Panel had listed 10 trends, one of which was globalisation. The role of the Nordic Council in such global contexts as trade, democracy, the environment, peace, stability and other matters was discussed. Furthermore, discussions focussed on the structure of the Nordic Council and its implications for organisational activities as well as for the political priorities.

On 30 and 31 January 2001, the Nordic Council and the Nordic Council of Ministers held a joint seminar in Helsinki at which the 10 trends, 80 specific proposals and structural change were discussed.

On 5 February 2001, the Nordic Council held an internal hearing in Copenhagen at which a new structure, national anchorage, and political priorities were discussed.

On 6 February 2001, the Presidium of the Nordic Council set up a working group on strategies for future Nordic co-operation (the Strategy Working Group). The Strategy Working Group was to undertake the necessary preparations for the Presidium’s treatment of the Strategy for future Nordic co-operation, including meetings with the Nordic Council of Ministers. The Strategy Working Group was assigned with the task of introducing proposals to the Presidium for changes in the activities of the Nordic Council, including such issues as structure and national anchorage.

The Strategy Working Group met on 21 March, 2 April, 16 April, 16 May, 31 May, 12 June, 16 August, 13 September, and 25 September. In addition, joint meetings have been held with the president of the Ministers for Co-operation on 2 April, 7 September, and with the Ministers for Co-operation on 13 June and 28 September 2001.

The Strategy Working Group took up the proposals of the Nordic Council of Ministers concerning five action areas for future Nordic co-operation at its meetings on 16 August, 13 September and 25 September 2001.

The Strategy Working Group drafted a report on Council of Ministers proposal B 208/p concerning New Strategic Priorities in the Nordic Region and also submitted Presidium proposal A 1266/p about changes in the Nordic Council's standing orders (spheres of activity, structure and working methods).

### 1.3. Summary of the proposals made by the Strategy Working Group

Globalisation plays a major role in societal developments and holds a central position in the political debate at the beginning of the 21st century. As a regional co-operation body in Europe, the problems taken up by the Nordic Council must be closely related to social developments in the Nordic countries and the world around them. Thus, the trend towards globalisation should be reflected in the priorities set by the Nordic Council.

The Nordic Council must be in a position to deal with issues within all the specialised fields in a Nordic, a European, and a global context. In the European context, the Nordic Council has established good co-operation with the Adjacent Areas since the early 1990s. This type of co-operation should remain a high priority.

The political priorities and activity forms must be capable of handling both joint Nordic interests, and of protecting joint Nordic interests in the EU/EEA, and of ensuring co-operation with the Adjacent Areas, including Arctica and the Barents region as well as securing co-operation within other international organisation, for example the UN.

The new structure of the Nordic Council will change from a situation in which work takes place in committees based on geographic criteria (see the next chapter) to committees based on specialised subjects. The purpose of this new structure is to ensure better interaction with the Nordic Council of Ministers and the national parliaments as well as with the Baltic Assembly. The system of geographically based committees has played an important role in making the trisection of Nordic co-operation visible, but has, at the same time, caused a number of problems for the interaction with the committees

of the national parliaments and with the Nordic Council of Ministers. In the new structure of the Nordic Council, the geographic subdivision into pillars will be subsumed into the activities of the five special committees, which will each be assigned the responsibility for dealing with matters in a Nordic, a European, and an Adjacent Areas perspective.

The Strategy Working Group has perceived it as part of its remit to create a structure which is in better harmony with the structure of the Nordic Council of Ministers, one that is transparent to third parties, such as other international bodies, one that will ensure flexibility, secure practical treatment of cross-sectoral matters, and provide facilities for rapid ad hoc treatment of special matters.

The Strategy Working Group's treatment of the proposal submitted by the Nordic Council of Ministers for five action areas formed part of the deliberations concerning the political priorities of the Nordic Council. It is the opinion of the Strategy Working Group that the special committees of the Nordic Council will be suitable fora for operational follow-up to any proposals submitted by the Nordic Council of Ministers in relation to the five action areas.

## 2. Historical background

### 2.1. Changes in Nordic co-operation 1990–1995

The forms of activities and priorities of the Nordic Council were reviewed repeatedly in the 1990s, the first time being in December 1989, when the Presidium of the Nordic Council established a committee to analyse the *modi operandi* of the Council, etc. The reason for this was the political developments in Europe at the time.

In October 1990, the committee submitted the report, “Nordic Co-operation – Growing Internationalisation and Improved Efficiency – a Proposal for Reforms”. The report contained a series of proposals, for example, about the international dimension of the Council’s activities. Already then, as now proposed by the Panel of Wise Men, it was suggested that a Council of Ministers for Foreign Affairs should be established. It was also proposed that the Presidium should be given a more prominent role and, thus, the overreaching and co-ordinating responsibility for international matters treated by the Council.

In connection with the extraordinary session of the Council in Mariehamn in November 1991, the prime ministers subsequently initiated a study into the future of Nordic co-operation. They adopted the Mariehamn Declaration, which covered three sets of problems that were to be central to the reassessment of Nordic co-operation:

1. The impact of European integration on the different fields of Nordic co-operation and on the contents and forms of co-operation.
2. Nordic co-operation with the Adjacent Areas, including the Baltic states and the other states within the Baltic Sea region.
3. A study of organisational change required by the reforms suggested, including, if necessary, a revision of the Helsinki Agreement.

The Prime Ministers set up a working group of their personal representatives, of whom Jaakko Itoniemi was appointed chair. At the 40th session of the Nordic Council in Helsinki held in March 1992, the working group submitted an interim report, but the final report was completed for the Prime Ministers' Bornholm meeting in August 1992, and was forwarded to the Nordic Council together with the Prime Ministers' declaration (the Bornholm Declaration).

In their Bornholm Declaration, the prime ministers largely endorsed the Itoniemi Report. They stressed that Nordic co-operation should focus on areas of "genuine common Nordic interest", which entailed more emphasis on cultural co-operation and consultation "concerning issues on the European agenda", at the expense of those activities that can more efficiently be handled at European and/or national level. A restructuring of political co-operation is envisaged, and it is stressed that "the Prime Ministers will assume direct responsibility for drawing up guidelines for co-operation."

A central subject in the subsequent debate was the influence of parliamentarians over Nordic co-operation. Parliamentarians were concerned that the report could be interpreted to entail a re-prioritisation so as to increase the influence of prime ministers and the specialised ministers and less importance being attached to initiatives and proposals launched by parliamentarians.

The report and the declaration contained proposals for profound and far-reaching changes in Nordic co-operation; most of the specific proposals were realised, and at the same time a number of adjustments were effected over the next three years.

The session in Oslo in March 1993 saw a number of major issues on the agenda concerning the reform process: amendments to the provisions of the Helsinki Agreement concerning the mode of co-operation, amendments to cultural co-operation stressing a new structure for cultural, educational, training, and research co-operation. The debate concerning the amendments to the Helsinki Agreement focused on two themes: continued membership of government representatives of the Council, and the influence of parliamentarians on the budget of the Nordic Council of Ministers. The Council voted against

the proposal made by the Nordic Council of Ministers to amend the Helsinki Agreement because it contained provisions which would weaken the role of ministers as members of the Nordic Council; following extensive discussion, the Nordic Council of Ministers could propose amendments to the Helsinki Agreement enabling parliamentarians to have direct influence over the final allocation of Nordic budgetary funds.

The amendments to the Helsinki Agreement adopted by the Nordic Council at its 43rd session in Oslo in 1993, also entailed that cooperation between governments in the fields of foreign and security policy was given a prominent position in the Agreement. For several years, because of developments in the political surroundings, parliamentarians had wanted foreign and security policy to be put on the agenda in the Nordic Council and in intergovernmental cooperation; at the session in Århus in November 1992, Thorvald Stoltenberg made the first foreign-policy statement ever to the Nordic Council. Through these amendments to the Helsinki Agreement, the foreign and security policy statement was formalised as a regular feature.

In 1992–93, the Prime Ministers and parliamentarians agreed to move the centre of gravity in the political priorities in Nordic cooperation so as to strengthen culture, education, training, and research. The Prime Ministers agreed to have as an aim that the scope of this area was to account for 50% of the Nordic budget before 1996. At the same time, it was decided that environment action was to account for 25% of the overall budget.

Parliamentarians feared that this would have a negative impact on other important areas, and by virtue of the amendments to the Helsinki Agreement, they managed to impose some minor changes on the draft budget of Council of Ministers. In the Bornholm Declaration, the Prime Ministers had also stressed “citizens’ policy, energy, and developing infrastructure in the Nordic region”, as well grass-root cooperation in the Nordic countries; discussions taking place over the next few years, led to certain adjustments being made concerning these priorities.



## 2.2. Joint working group concerning “Nordic co-operation in a new era”

At a joint meeting held between the Ministers for Co-operation and the Presidium in Tromsø in November 1994, a joint working group was established with representatives of the Nordic Council and the Nordic Council of Ministers. The assignment of the group was to present proposals concerning changes to Nordic co-operation.

In connection with the session in May 1995, it was established that Nordic co-operation was to be structured into three pillars:

- Co-operation within the Nordic region,
- the Nordic region and Europe/EU/EEA,
- the Nordic region and the Adjacent Areas.

### 2.2.1. Co-operation within the Nordic region

*Co-operation within the Nordic region must integrate two perspectives:*

1. Shared Nordic values: cultural and linguistic kinship, and shared views of democracy, the environment, and fundamental social rights; and
  2. Nordic utility. Nordic co-operation is to be prioritised in those areas in which it yields advantages over national schemes or broader international co-operation.
- The following OBJECTIVES were to be emphasised:
    - Further developing Nordic schemes to ensure citizens’ security, mobility, right to education, training, and employment in a wider European context.
    - Promoting equal treatment of women and men.
    - Sustainability in the exploitation of natural resources, and in economic, industrial, and social developments.
    - Supporting co-operation between border regions.
    - Supporting grass-root co-operation in associations and organisations.

– PRIORITIES were to be:

*Cultural co-operation* as a cornerstone strengthening a sense of Nordic identity; this is not directly affected by the EU relations. Special importance is attached to.

- Prioritising children and young people with a view to developing a sense of Nordic identity and promoting international understanding.
- Making the results of Nordic cultural production more visible.
- Strengthening grass-root involvement in Nordic cultural co-operation.
- Execute projects with a high impact in the Nordic countries and internationally.

*Educational and training co-operation* was to attach special importance:

- Infrastructural solutions saving resources;
- Improved mobility in the Nordic education, training, and research environments;
- Strengthening the Nordic dimension in European education and training co-operation;
- Encourage division of labour and specialisation in the field of higher education and research between the Nordic countries.

*Environmental co-operation* was to be consolidated into joint Nordic environmental issues as well as those matters that the Nordic countries wanted to promote in European and other international bodies. Incremental integration of environmental considerations into other sectors (mainstreaming) is to be pursued.

*Co-operation on economy, industry, and infrastructure* should be useful to Nordic business and industry, balanced regional development, and cross-border co-operation. Bilateral and trilateral projects should be promoted.

The Nordic countries will continue to ensure *freedom of movement* for persons between the Nordic countries, including the existing passport union, a common labour market, and social security

### **2.2.2. The Nordic region and Europe/EU/EEA**

Nordic co-operation concerning issues relating to Europe/EU/EEA was to ensure that the Nordic co-operation mechanisms would constitute a platform for co-operation in those areas where the Nordic countries have shared values and identical interests. They were to build a bridge between those countries and autonomous territories which are members of the EU, and those which are connected to European co-operation through the EEA or other types of agreements. It should also be possible to build a bridge between Western Europe and the Adjacent Areas – the Baltic states, Northwest Russia and Arctica. It is to be a launchpad for initiatives concerning which there is an interest in impacting on the European agenda, where it is important to have an opportunity to influence matters of shared Nordic interest, at an early stage. Nordic co-operation should also co-ordinate followup activities concerning directives and other types of regulatory instruments from the EU/EEA.

- Intended PRIORITIES:
- Peace, security, and stability in Europe.
- Sustainable economic and ecological development, employment, working environment, and social security.
- Environmental policy and balanced exploitation of natural resources, including the situation in the Baltic Sea Region and Arctica.
- Regional policy, with special importance being attached to border region co-operation among the Nordic countries as a model and as a possible partner in EU-related actions.
- Consumer policy.
- Equality between women and men.
- Openness and transparency in EU activities.
- Asylum and immigration policy.

- Combatting international and drug-related crime.
- Research policy aimed at securing a strong position in European and international co-operation for the Nordic research environments.

### **2.2.3. The Nordic region and the Adjacent Areas**

The Nordic countries attached considerable political, economic, and environmental importance to co-operation with the the Adjacent Areas – the Baltic Sea Region and Arctica including the Barents Sea Region. Through regional co-operation with these areas, the Nordic countries will be in a position to contribute to peace, security, and stability in Europe. Co-operation with the Adjacent Areas should be aimed at promoting democratic development, market economy, respect for human rights, and responsible exploitation of resources.

- Intended PRIORITIES:
  - Co-ordination/division of labour should be effected between pan-Nordic and national programmes so that Nordic initiatives may complement bilateral co-operation programmes and other regional and intergovernmental initiatives.
  - Pan-Nordic actions in the Adjacent Areas are to concentrate on efforts concerning democracy cultural exchange, education and training, the environment and infrastructure.
  - Pan-Nordic actions should combine a genuinely Nordic interest and competence, and special importance is attached to Nordic institutions such as the NIB and NEFCO and the Nordic Offices in the Baltic states, the Barents Region and St. Petersburg.
  - Arctica is of special importance to the Nordic countries and, therefore, Barents co-operation must be pursued; at the same time it is important to take a holistic view of Arctica and to co-operate with other countries interested in the area.

### 2.3. Amendments to the Helsinki Agreement in 1995 and the structural reform in 1995

In 1995, Article 2 of the Helsinki Agreement was amended so as to emphasise that when Nordic nationals move to a Nordic country other than their own, they are to be treated at par with the nationals of that country. The reason was the extended European co-operation.

Until 1995, the Nordic Council operated with a structure of specialised committees (the Budget Committee, the Finance Committee, the Social Committee, the Legal Committee, and the Cultural Committee). In its report, the Working Group of 1995 had not envisaged that the three pillars were to constitute the organisational basis for the Nordic Council. A proposal for four committees was submitted: *the Cultural Committee* (culture, education and training), *the Environmental Committee* (environment and energy), *the Industrial Committee* (industries, infrastructure, regional policy, R&D, and labour market); *the Citizens Policy Committee* (social issues, consumer questions, equality, and legislation). This proposal, however, was never realized.

In September 1995, at the 5th extraordinary session of the Nordic Council in Copenhagen, the Nordic Council adopted a new structure based on the order of priority contained in the three pillars. Taking effect from 1 January 1996, three geographic committees were established: The Norden Committee, the Europe Committee, and the Adjacent Areas Committee. At the same time it was agreed to place the secretariats of the Nordic Council and the Nordic Council of Ministers under one roof in Copenhagen.

The reform introduced presidencies into the three geographic committees consisting of one president and two vice-presidents to prepare the committees' work.

The principle of *Nordic utility* became the guideline for re-prioritisations in the activities of the Nordic Council of Ministers, and was also applied to the Nordic Council. The report from the joint working group of the Nordic Council and the Nordic Council of Ministers, "Nordic co-operation in a new era", explained the *aims and political priorities* on which the structural change of 1995 was based.

Politicising activities within the Nordic Council on the basis of party groups became a stronger focal point. The party groups were to be the dynamo in the reform endeavours. Activities within the party groups were to be strengthened so that these could take a more active part in initiating, preparing, and treating Council issues. The party groups took over the job of appointing nominees for all elected posts which the Voting Committee recommends that the plenary elect. Previously, the members of the Nordic Council had come together primarily as representatives of the national delegations. After 1995, members have been more likely to prepare for meetings in the Nordic Council through the party groups, just as members' proposals are now chiefly made by a number of party group members.

#### 2.4. Evaluation of the 1995 reform

Experience gained in focussing the activities of the Nordic Council and the Nordic Council of Ministers on three pillars has been very positive as regards involving the geographic areas systematically in the work of the Nordic Council. In particular, the Nordic Council and the Nordic Council of Ministers have gleaned good experience with co-operation with the Adjacent Areas in the Baltic states and Northwest Russia, work that has been emphasised through the Adjacent Areas Programme of the Nordic Council of Ministers and the Adjacent Areas Committee's activities. It is the perception of the Nordic Council that the organisation of co-operation with the EU/EEA and about the EU/EEA in the Nordic Council has been less efficient.

However, time has proven that the geographic three-pillar system is not suitable as an organisational basis, since the correspondence with the structure of the Nordic Council of Ministers is lost. There was a certain amount of doubt concerning which Council of Ministers the respective specialised committees correspond to. The 19 Council of Ministers of the Nordic Council of Ministers in the main correspond to the division into specialised ministries/departments in the individual countries; there is general agreement that the Nordic Council should be adjusted to this.

Furthermore, it has been difficult to ensure national anchorage when there was no congruity with the committees of the national parliaments. The three pillars are good guidelines for the activities, and have lived up to intentions, particularly in relation to the Adjacent Areas co-operation.

It has been the experience of the Nordic Council that the organisational structure has caused lack of clarity about the appropriate location for some specialised matters, and a certain amount of rivalry about such matters has been observed between committees.

One of the most important points in the structural reform of 1995 was a vitalisation of the party groups. The outcome has been a clearer political profile for the issues taken up by the Nordic Council. Improved political co-ordination has led to a stronger sense of commitment and responsibility among politicians and has strengthened ties to the national party groups. For example, now it is more often a number of party group members who table members' proposals. This has led to a halving of the annual number of members' proposals, but has improved the support given to them.

Dialogue and interaction between the Nordic Council and the Nordic Council of Ministers have not been as intensive in all respects as would be desirable; in part this is attributable to the fact that structures do not correspond. It has also been the perception that it is problematic that the Nordic Council is involved in the proposals made by Council of Ministers, including the draft budget, too late in the process. Also, it has been observed with regret that, from time to time, it has been difficult to plan meetings with the ministers in connection with Nordic Council sessions, which might be due to the fact that ministers have not had a clear line of reference to any one committee.

### **3. The future political fields of activity and visions of the Nordic Council**

#### **3.1. Political fields of activity in relation to a new structure**

Against the background of the debate held at the 52nd session of the Nordic Council, the internal joint meeting of the Nordic Council held on 5 February 2001, the 10 trends described in the Report from the Panel of Wise Men and the 5 action areas of the Council of Ministers, the Strategy Working Group discussed future priorities of the Nordic Council.

The Strategy Working Group agree that foreign and security policy as well as contact to other international organisations are extremely important and in this connection especially want to stress the Adjacent Area strategy. In the future structure, the Strategy Working Group has placed the action areas under the Presidium, however, there has been a certain amount of discussion as to whether it would be appropriate to establish as special committee for foreign and security policy maintaining contacts with the foreign and defence ministers. The Strategy Working Group found it very important to ensure that all members of the Nordic Council have a special field of interest, including the Presidium members. With this decision, the Strategy Working Group wanted to relieve the Presidium in the light of the great attention focussed by this body on administrative matters.

#### **3.2. The Nordic Council continues to prioritise action in three geographic areas (the Nordic region, the Adjacent Areas and Europe)**

The Strategy Working Group takes note of the fact that the Panel of Wise Men indicate that, generally, globalisation is a positive factor, but that one of its consequences is a potential loss of national and demo-



cratic influence. Therefore, the Strategy Working Group agrees with the Panel of Wise Men that, jointly, the Nordic countries should work to promote closer international co-operation and should co-ordinate their policies in international fora, that the Nordic countries should act to ensure open relations between countries, environmental protection and other human rights, and co-operation between the social partners and consumer organisations. In general, the Nordic countries should promote international regulations imbued with Nordic values.

### **3.2.1. The Norden Pillar**

The overall purpose for the work of the Nordic Council is to reinforce internal Nordic co-operation while, at the same time, expanding the role and importance of Nordic co-operation at international level. On the basis of shared Nordic values, the Nordic Council is to continue present good co-operation maintaining its political focus on any problems associated with Nordic co-operation which may arise for Nordic citizens. The Nordic Council will continue to co-operate with the Nordic Council of Ministers and the governments of the Nordic countries to solve any such problems.

The new structure of the Nordic Council is based on special committees. This, however, does not mean that the Nordic Council will discontinue focusing on the three pillars established in connection with the reform process of 1995: the Nordic, the Adjacent Areas, and the Europe pillars. Activities will only be modified so that they will be shared by the specialised committees which will maintain contacts each in their own field of specialisation.

Nordic interests in security, economic development, the environment, refugee issues, border regional co-operation, employment, food safety, e-commerce, and a lengthy list of other questions, can no longer be handled in a Nordic context exclusively. Globalisation means that there are very few societal areas indeed, in which the Nordic countries can shape a policy without taking account of conditions existing in the surrounding world.

### 3.2.2. The EU/EEA/Europe

Over the last decade, the Nordic Council has perceived it as its main obligation to promote knowledge and understanding of the Nordic values and solution outside the Nordic region. In the EU/EEA, new co-operation structures and legal acts are adopted which the Nordic Council finds it important to try to influence so that Nordic values will be reflected in the EU/EEA; this is particularly important in those areas where the Nordic countries have common interests. This, for instance, applies in the fields of labour-market, culture, environment protection, a knowledge-based business and industry sector, education and training levels, democracy, openness, and transparent administrative practices.

The Nordic EU prime ministers, most recently in connection with the latest prime ministers' meeting in the beginning of July 2001, confirmed the importance of strengthening the Nordic front between the three Nordic EU member states; Denmark, Finland, and Sweden. The prime ministers agreed to hold regular meetings prior to all European summits. Iceland and Norway found it important that such meetings would provide them with useful information. The Nordic Council finds that existing Nordic co-operation in the Nordic Council constitutes a good forum for a parliamentary discussion with the prime ministers concerning their ideas. The Nordic Council approves of seeing Nordic EU/EEA co-operation on the agenda.

Since the late 1980s, (the Söder Committee, "Nordic Co-operation in a new era", and the subsequent structural changes and priorities) the Nordic Council has found that it should contribute towards ensuring that European integration does not only consist in an adjustment to the requirements of the EU, but that also the Nordic countries and Nordic co-operation should have an effect in those fields where the Nordic countries have something to offer to the EU/EEA. The Panel of Wise Men under the third trend, "Integration in Europe", point out that to as high a degree as possible, the Nordic co-operating countries should agree common guidelines in the political treatment of issues within the EU and joint action in significant respects, just as the report says that co-ordination should take place in connection with the Nordic imple-

mentation of all important integration issues. The Strategy Working Group acceded to this view and takes a very positive stance on the proposals contained in the strategic action recommended by the Nordic Council of Ministers in this field.

In future, the Nordic Council will intensify its dialogue with the Nordic members of the European Parliament in relation to issues of special Nordic interest.

### **3.2.3. The Areas adjacent to the Nordic region**

Nordic co-operation to strengthen a stable and peaceful development in the areas adjacent to the Nordic region has become an important component of Nordic co-operation. As regards the considerable need for action to build up democratic institutions, ensure transition to market economy, and to improve the environment, an Adjacent Areas Strategy has been prepared in order to use the available resources in the most efficient way.

In the report from the advisory panel, the concept of “adjacent area” is widened so as to include areas other than the Baltic republics and Northwest Russia. The Nordic Council of Ministers has prepared a new strategy for the Adjacent Areas to be dealt with independently at the 53rd session of the Nordic Council.

The Nordic Council considers it very important that the Nordic areas in the Nordic West be included in co-operation, which should also entail taking a closer look at co-operation with the Adjacent Areas in the West,

Developments in Arctica are of great importance to the Nordic countries, for example, in terms of environmental developments and the role of Arctic areas in relation to climate change. It is essential to develop good co-operation modes with the Arctic Council. In the course of 2001, the Nordic Council of Ministers will submit a proposal concerning Nordic co-operation in Arctica.

Co-operation with the Adjacent Areas has developed since it began in the early part of the 1990s. Co-operation with the Baltic states takes place within a well established framework and deals with ever more

concrete issues: the environment, commerce, energy, work in relation to the situation of children and young people, crime, democracy, experience with EU relations, security policy, and the role of the media have constituted central points. There is no doubt that in future there will be more fields of co-operation. Better co-ordination is required to prevent duplication of effort in relation to national and other international initiatives.

The areas prioritised concerning action vis-à-vis Russia remain: democracy, environment/energy and health, crime, trade, and transport.

The Nordic countries, or some of them, are part of Arctica and the Barents and Baltic Sea region. The centre of gravity in the international activities of the Nordic Council must continue to be deeper co-operation with our partners in these regions, and development of these structures. The Co-operation Agreement with the Baltic Assembly, intensified parliamentary co-operation in the Baltic Sea region, and contacts with parliamentarians, primarily in Northwest Russia are important elements in the Adjacent Areas co-operation. Baltic Sea co-operation will become ever more important in the future.

In the same way, contacts to the West Nordic Council must be reinforced. The Nordic West is a region which in its entirety lies within the Nordic region. Increased attention to business and industry, resources and environmental issues in the North requires closer contacts between the Nordic West and the other parts of the Nordic region. The Nordic Atlantic Ocean co-operation is affected by these questions as well. Nordic co-operation must be conscious of its role as a bridge between Norway, Iceland, the Faeroe Islands, Greenland, and the European Union, as pointed out by the advisory panel.

Arctica and the Barents regions are important co-operation areas for the possibilities of indigenous peoples to maintain and develop their original culture; special attention must be paid to the vulnerable environment and the economic and social development in general.

### 3.3. Foreign and security policy

Foreign and security policies have been discussed at the Nordic Council sessions since 1992, and defence policy since 1997. Promoting democratic development, peace and security, welfare, commerce, transport, and sustainable development are central issues for the Nordic Council as well as for other international organisations. Consequently, developing interaction between international and Nordic co-operation is a task deserving the highest degree of attention.

The report from the Panel of Wise Men points out that globalisation provides Nordic co-operation with new options. The Strategy Working Group finds that globalisation and free trade necessitate common rules to ensure the social dimension, ethical considerations and observance of human rights, and conformity to rules. This entails continuing co-operation on human rights, protection of the environment, workers' rights, creation of common rules for international trade, combatting corruption, joint action to support exposed groups and to influence the people who are responsible for undemocratic government and oppression.

The Nordic countries support the UN and have frequently undertaken greater responsibility and gained more influence than the sizes of their population would prompt. In the context of peace-keeping operations, the Nordic countries have been a "great power". Similarly, it is important that the Nordic countries commit themselves in favour of the Nordic values and take an active part in the WTO, the World Bank, and the International Monetary Fund.

It is important that the Nordic Council discuss global issues in order to promote common Nordic views.

A fundamental objective for Nordic co-operation is to contribute towards peace, security, and stability in Europe. The Nordic countries have chosen partially different security policy solutions. Some of the countries are members of NATO, whereas others work closely with NATO within the framework of Partnership for Peace (PfP).

The Nordic Council endorses the right of all countries to seek, in

a democratic manner, to choose its own economic and security policy integration and co-operation model.

Military tension in Europe is fading now that the cold war has come to an end. Instead attention is directed at non-military aspects of security and towards the identification, prevention, and handling of structural conflicts.

The Nordic Council will work actively to ensure peace and security in Europe in close co-operation with other intergovernmental bodies.

For a long time, the Nordic countries have considered it important to contribute towards conflict prevention and peace keeping activities of various types, just as high priority is assigned to providing humanitarian assistance to people affected by war or conflicts. Nordic co-operation concerning conflict prevention and civilian crisis management should be further developed. In connection with this, discussions at the Nordic and European level concerning the development of minority, refugee, and integration policies would be valuable. Similarly, the international fight against terrorism must be developed.

The development towards an extended security concept has also led to new opportunities for and interest in regional and subregional co-operation, particularly within the framework of the Organisation for Security and Co-operation in Europe. In such discussions, the Nordic Council can contribute experience gained in the context of Nordic co-operation as a successful model for creating and deepening good relations between neighbouring countries and peoples, something which is highly important to our co-operation with the Adjacent Areas.

The Strategy Working Group finds that the Nordic countries should heed the recommendation of the advisory panel to the effect, that despite the fact that, in formal terms, the Nordic countries have chosen different security policy and integration policy solutions, they should maintain close security policy contacts to support preventative initiatives against war and violent/armed conflicts and should widen Nordic conflict preparedness to include other than military measures.

Activities of the Nordic Council concerning the Northern Dimension in the EU are to be further developed something which is underlined by the fact that the report made by the Panel of Wise Men indi-

cate that the Nordic countries should take concerted action to make them more concrete. Reinforcing co-operation with Northwest Russia and the Baltic states can contribute both to the economic development and security in the region.

In the new structure of the Nordic Council, the Presidium is to deal with foreign and security policy issues, including conflict prevention, civilian crisis management, and the Northern Dimension, and over-reaching contacts with regional and international organisations, whereas the committees are to deal with matters that have to do with concrete specific areas.

### 3.4. Nordic culture, education, training and research

Culture, education, training, cognate languages, and equality are the foundations of the Nordic sense of community. The advisory panel points out that internationalisation has meant that an increased interest is taken in searching for one's roots, and that in the Nordic countries this includes a Nordic dimension. Education and training are key concepts in determining Nordic international competitiveness and in the opportunities of individuals in the information society.

The Nordic Council must act to assure Nordic citizens of access to culture, education and training. The Nordic Council endorses Nordic activities within the framework of the voluntary organisations. The Nordic Council will work to maintain and extend the Nordic language community. The Nordic Council sees pan-Nordic co-operation in the field of television as an important element in language understanding across the borders.

Nordic co-operation in the field of research should be promoted in the years to come as a Nordic research space could form a useful laboratory for developing projects that can compete successfully for support from the European research support schemes and in an international context. The panel's report stresses the importance of education, training, and research for the technological development, but also emphasises that continued development in the field of advanced technology will, among other things, depend on specialised

research, for which reason they recommend co-ordination of education, training, and research potentials, and that the Nordic countries should spend resources on spearhead research industries in the field of technology.

The Strategy Working Group wishes to emphasise that the demographic development trend in the Nordic region is that the average age of the workforce is rising. New groups are trying to find a foothold in the labour market. It is getting ever more essential to be able to retrain. These elements point to the need for lifelong learning, adult education, and studies of actual competences. Irrespective of age, it is important for everyone in the Nordic region to have good knowledge of IT and a good all-round education.

In the new structure of the Nordic Council, a *Culture, Education and Training Committee* is wanted to deal with questions relating to general culture and art in the Nordic region and internationally, a multicultural Nordic region, film and media, language and sports, the Norden association and the voluntary sector, child and youth culture, primary and secondary schools, the Nordic educational and training market, grass-root folkeoplysning and adult education, lifelong learning, research, research training and exchange.

### 3.5. Environment and natural resources (land, forests, sea, air, energy sources)

The Nordic Council has decided that sustainable exploitation of natural resources (land, forests, sea, air, energy sources) and a sustainable societal development as well as environment protection are essential Nordic objectives. The strategy of the Nordic Council for a sustainable Nordic region and sustainable development does not only include classic environment aspects, but also takes onboard a broader concept of sustainability in the field of resource exploitation, including social aspects. The Nordic Council will work to further these values, so that the Nordic region becomes synonymous with good quality of life, socially, culturally, and in terms of sustainable development. The trend selected by the panel concerning the environment stresses the oppor-



tunity of the Nordic countries to act as a trailblazer in the field of sustainable exploitation of natural resources, protection of the environment, and organising society.

The Nordic countries should work to ensure good understanding of sustainable exploitation of northern natural resources.

In the new structure of the Nordic Council there will be an *Environment and Natural Resources Committee* to deal with questions pertaining to the environment, agriculture and forestry, fisheries, sustainable development, and energy. The committee is generally responsible for sustainable development (thus also for the food aspects of agriculture, forestry, and fisheries).

### 3.6. Welfare, social and health schemes

The Nordic region should be synonymous with a good quality of life. Nordic co-operation is to ensure and improve Nordic agreements and work to promote good welfare conditions for Nordic citizens. This means that focus must be on a number of issues associated with the organisation and future of the welfare society, such as the situation of children and young people as well as equality.

The Panel of Wise Men stresses that the Nordic welfare society are central components in the Nordic sense of identity. The Strategy Working Group endorses the endeavours of the Nordic Council of Ministers to make the social insurance schemes, pensions, etc. of the Nordic countries accessible across borders.

In the new structure of the Nordic Council there is going to be a *Welfare Committee* to deal with issues concerning welfare and security schemes, social and health, disability, construction and housing, family, children and young people as well as drugs, alcohol and other substance abuse.

### 3.7. Citizens' and consumer rights

The Nordic countries are working actively to develop stable democracies and to protect the rights of citizens as well as human rights in

general. Consumers' situation is one of the very topical sets of problems to be debated in the Nordic countries and the Nordic Council. Increased international trade means that consumers must decide about new goods and new forms of commerce over the Internet. Consumer rights and safety will have to be assured.

Nordic Council activities are to address the problems that affect the daily lives of citizens. Therefore, in recent years, the Nordic Council has worked with the concept of a "borderless Nordic region" to ensure that all the obstacles and problems associated with the borders between the Nordic countries are removed, but the concept also signifies openness and commitment vis-à-vis the world around us.

Overreaching tasks consist in stabilising and further developing democracy and the rule of law, promoting respect for human rights, improving the function of market economy as well as chances for education, training and access to a functioning health service and promoting responsible resource exploitation.

The Strategy Working Group attaches importance to ensuring that problems concerning the fulfilment of the rights of Nordic citizens, as pointed out by the Panel of Wise Men, be solved. The Strategy Working Group finds that the Nordic Council as well as the Nordic Council of Ministers must make greater efforts to achieve and promote the removal of barriers to free movement in the Nordic region.

The Strategy Working Group also wishes to point out that the demographic development and the migratory flows will require solutions both because, in the future, the Nordic countries may need labour, and because the Nordic countries rely on the refugee and immigration policy which the EU is developing. The international fight against crime must be ensured, including the fight against terrorism.

In the new structure of the Nordic Council there will be a *Citizens' and Consumer Rights Committee* to deal with issues concerning democracy, human rights, civic rights, equality, consumption, food safety, combatting crime, legislation, immigration and refugee issues, and co-operation against racism.

### 3.8. A competitive Nordic region – conditions for business and industry

The activities of the Nordic Council in relation to establishing a “borderless Nordic region” and to removing obstacles and problems caused by the existence of borders between the Nordic countries should also ensure that the Nordic countries do not create barriers for each other, but, by contrast, that the Nordic region appears to be one single business and industry region in which aggregate growth is increased as a result of joint efforts. In this connection it is important to look at regional developments, the tax base of society, commerce, transport, and infrastructure.

The Nordic region has been characterized by a sense of Nordic identity and by Nordic welfare societies with strong economies. It is stressed by the Panel of Wise Men that the Nordic region as a domestic market for labour as well as for goods is an important competitive parameter in an ever more internationalised world. Consequently, the Nordic countries must ensure that there are no unnecessary barriers to the free movement of labour, goods, services, and capital between the Nordic countries, as well as the development of a Nordic labour market and workers’ rights across the borders.

In the new structure of the Nordic Council, there is going to be a *Business and Industry Committee* to deal with matters concerning the framework conditions of economic and production issues, business and industry, internal market, free movement, removal of border obstacles, commerce, regional and structural aid, employment and labour market, working environment, infrastructure/transport, communication and IT.

## 4. The new structure of the Nordic Council

The Strategy Working Group for future Nordic co-operation submits that in future the Nordic Council should work under the following structure consisting of a Presidium, 5 special committees as well as a Control Committee and a Voting Committee. Thus, in future, the Nordic Council will have a Culture and Education and Training Committee, a Welfare Committee, a Citizens' and Consumer Rights Committee, an Environment and Natural Resources Committee, and a Business and Industry Committee.

The tasks and duties of the Nordic Council will be divided in the following manner:

### 4.1. Presidium

- Overreaching political and administrative questions, including the budget of the Nordic Council and the Nordic Council of Ministers,
- Foreign and security policy issues, including conflict prevention and civilian crisis management and the Northern Dimension,
- Overreaching contacts with regional and international organisations (concerning co-operation with the Adjacent Areas, EU/EEA, OSCE, UN, etc.).

### 4.2. Culture and Education and Training Committee

#### **Culture**

- General culture and art in the Nordic countries and internationally
- A multicultural and multi-ethnic Nordic region
- Film and media
- Languages

- Sports
- The Norden associations and the voluntary sector
- Child and youth culture

### **Education and training**

- Primary and secondary schools
- The Nordic education market
- Folkeoplysning and adult education
- Lifelong learning

### **Research**

- Research
- Research training and exchange

## **4.3. Welfare Committee**

- Welfare and security schemes
- Social and health schemes
- Disability
- Construction and housing
- Family
- Children and young people
- Drug, alcohol and other substance abuse

## **4.4. Citizens' and Consumer Rights Committee**

- Democracy
- Human rights
- Civic rights
- Equality
- Consumer rights
- Food safety
- Combatting crime
- Legislation
- Immigration and refugee issues
- Co-operation against racism

#### 4.5. Environment and Natural Resources Committee

- Environment
- Agriculture and forestry
- Fisheries
- Sustainable development
- Energy

#### 4.6. Business and Industry Committee

- Framework conditions for economy and production
- Business/Industry
- Internal market, free movement, removal of border obstacles, commerce
- Regional and structural aid
- Employment and labour market
- Working environment
- Infrastructure/transport
- Communication
- IT

#### 4.7. Control Committee

Control and auditing assignments

#### 4.8. Voting Committee

Elections to the bodies of the Nordic Council

## 5. Principles and requirements concerning the new structure of the Nordic Council

### 5.1. Overall considerations

The Strategy Working Group has seen it as part of its remit to create a structure in better harmony with the structure of the Nordic Council of Ministers, one that is transparent to third parties, for example, representatives of other international organisations, one that will ensure flexibility, allow treatment of interdisciplinary subject matters and allow quick ad hoc treatment of special issues.

With the new structure, the Strategy Working Group wanted to provide visibility to the position of the special areas so that communication with national parliaments and the Nordic Council of Ministers will become more transparent.

At the same time, it has not escaped the attention of the Strategy Working Group that the Baltic Assembly operates with 8 special committees, the Benelux Parliament operates with 7 special committees, the Council of Europe with 10 special committees, and the European Parliament with 17 special committees.

As already mentioned, the new structure of the Nordic Council is based on special committees, something which constitutes a break with the geographic committee structure of the last 6 years. The geographically based committees have played an important role in making the trisectional nature of Nordic co-operation visible, but, at the same time, the setup has caused a number of problems in relation to interaction with the committees of the national parliaments and the Nordic Council of Ministers. With this new structure, the Nordic Council wishes to maintain the geographically based trisection of activities and make it even more significant as all 5 special committees are assigned with responsibility for dealing with the issues in a Nordic, a European, and an Adjacent Areas perspective.

It has been important for the Strategy Working Group to create a structure which is so simple and, at the same time, so robust that it allows the Nordic Council to take up new and topical areas of co-operation without having to create a new structure.

In the new structure, there will be topics which cannot, unambiguously, be placed in any one committee. One committee will be assigned with the main responsibility for such topics; in consultation with the other committees or by establishing horizontal working parties, this committee will then have to be in charge of the topic.

## 5.2. Responsibilities of the Presidium

The Presidium is to be in charge of overarching political and administrative issues, including the budgets of the Nordic Council and the Nordic Council of Ministers; foreign and security policy issues, including conflict prevention and civilian crisis management and the Northern Dimension; overarching contacts with regional and international organisations, the general guidelines for Adjacent Areas co-operation, the general guidelines for co-operation with the EU/EEA, OSCE, UN, etc.

The Presidium is the highest authority of the Nordic Council between plenaries, and as such has to be in charge of the overarching political issues, including the management of the internal budget of the Nordic Council as well as the budget of the Nordic Council of Ministers for Nordic co-operation.

Foreign and security policies have been taken up by the sessions of the Nordic Council since 1990s. Promoting democratic development, peace, security, welfare, and sustainable development are issues of central importance for the Nordic Council as well as for other international organisations. Therefore, it is an objective of the utmost importance to develop interaction between international co-operation and Nordic co-operation. Foreign and security policies are important and overarching areas and should, therefore, be the principal responsibility of the Presidium.

The Presidium is in charge of the overarching contacts with



regional and international organisations in relation to co-operation concerning the Adjacent Areas, Baltic Assembly, EU/EEA, Council of Europe, OSCE, UN, etc., whereas the committees of the Nordic Council are in charge of cross-sectoral relations, particularly concerning Adjacent Areas and EU/EEA issues.

The role of the Presidium is to co-ordinate, which means that the Presidium will hold regular meetings with the chairs of the committees and the party groups to discuss future activities of the Council and specific working plans of the committee.

### 5.3. Responsibilities of the committees

**The Culture and Education and Training Committee** will deal with issues concerning general culture and art in the Nordic region and internationally, a multicultural and multi-ethnic Nordic region, film and media, languages, sports, the Norden Association, and the voluntary sector, child and youth culture, primary and secondary schools, the Nordic education market, folkeoplysning, adult education, lifelong learning, research, research training and exchange.

**The Welfare Committee** will deal with welfare and security schemes, social and health schemes, disability, construction and housing, family, children and young people as well as drugs and other types of substance abuse (alcohol, etc.).

**The Citizens' and Consumer Rights Committee** will deal with issues relating to democracy, human rights, civic rights, equality, consumer rights, food safety, combatting crime, legislation, immigration and refugee issues, and co-operation against racism.

**The Environment and Natural Resources Committee** will deal with issues relating to the environment, agriculture and forestry, fisheries, sustainable development and energy. The committee has the overall responsibility for sustainable development (thus, with the food safety aspects of agriculture, forestry, and fisheries).

**The Business and Industry Committee** will deal with issues relating to the framework conditions for economy and production, business/industry, internal market, free movement, removal of border

obstacles, commerce, regional and structural aid, employment and labour market, working environment, infrastructure/transport, communication and IT.

#### 5.4. Working mode of the Presidium, the committees and the Control Committee

The Presidium consists of 13 members. Each of the committees consists of 15 members, apart for the Business and Industry Committee which consists of 14 members. Each committee has a chair and a vice-chair. The Control Committee consists of 5 members who may not simultaneously be members of the Presidium.

The president and the committee chairs and the Control Committee are responsible for ensuring that their respective bodies have up-to-date working schedules, and for preparing meetings and other gatherings, including contacts with national and international bodies.

During the period 1995–2001, the committees of the Nordic Council have worked with very active chairs in which the chair and the two vice-chairs have acted as an organ for political preparation. In future, the responsibility of the chair will be to compose the agenda in co-operation with the Council Secretariat and chair the work of the committee. The vice-chair will act in the absence of the chair.

## 6. National Anchorage

Committees will co-operate with the corresponding committees of the national parliaments. The new structure will ensure that it will be possible to ascertain where members with national specialised competence can be placed, and that things are transparent to the national committees if they are turned to by the Nordic Council or they themselves turn to the Nordic Council.

National anchorage has been a major issue in the discussions of the Strategy Working Group. The Strategy Working Group finds that national anchorage will depend on a number of factors that will have to function concurrently if national anchorage is to be improved:

- Congruity should exist between members' interests and their position in the Nordic Council,
- the agenda of the Nordic Council should reflect topical national and EU themes,
- governments should keep parliaments informed about followup measures concerning the recommendations of the Nordic Council,
- mutual information between the national committee secretaries and the committee secretaries of the Nordic Council should ensure exchange of information about the activities of the Nordic Council and the activities of national parliaments.

The Strategy Working Group has been working with several ideas to improve national anchorage. The Strategy Working Group decided to recommend a model in which the chairs of the committees are responsible for co-operating with the corresponding national committees, for instance through meetings, in which members of other international parliamentary bodies or co-operation fora can be involved. In that event, the agenda for the meeting may be prepared in co-operation

with the chairs of the national committees. Such meetings can be used for exchange of experience concerning national solutions to problems in a given area from which the other Nordic countries may benefit. Furthermore, meetings can be used for ensuring Nordic co-ordination at the national level with a view to concerted action.

Furthermore, the Strategy Working Group would like to stress the important role of the party groups when it comes to ensuring national anchorage of the activities and decisions of the Nordic Council.

## 7. New or modified working modes

The Strategy Working Group has discussed the question of whether the Nordic Council should hold one or more sessions annually, and the timing of sessions. The conclusion is that the Nordic Council should hold one annual session, but that extraordinary sessions, as allowed for in the Standing Orders of the Nordic Council, can be held.

Sessions should concentrate on a number of themes as decided by the Presidium on the basis of the committees' prioritised areas of activities.

*The Strategy Working Group believes that the Council Secretariat should increasingly see to that the work of the Nordic Council considers the agenda of the EU.*

As regards co-operation with the Nordic Council of Ministers, the Strategy Working Group is confident that the treatment of the budget analysis will lead to improvements in the co-operation process with the Nordic Council of Ministers, so that the Nordic Council will become involved in the process concerning the proposals of the Nordic Council of Ministers, including the budget, at an early stage.

The Strategy Working Group has discussed the suggestion of the Panel of Wise Men concerning a modification of the position of the autonomous territories as far as followup measures to recommendations are concerned. The Strategy Working Group points out that pragmatic solutions should be found to the question of how the governments of the autonomous territories can express their opinions of Nordic Council recommendations.

In the course of its work the Strategy Working Group has not discussed the politisation caused by the introduction of party groups in 1995 in any detail as the Strategy Working Group has no wish to affect any change in this respect. The Strategy Working Group finds

that politicisation caused by the introduction of party groups has contributed towards creating dynamism in the internal activities of the Nordic Council and towards focussing attention on important problems.

## 8. Reservations

Two reservations have been entered by members of the Strategy Working Group concerning future Nordic co-operation

**The reservation entered by the Conservative Group refers to Chapter 5.2.**

*Responsibilities of the Presidium:*

On behalf of the Conservative Group, I hereby enter a reservation against the proposal of the Strategy Working Group on the committee structure of the Nordic Council and the responsibilities and composition of the Presidium.

The Council requires a Foreign and Security Policy Committee. The responsibilities of the Presidium in the field of foreign and security policy should be transferred to this committee. In order for the number of committees not to exceed five, the responsibilities of the Citizens' and Consumer Rights Committee can largely be transferred to the Welfare Committee.

The coordinative role of the Presidium should be highlighted. Therefore, in future it should consist of the Council President and the chairs and vice-chairs of the committees.

SIGRIÐUR ANNA ÞORÐARDOTTIR

*The Conservative Group*

**The reservation entered by the Social-Democratic Group refers to Chapter 7, first paragraph:**

The timing of the main session has led to many discussions for a number of years. In connection with the discussions concerning the future of the Nordic Council, we Social-Democrats have promoted the idea of holding the main session in the spring term. Our proposal would mean that the Nordic Council should hold four ordinary meetings at which all parliamentarians convene every year.

The proposal would mean that committee meetings are planned for the beginning of the year, and after the summer, and sessions would be held in early summer and late autumn. The main session held in early summer would mainly take up political issues, and the session in late autumn would deal with budgetary and election issues.

One argument in favour of such an arrangement is the workload in connection with the budget treatment in the national parliaments. It has proven difficult for parliamentarians as well as ministers to find time for preparing for and participating in the session.

Linkage to the Council of Ministers could be improved – two annual sessions would provide more opportunities for discussing follow-up activities to the decisions taken by the Nordic Council in relation to the Council of Ministers.

The proposal would improve the efficiency of the Council's work. As things look today, the Nordic Council has not less than four joint Council meetings, i.e. committee and presidium meetings, and sessions and together with the theme meetings held, five meetings are often held at which all the parliamentarians convene. We suggest that the number of joint Council meetings be kept down to four per year.

ANITA JOHANSSON

*The Social-Democratic Group*



Part 2 | The Nordic Council of Ministers

## **New Strategic Actions**

## New Strategic Actions

### Introduction

The new millennium is characterised by rapid change and new challenges whose effects make themselves felt all the way from the global intergovernmental level to the living conditions of the individual. The Nordic countries and their peoples are facing the dual challenge of securing the continuation of the social and welfare model for future generations, and of taking their place in and their responsibility for developments in our part of the world and globally.

Fundamentally, Nordic co-operation is well prepared for meeting these challenges. Because of its widths, its openness, its adaptability, and in its strong popular anchorage, Nordic co-operation possesses unique strength. This strength has to continually be developed through an intimate dialogue with all relevant actors: political decision-makers, authorities, the third sector, trade unions as well as with others. Compared to other parts of the world, the Nordic countries and their co-operation enjoy relatively limited resources. These will have to be targeted and used as efficiently as possible to the benefit and advantage of all.

If they work together, the Nordic countries can improve the pre-conditions for continuing development of the Nordic welfare society. Education, training, employment, social security, and participation in our cultural and societal affairs constitute the cornerstones in the lives of individual Nordic citizens. In the knowledge and information society individual citizens are constantly facing a growing demand that they must develop, both as active citizens and professionally. Lifelong learning is a central feature on the national as well as the international agenda. Growing mobility, the ITC revolution, the right to live in a healthy environment, and sustainable development are examples of global development trends imposing new requirements. The European integration process very much affects the Nordic agenda.

Facing the challenges of the 21st century, it seems appropriate to review Nordic co-operation in the light of the extensive analyses and many proposals made by the Panel of Wise Men. A review of co-operation taking place under the auspices of the Nordic Council of Ministers reveals great width and topicality. Half a score new multi-annual co-operation or action programmes are to begin their implementation in the course of 2001. A new strategy for a Sustainable Nordic Region and its Adjacent Areas before 2020 has been approved by the 6th extraordinary session of the Nordic Council. A new strategy for Nordic co-operation with the adjacent areas has been prepared for adoption at the 53rd session of the Council in the autumn of 2001. Other management tools for Nordic co-operation, such as the Secretary General's budget analysis 2000 and new framework provisions for the Nordic institutions, as well as guidelines for the integration of equality between the sexes in the activities of the Nordic Council of Ministers have been completed. Action plans and measures are under preparation and implementation in keeping with the wishes indicated through the recommendations of the Nordic Council. To this should be added that, through its programme, each presidency focusses co-operation measures on topical themes.

In addition to these plans and documents, the Nordic Council of Ministers, (Ministers for Co-operation) have followed up the report of the Panel of Wise Men by appointing five areas which, individually and collectively, are of particular strategic interest for Nordic, European, and global developments in the years to come. These are:

- 1. Technological development, particularly issues relating to the information society and Nordic spearhead research**
- 2. Welfare, including the rights and opportunities of Nordic citizens to live, work, and study in another Nordic country, as well as demography and migration**
- 3. The internal Nordic market, including efforts to remove border obstacles**
- 4. Co-operation with neighbouring countries and regions**
- 5. Environment and sustainable development**

Each of the fields mentioned is cross-sectoral in that it includes activities beyond the sectoral structure of the Nordic Council of Ministers. Furthermore, it is the intention that the fields should be mutually complementary. Together, they account for a considerable proportion of ongoing Nordic co-operation and of the trends described in the report of the Panel of Wise Men.

The following contains a brief summarising description of each field including proposals for measures to be taken within the next few years. In many cases, such proposals are based on investigations that have already been completed or on existing co-operation. A further specification of measures proposed will be completed within the framework of preparing action and working programmes, and in this context also the budgetary consequences of these proposals will be analysed.

# **1. Technological development – in particular the questions raised by the information society and Nordic spearhead research**

The technological development is not just about the ability of governments and enterprises to utilise and adjust new technologies to strengthen and maintain comparative competitive advantages. It is, just as much, a matter of the conditions and options – positive and negative – with which new technology provides individual citizens in the field of education, training, work, and daily life. The information society is more about substance, language, and culture than about technology.

During the last 10 to 20 years, the Nordic countries have expanded and digitalized infrastructure to a level that can be equalled by few other places in the world. A holistic view is taken of the consequences of transition into knowledge-based technology, both for internal societal developments in the Nordic countries, and for the continuing development of the Nordic region as a high-competence area for information and communication technology (ICT) in a global and regional perspective.

Seen from an international point of view, the Nordic region is an advanced “ICT region”. It is in the interest of the Nordic countries that the application of modern technology – to the extent that it is possible for governments to influence things – takes place in open co-operation with transparent ground rules. Co-operation, for instance, within the Council of the Baltic Sea States and within the framework of the Northern Dimension of the European Union concerning ICT issues, should be pursued vigorously.

## **Active citizenship**

All social groups must be included in the technological process of transition to avoid the creation of a gap between those who know how to use new technology and those who remain outside. Attention

should be paid to such variables as gender, age, ethnicity, and geography. Dissemination of technology and knowledge is to reinforce education and training of many skilful and active citizens, and ensure the best possible chances for all members of society to obtain information and effect communication in an inclusive ICT society. The Nordic governments endorse a policy which, actively and at all levels, ensures that citizen be involved in decision making about, in learning about, and in the use of new technology in connection with digital administration. Developing targets and indicators for the evaluation of and exchange of experience concerning Nordic countries' experience with their respective national ICT policy could contribute to the preparation of Nordic models for, for example, citizens' participation in transition to the knowledge-based society in a perspective of lifelong learning.

#### *Measures proposed*

- citizens' active participation in ICT and support to the voluntary sector through analyses and ideas for measures
- impact analysis of implementing digital administration (e-government) carried out at Nordic level
- measures and indicators are to be developed for evaluating and utilising experience concerning ICT policies of the Nordic countries in an international perspective (bench-marking).

#### **Competence development, education and research**

The technological development imposes far more stringent requirements on competence development, education, and research. So far, the Nordic countries have been relatively well placed as a result of the traditional high standards in the fields of teaching, and the considerable resources spent on education, training, and research activities. The new information technologies have been introduced in schools at an early stage compared to many other countries. The great importance of the ICT sector in manufacturing and other industries in the Nordic countries has stimulated competence development and research in this particular field. Some lines of industry, characterised by advanced

technology, are already reporting greater and greater difficulty in recruiting qualified manpower in the Nordic countries. The demographic development in the Nordic countries will in the longer term benefit from a conscious and consistent Nordic effort in the field of research and competence development. A five-year pilot project to establish a number of Nordic Centres of Excellence (CoE) in the field of technology and natural science was adopted by the Nordic Council of Ministers in June 2001. The international perspective in Nordic co-operation in the field of education, training, and research should be reinforced through greater openness vis-à-vis other co-operation fora outside the Nordic region, for example with the EU, Council of Europe, OECD and Unesco.

#### *Measures proposed*

- developing research institutions by means of a competition-based application procedure and on the basis of existing research groups in the Nordic countries who can carry out research at world-class level, to Nordic Centres of Excellence (CoE) or networks of research units. One of the objectives of this exercise is to improve the quality of science, to ensure the necessary “critical mass” in the Nordic region, to ensure efficient utilisation of resources and costly infrastructure, and to attract researchers and students from other countries. Another objective is to ensure that applied world-class research will benefit Nordic business and industry.
- promote Nordic values in the international debate on lifelong learning and develop flexible and user-friendly formal and informal learning processes to complement, develop, and deepen basic education and training all the way from childhood and youth. At the same time, education and training measures aimed at the labour market should be strengthened. It is a challenge for the Nordic countries to ensure access to lifelong learning for all of their inhabitants.
- developing existing or new national or Nordic aid schemes based on the findings of ongoing investigations into aid schemes in the education and training sector. Under the auspices of the different aid

schemes we find activities taking account of ICT and other elements of advanced technology.

- efficient utilisation of Nordic exchange, trainee, and scholarship programmes to stimulate competence development. The considerations on which the relationship to European agreements and programmes of the development and visibility of Nordic mobility programmes are based should be examined as well as those relating to border regional co-operation in the Nordic region.
- developing IT as a pedagogical tool – including, among other things, new types of teaching material, new pedagogical tools, as well as other developments aimed at distance education and training and of virtual teaching environments.

### **Culture, media and language policy**

In the field of culture and media the Nordic countries are among those countries that most intensively take advantage of modern information and communication technology. The Nordic countries constitute small language areas with limited markets, and they are not in a particularly strong position when it comes to production of contents for the new digital media. The technological development and the convergence of technologies in the media, telecommunication, and IT sectors create new framework conditions, and entail major changes in the media area as a whole. This applies to the traditional media (television, radio, film, newspapers) and to the new media and communication forms operating internationally thus increasing the competitive pressure on Nordic media and culture supply.

Like other countries, the Nordic countries need a clear policy in the field of dissemination of culture and media if we want to ensure that the cultural supply provided by the Nordic countries themselves is not going to be completely marginalised by what the rest of the world has to offer. A co-ordinated new policy should be developed for the cultural policy dimensions of the information society with particular emphasis on digital contents production and multimedia issues.



*Measures proposed*

- strengthening the competitiveness of the Nordic region in the field of digital contents production. This will require Nordic co-operation concerning new digital media. The possibility of establishing a new Nordic multimedia foundation aimed at stimulating the production of Nordic digital media products is being investigated.
- co-operating more intensively to find solutions concerning copyright issues in relation to new media to create fruitful soil for further developments in the supply of Nordic media and culture.
- analysing, at Nordic level, what the impact of the growing convergence of the technologies in the media, telecommunication, and IT sectors will be for the supply of Nordic media and culture.
- developing, as a joint Nordic venture, language-technology tools, such as translation software and technology supporting the use of Nordic languages and Nordic culture and media production as well as supporting contacts between universities and other institutions of advanced education concerning research in the field of developing specialist knowledge in the Nordic region in the field of IT based language technology.

## **2. Welfare, including the rights and opportunities of Nordic citizens to live, work and study in another Nordic country as well as demography and migration**

The Nordic countries are characterised by good living conditions for the majority of their inhabitants with satisfactory growth rates, social security systems, relative equality in the distribution of income, access to qualitatively speaking good healthcare, and to education and training. Welfare services in the Nordic welfare model are based on integrating social security with a stable economic development. Co-operation between the authorities and the third sector is a key element in safeguarding the social integration in and stability of the Nordic countries.

In the Nordic region as well as in the rest of Europe, social security systems are facing the challenges of an aging population and declining fertility, increased immigration, relatively high rates of unemployment in some countries, and increased risk of more groups becoming marginalised. Demographic trends mean that the proportion of people who are active in the labour market will decline dramatically within a relatively short time, at the same time as the growing proportion of elderly citizens will impose growing demands on the sustainability of the public sector. The countries will have to find new strategies for satisfying these new needs by means of limited resources. The conditions for a sustainable development in the social and health sectors will be highly dependent on conditions in the labour market, and on how the conditions relating to prosperity and high health standards are transferred from our generation to the next.

Globalisation and internationalisation are likely to entail increased pressure on the financing of the welfare systems of the Nordic countries. This, more than anywhere, applies to the fiscal area. It would, therefore, be appropriate for the Nordic countries to carry out a joint

analysis of the impact of intensified fiscal competition within/from the European Union on government revenues in the Nordic countries and, thus, on how the values bases of the Nordic welfare models can be protected, developed, and possibly promoted in the debate with the other EU member states and internationally.

At the same time, it would be important to analyse proactively how to make the public sector more efficient in the light of any possible future reduction of government revenues so that we can ensure that the Nordic welfare systems can sustain an equitable and democratic society characterized by equality.

#### *Measures proposed*

- evaluating the findings of the comparative analyses made of the welfare services and models provided by the Nordic countries.
- investigating development trends in the Nordic societies in terms of population concentration and urbanisation.
- analysing the financing of the welfare society in the light of future challenges to the Nordic fiscal systems in an ever more globalised environment, and reviewing any possible modifications of the Nordic fiscal systems during the next 10 to 15 years.
- investigating the sustainability of public finances considering the aging population and the challenges entailed by this development.

#### **The rights of Nordic citizens and demography and migration**

The rights of Nordic citizens, for instance, in the labour market, in education and training, and in the field of social security have been extended beyond the national borders in the Nordic region. These Nordic gains have a profound importance for the way in which ordinary Nordic citizens perceive Nordic co-operation and identity. Several studies carried out by the Nordic Council of Ministers in recent years demonstrate that there are, nevertheless, considerable problems involved in moving from one Nordic country to another. These studies indicate that, in part, these difficulties are caused by insufficient knowledge among public authorities in the Nordic countries concerning the

rights entailed in Nordic conventions and agreements.

A common Nordic labour market, actual access to studies, education and training in another Nordic country and social security systems providing security in connection with mobility constitute important competitive advantages. During the last 10 years, globalisation and intensified international competition have led to considerable increases in corporate integration in the Nordic region. The status of the Nordic region as a dynamic growth region depends on strengthening cultural integration and mobility incentives in the Nordic countries. Globally growing migration streams increase the need for integrating the growing number of individuals from third countries in this process.

#### *Measures proposed*

- the rights of Nordic citizens are to be chartered and disseminated in a consolidated and transparent presentation to authorities and citizens in the Nordic countries. The Citizens' telephone service "Hello Norden" has taken up activities in all the Nordic countries in the course of 2001, its activities are reviewed regularly in order to improve services and solve problems as they crop up. The Nordic governments are striving to remove any concrete obstacles to the free movement of persons in the Nordic region through pan-Nordic action, bilateral processes or internal measures.
- comparative analyses are to be made to review and assess the measures taken by the Nordic countries to integrate immigrant in the labour market.
- promoting a sense of Nordic identity and providing information about the Nordic region to the individuals who have moved to the Nordic countries should be a consistent element in cultural, educational and training activities, in the development of strategies for children and young people and in co-operation activities between voluntary organisations as a step towards preparing an overall strategy for "new Nordic citizens".

### **3. The internal Nordic market, including efforts to remove border obstacles**

Over the last 30 to 40 years, business and industry in the Nordic countries have undergone two phases of increased Nordic co-operation, and are now well on their way into a new phase. During the first phase, the Nordic region was developed and consolidated as a kind of enlarged domestic market for Nordic manufacturing industries. During the second phase – and on the basis of the position of strength built up by Nordic exports – penetration was effected into the European market, not least on the basis of the status of the Nordic countries as members of the EU and the EEA, respectively. Today, business and industry are again directing their attention at the Nordic region as a domestic market. Now their interest is not so much directed at export opportunities to markets close to home, but rather at taking advantage of certain key elements like manpower, knowledge and skills, research resources, innovations, and strategic networks. Thus, the Nordic region appears to be a “borderless” internal market and a common resource base for significant business ventures within the framework of the new knowledge-based economy. New regional integration strategies in the Nordic region reveal a need for removing border obstacles preventing full utilisation of the overall potential of these regions.

The growing interest on the part of business and industry in taking better advantage of the Nordic region as domestic base strong in resources for their globally orientated activities imposes new demands to the political aspects of Nordic co-operation. The endeavours of earlier times towards joint Nordic solutions in order to create a separate Nordic domestic market reserved for their own business and industry, own technical and other types of safety standards, etc. no longer serve a useful purpose. Instead of separate solutions, what is required today are policy measures contributing to providing Nordic

business and industry with the best framework conditions at the absolute forefront of international developments. Policy measures should be aimed at combatting disturbances in the functioning of the single market in order to make it easier for companies to take full advantage of the benefits of the single market. Of course, such measures must be adopted within the framework of EU and EEA membership.

The Nordic Council of Ministers' co-operation in the economic and financial fields are to contribute towards a balanced economically, ecologically, and socially sustainable development in the Nordic region, lay the foundations of a more extensive economic integration with Europe as well as promoting Nordic interests internationally. With the purpose of strengthening the Nordic welfare model, finance policy should be formulated so as to promote structural reform, growth, and employment. For quite some time, the Nordic Ministers for Finance and Economic Affairs have argued in favour of a stability-orientated fiscal policy characterised by sound government finances and low inflation rates. Intensified economic integration created by the Economic and Monetary Union within the European Union will have reflected impacts on the economic co-operation between the Nordic countries. In economic policy, fiscal and structural policies have an ever more important role to play.

#### *Measures proposed*

- improved Nordic co-ordination, exchange of information, and initiatives taking account of EU/EEA and other international fora concerning industrial legislation, i.a. company and competition law, labour market regulations, tax law, working environment and construction law, regulation concerning financial services, insurance, and securities market, etc.
- improved Nordic co-ordination, exchange of information, and initiatives taking account of EU/EEA and other international fora concerning certain strategic quality standards, technical standards, trade in intellectual property, environment certification (concerning both revision and production of new regulations and standards).

The same applies to standardisation activities for industrial products under EU auspices and in other international fora, for instance, in such topical fields of research like gene and biotechnology.

- co-operation on the development of cross-border Nordic logistics and commercial distribution systems emphasising the needs of small and medium-sized enterprises, for instance in the construction industry.
- co-operation projects and exchange of experience concerning the advantages of utilising clear environmental provisions, flexible work organisation models, qualitatively orientated Nordic business ethics, and utilisation of the labour force with equality between genders, as competitive advantages in international markets.
- continuing Nordic and Nordic-Baltic co-operation, for example, linked to legislative activities in the European Union in order to promote efficient and well functioning Nordic and Nordic-Baltic markets for financial services and securities.

## 4. Co-operation with neighbouring countries and regions

### **The European Union**

The ongoing integration in Europe, with special emphasis on the enlargement of the European Union and its future development, could be said to constitute the most important frame of reference for the Nordic action and co-operation. In accordance with necessity and common interest, activities concerning current EU and EEA issues are integral to all the activities within the structures of the Nordic Council of Ministers by way of exchange of information, consultation, co-ordination and joint initiatives. Such activities will continue to constitute an indispensable and natural component in Nordic co-operation.

The meeting of the European Council in Gothenburg will influence the agenda of the EU until the beginning of the Danish presidency in the autumn of 2002. In the near future the EU enlargement, the Northern Dimension, and the EU's co-operation with Russia, civil and military conflict-handling, as well as the preparations prior to the inter-governmental conference in 2004, will continue to play an important role in Nordic co-operation. In connection with the meeting of the Nordic prime ministers in Imatra on 1–2 July 2001, a decision was taken to the effect that the prime ministers of the Nordic countries that are members of the EU will meet regularly prior to meetings in the European Council.

The enlargement of the European Union will probably entail an increasing importance for the region in the EU. If so, Nordic co-operation will have a more demanding role in regional policy than at present. It should function as a clear platform for initiatives and actions in matters where the Nordic countries in common and in co-operation with other countries that share their views wish to influence the European agenda.



*Measures proposed*

- produce recommendations addressing those areas in which the Nordic countries would benefit from strengthening their co-operation within the framework of the EU.

**New strategy for the Adjacent Areas**

A draft proposal for a revised Nordic strategy concerning the Adjacent Areas – was adopted by the Ministers for Co-operation on 6 March 2001. The strategy contains a number of proposals that cannot be seen in isolation from the Report from the Panel of Wise Men. The proposal contains the following main components: the chiefly geographically determined priorities are maintained as is the definition of Adjacent Areas; nevertheless, EU enlargement will entail a gradual shift to the east of the centre of gravity for the activities. Co-operation with the Baltic states will change and become proper intergovernmental co-operation between public authorities. Activities should be concentrated in larger projects which will yield visible results in the beneficiary countries and be politically relevant; this will entail greater focus on themes and problems. The information offices of the Nordic Council of Ministers and the Nordic embassies will have a central role in improved beneficiary management to ensure better correspondence with the needs of beneficiaries.

Furthermore, the proposal advocates increased differentiation and separate country programmes for the best possible results to be achieved. Co-operation with the Baltic states should be restructured in collaboration with them so that, in future, it will be based on equal operative and financial partnership. Ordinary Nordic project co-operation should be opened to the Baltic states whenever such participation is practical. To improve the impact of the Adjacent Areas programme and in order better to co-ordinate national, bilateral actions a committee of experts has been established. Furthermore, activities should be better co-ordinated in relation to other players, for example, the EU, and should be intensified and made more visible in relation to the Baltic Sea and the Barents Sea co-operation, as well as the Arctic

Council, respectively. As far as available instruments are concerned – information offices, scholarship programmes, and projects – they are all considered relevant for the present, but should be adjusted on an ongoing basis in relation to the environment in which they are to operate. The following separate themes are proposed in the light of existing bilateral and EU programmes: the Nordic welfare model including health protection and equality between women and men, sustainable exploitation of resources including environment and energy, children and young people, dissemination of culture, consumer policy and food safety. The proposal of the Nordic Council of Ministers will be treated by the Nordic Council at its autumn session 2001.

Pursuant to the new strategy for the Adjacent Area, 2001 will see a review of the Nordic Council of Ministers' Arctic programme. The new programme must take account of the increased significance of the Arctic Council as the voice of the Arctic circumpolar area, and define the centres of gravity for Nordic action in Arctic co-operation particularly with respect to the popular dimension concerning the indigenous population of Arctica. The Nordic Council of Ministers' activities in Arctica must be adjusted to the objectives of the Arctic Council with the ambition of striving to achieve new synergies and to avoid duplication of effort. The Nordic Council of Ministers has observer status in the Arctic Council. Better co-ordination is also required between the Nordic-Arctic research programme and the national and Nordic priorities.

#### *Measures proposed*

- the Nordic region should act proactively and visibly in establishing and developing the EU Action Plan for the Northern Dimension. In this connection, the Nordic governments stress the special need for intensifying co-operation with Northwest Russia and Kaliningrad. The development of an "Arctic window" under the auspices of the Northern Dimension is endorsed. The Nordic Council of Ministers' co-operation with the Arctic Council should be clarified with a view to establishing co-operation projects.

- co-operation with the Baltic states should be restructured in collaboration with these countries towards increasingly concrete programmes which will, in future, be managed and organised as equal partnerships. Baltic participation in Nordic co-operation should continue on the existing flexible basis, and should be developed in those respects where there is a shared interest in doing so.
- the governments of the Nordic countries are considering initiatives to improve interaction and division of labour between various regional and international organisations and players in the Adjacent Areas in order to improve the focus of political and financial actions.

### **Co-operation with the western neighbours of the Nordic countries**

West Nordic co-operation is greatly influenced by the region's geographical position and demography. It ought to consist of activities designed to meet the region's special needs. Priorities at the moment include ongoing co-ordination with a wide circle of coastal states around the North Atlantic in areas of joint interest, for example the North Atlantic marine environment, culture, trade relations, etc.

#### *Measures proposed*

- the Nordic Council of Ministers is considering joint projects with coastal regions of neighbouring countries to the west within the framework of Nordic priorities.

## 5. Environment and sustainable development

### **Sustainable development**

The strategy “Sustainable Development – New Bearings for the Nordic countries” laid down targets and measures before 2020 to ensure a sustainable development in the Nordic countries and their adjacent areas. The implementation of the cross-sectoral strategy initially covers the period 2001–2004 and establishes short-term targets and measures as a point of departure for subsequent partial strategies and action plans and for on-going adjustment of sectoral co-operation for sustainable development. Many sectors have already prepared partial strategies and action plans in keeping with this objective. Activities have begun in six sectors considered to be of special importance in the context of sustainable development, viz. energy, transport, agriculture, forestry, fisheries, and business and industry. Within all sectors, efforts should be made to improve the exploitation of resources in all phases from production to final use.

Similarly cross-sectoral action areas, such as climate change, biodiversity, the sea, including, for example, long-term co-ordinated climate and marine research, chemicals, and food safety have been included. The consumer and food-safety aspects constitute important elements in the strategy. This point of view is accentuated by the recent establishment of a joint Council of Ministers covering the entire chain from the production of to the consumption of foodstuffs. Environmental and ethical rules are of central importance to efforts to ensure sustainable development.

Sustainable development should be seen as a load-bearing trend in societal developments.

In the longer term, implementation of sustainable development requires that attention be paid to the social and economic dimension, and that they be integrated to the same extent as the purely environ-

mental dimension. Additionally, the strategy should be made operational in the sense that effective indicators and measuring and reporting methods should be evolved.

#### *Measures proposed*

In addition to the implementation of the strategy for sustainable development for the years 2001–2004, the following measures should be striven for, particularly in respect of the forthcoming period 2005–2008:

- that the social and economic dimensions be incorporated into sustainable development;
- that the strategy be made operational by evolving indicators and bench-marking methods for measuring results;
- that the Nordic profile be strengthened through joint action in matters related to sustainable development in international and regional fora, for example in connection with the implementation of the Kyoto mechanisms, including quota trading.

#### **Environment**

Environmental co-operation within the Nordic Council of Ministers and in a multitude of international and regional organisations has yielded good results. Environmental co-operation remains a very important action area in which the Nordic countries must ensure that present and future generations can be assured of the right to a wholesome environment. The action programme for environmental co-operation in the Nordic region 2001–2004 pinpoints continuing efforts to ensure efficient protection of the environment in the Baltic Sea region, the Barents region, and in Arctica. Nordic involvement in international organisations should be pursued vigorously. Among the challenges facing us are efficient exploitation of resources, reducing emissions, focussing on environmental and health issues as the basis of human welfare, action to protect biological diversity, and opportunity to use nature for recreational purposes. One important objective in

these activities is the continuing effort on the part of the Nordic countries to persuade the EU to increase its participation in and financing of environmental projects under the auspices of the Northern Dimension. Action is also required of the Nordic countries to protect the marine environment in the North Atlantic.

In its report, the Panel of Wise Men, among other things, draw attention to the importance of a more efficient reviewing process of the implementation and enforcement of the environmental commitments. Together, the Nordic countries should try to ensure that this matter is promoted, including an examination into the question of an international environmental tribunal, and that efficient mechanisms to ensure enforcement of environmental regulations be developed and disseminated internationally. Openness and citizens' participation should be ensured in connection with the development of monitoring and control mechanisms for the environment.

#### *Measures proposed*

- improved reporting to and dialogue with the Nordic Council in environmental and marine environmental matters.
- acting to ensure efficient co-operation with international finance institutes in the implementation and financing of environment projects within the framework of the EU Northern Dimension.
- acting to ensure examination and promotion in international fora of the creation of mechanisms ensuring actual implementation of environmental agreements and prosecution in case of infringements.

#### **Special actions**

All the sectors of the Nordic Council of Ministers have made known their views and opinions concerning the specific proposals in the Report of the Panel of Wise Men. In the course of this activity, many of the concrete measures and recommendations have been endorsed. The opinions of the sectors form part of the ongoing effort to specify and implement the strategic actions through the preparation of sectoral action and working programmes as well as through the future budgets of the Nordic Council of Ministers.

## Followup and Implementation

The present report consists of two main parts: Part 1 on the fields of activity and future structure of the Nordic Council (prepared by the Presidium of the Nordic Council ) and Part 2 on the Nordic Council of Ministers' proposal for new strategic initiatives (prepared by the Ministers for Co-operation).

It has been agreed between the Council and the Council of Ministers that the report should be submitted for discussion at the 53rd Session of the Nordic Council on 29–31 of October 2001 in Copenhagen since, on the one hand, the report constitutes a joint document for a Presidium proposal on the future fields of activity and structure of the Nordic Council and, on the other, it is a Council of Ministers' proposal concerning new strategic initiatives.

The detailed implementation measures will be executed in accordance with the decisions taken on the basis of the abovementioned Presidium proposal and Council of Ministers' proposal, respectively. It is presumed that the strategic initiatives will be implemented through inclusion in the strategies of the special sectors' strategies and in their annual realisation through annual budget planning for the Nordic Council of Ministers. The Presidium's proposal will be decided at the 53rd session with a view to immediate entry into force following its adoption.