

Ladies and Gentlemen, Dear friends

Another year has passed and it is time to look back on what we have achieved last year, but being able to talk to you on this event, I will also look forward on the challenges for the regions and NSC in the future.

Since we last met for the Annual Business Meeting in Scotland last June, NSC has been an organisation in change and active on several important issues.

Politicians

First of all I want to thank all of you fellow politicians for your support and work to continue the progress of NSC; especially I want to thank my two Vice-Presidents Audrey Findlay and Peter Byman for their help and enthusiasm the last years. They have now both retired from politics so this is the last time we are able to meet them in this setting. Further I must thank the members of the Executive Committee and the Chairs and Vice-Chairs of the thematic groups for their help and support the last year. Still there is a need for active involvement of politicians in all the thematic groups, and I want to encourage all member regions of the NSC to appoint political members to the different thematic groups.

The thematic groups

Last year the Annual Business Meeting decided to change the structure of NSC, reduce to five thematic groups and to update their Terms of Reference. The result of this you are presented today. Thanks to the dedicated work of our Advisors to guide the politicians this process has gone rather smooth. As we all agree, the main instrument for cooperation within NSC is the thematic groups, without their efforts and hard work the NSC would not be what we are today. Their work for NSC is crucial for the progress of NSC.

Changes

Our thematic groups have had some changes;

The Fisheries Group is no longer the Fisheries Group but the **Marine Recourses** Group, and as a consequence of internal changes in the group the Chair of the group is Anders Fash.

The **Transport Group** has got a new Chair Leif Blomqvist, and needs two new Vice-Chairs.

The former Environment Group is now changed into **Sustainable Development group** Their former Chair, Alison McInnes, was elected as a member of the Scottish parliament and the group got a new Chair Andreas Lervik. At the ExCom meeting in April the group got a new Vice-Chair John Lamb and a new Adviser Yasa Ratnayeke who took over from Per Hörberg. I want to thank Aberdeenshire Council for letting us use Martin Brebner and Jeffery Kenyon as temporary Advisors for the 6 month period the group had no Adviser.

The **Culture & Tourism group** got a new Vice-Chair Wendy Mawer and due to the results of the Dutch elections Jaques Suurmond lost his seat and the group need a new Vice-Chair.

The biggest change has been to merge the Economic Development group together with the Education & Research group to the new **Innovation & Education group**. The group started their work autumn 06 with Chair Alan Livingstone, Vice-Chairs Stella Duneufjardin and Ole B.

Sørensen and Erik Lindboe as their Adviser. Due to the results of the Scottish elections Alan Livingstone lost his seat and had to resign as Chair of the group.

Activities and Highlights

All the groups' annual reports are available on the NSC website, but I wish to highlight a few issues from the groups;

The last year we have had a real large number of activities, both within the thematic groups - and between them.

More cross sectoral cooperation

There has been a number of co-operating actions involving many of the groups, for example the Food Conference in Dundee and the Maritime Policy seminar in Stavanger.

The **Culture and Tourism group** has taken an active role in the work to promote Cultural Tourism as a major agent for regional development within the European Union, and has participated in several lobbying activities in this respect.

Culture on European Agenda – the Commission has put focus on culture as an important factor in European economy (report delivered early this year) and on 10 May issued a Commission Communication called 'A European agenda for culture in a globalising world'. This strategy document underlines the important role of culture for personal development and well being, for social cohesion and for economic growth, thereby linking culture and creativity to the Lisbon strategy as catalysts for future development and growth in Europe.

Our Culture and Tourism Group, who will follow this process closely, have already picked up these new signals. The Commission will establish forums for more structured dialogue with the cultural actors, and we will be active in this.

Another major new priority on the European Agenda has been cultural tourism. Together with culture, cultural tourism present two major pillars for future growth in Europe. Our Culture and Tourism Group has been actively supporting the initiatives to create a European network for cultural tourism, combining authorities and destinations, operators and other stakeholders. This network, so far financed by the Interreg IIC programme, intends to continue its work in the coming years, and the Committee of the Regions has also supported its work. In fact, there have been joint meetings between the network and the Committee of the Regions. The Chair of the Culture and Tourism group has played a central role in this work.

The 2006 NSC Food Event was a big success. Three of our thematic groups co-operated in organising this event. The programme, the content and the outcomes were excellent and provide good starting ground for new projects and initiatives in the food sector. Follow-up actions are already under way, including plans for an Interreg IVB North Sea project on food and local/regional development.

The new **Innovation and Education group** had a very promising kick-off meeting in Scotland in February 2007, with more than 30 attendees. The Strategic group (i.e. chair, vice-chairs, adviser and supporting officers) have met on several occasions in order to line out how to bring the work in the group forward, and also to pinpoint future tasks.

One of the most interesting issues of the group these days is the North Sea Schools Sustainability Network. Seven schools from England, France, Germany, Norway and Scotland will the next two years explore issues of sustainability in the context of climate and environmental changes.

There is a great interest in this project from several countries and schools, and the Innovation and Education Group will look into the possibilities of creating more schools networks around the North Sea.

The Sustainable Development group had their annual meeting and conference “Delivering Change in Coastal Regions” held in Banff, Scotland. The group made this statement from the conference;

The Group will:

- i) Encourage co-operation across the North Sea Commission Thematic Groups and with external organisations;
- ii) Collate examples of best-practice for the sustainable development of coastal communities;
- iii) Encourage capacity-building in coastal communities to support a bottom-up approach to policy making;
- iv) Raise the profile of coastal communities within the policy-making arena.

This was a joint meeting with the Baltic Sea Commission Sustainable Group in Stockholm April 2007 to discuss how the two groups could work together in future

The **Transport group** has on several occasions presented NSC policies and activities on Motorways of the Sea (MoS) to representatives of European Commission DG for Transport. The Transport group has also co-operated with the CPMR and the BSC on the MoS issue.

The group drafted and submitted a preliminary response to the Mid-term review of EU Transport White Paper through the CPMR in mid July. The response builds upon previous responses to EU transport policy documents, and was also submitted to the Executive Committee meeting in October.

The Coordinators of the transport groups in the BSC and the NSC have on several occasions attended meetings in each others Commissions, exchanging information about the work of the groups and discussing relevant areas and forms of co-operation. The two groups have agreed to co-operate on the development of Motorways of the Sea, response to the EU Maritime Green Paper, regional air transport and sustainable surface transport.

The former Fisheries group has changed name to **Marine Resources group**, to reflect the use of our sea is a complex and needs a cross sectoral approach.

The group has worked on many issues but I want to focus on the two following issues;

North Sea Inshore Fisheries Network

With the aim to bring together all stakeholders involved in inshore fisheries and communities to work together, to share best practice and to co-operate with all other users of the North Sea. A one day seminar was held 23 May that brought together those involved in Inshore Fisheries from around the North Sea. The seminar had Speakers from Sweden, Norway Scotland and the Netherlands to share their experiences in managing inshore fisheries. The Seminar discussed the possibility the development of an informal North Sea Inshore Fisheries Network, which could link together all those involved in North Sea Inshore Fisheries.

Illegal Unregulated Unreported fishing (IUU)

An important question even if the problem seemed to be mainly in the Barents Sea, the repercussion could be felt around the North Sea. Where for example some of the illegal fish can end up being processed, unknowingly by local companies and then end up in the retail sector and could cause real problems with consumers at local at National level.

The group has endorsed a resolution presented by Troms, which is presented to the NSC General Assembly later today.

Maritime policy

One important issue the last year has been the consultation on the Maritime Policy Green Paper. I am impressed by the activity amongst the members on this issue. There has been arranged several meetings and long discussions within our groups and between them. I wish to thank Aberdeenshire Council for the work they have done for the writing the final paper. A special thank to Vice-president Audrey Findaly and her supporting officer Martin Brebner for the work they have done for producing the NSC response. This paper is a true NSC product and from my point of view, we can be proud of our contribution to the Maritime Policy.

But remember the work don't stop now. Now we need to see the implementation of the paper. There are several excellent suggestions for implementation in our paper, and as Region Västra Götaland states in their suggestion for follow up of the policy; "The maritime policy should focus on developing the many activities and different areas of the marine sector, making them sustainable in the broadest sense. This approach is necessary to face challenges of the future including climate change, competition in the global market-place and sustainable use of coastal and maritime resources. Thus, the future of the maritime sector calls for a strategy involving many different levels of activity."

The first step for a cross sectoral Maritime Policy is made; now we must continue to the next phase.

This years conference;

I think this years conference has been another success, I'm aware of some comments regarding this year's joint conference and concerns that the NSC in some way "loosing out" in the partnership with the Interreg North Sea Programme. . I understand these concerns and appreciate why members feel that there has been "not enough politics and to much Interreg" this year. However, it is important to remember why we meet together every year and the significance of this joint approach to our work.

We are all working hard to make the NSC a stronger and more effective political organisation. To do this, we must build on our strengths – our knowledge, our commitment and of course our partnership. We must also stride to deliver concrete outcome from our work, if we are to truly improve the quality of life of our citizens. Participation in Interreg projects helps us to learn from each other, consolidate our partnerships and deliver concrete outcomes. A number of the conference speakers told us how impressed they are with the quality of projects delivered by these members and that they hope this continues in the future. We should e proud of our reputation and past successes. However, we live in a competitive globalised world and must adapt to meet new challenges.

Lorraine George spoke to us about the challenges faced by the new Interreg programme. The programme has to demonstrate the value of transnational co-operation through the development of strategic international projects which act as catalysts to Innovation and growth. The Interrg Secretariat cannot deliver this on its own, but needs the support of the NSC family to really make an impact in the new programming period.

The Interreg presence in this year's conference has been strong for a very good reason; Interreg 4 is very different to Interreg 3, and it is very important that the difference between the old and the new programmes are fully explained. We can all recall the benefits for the well-being of our

citizens over the years of strong Interreg projects. It is important that we fully understand the new North Sea Programme for this to continue in future.

Partnership is not often easy, but in partnership there are very often mutual benefits. The NSC's strength is through partnership between regions, nationalities and cultures, and with the CPMR, European Institutions and the North Sea Region Interreg programme. That is why an annual joint conference is, in my view, essential if we are really to make an impact in European affairs and our regions.

I hope that I have clarified why Interreg has been dominant in this year's conference. But to take on board the concerns raised by NSC members, I will ensure that both the Strategic and Executive Committees debate these concerns. Our organisation is after all, based on strong partnerships and mutual respect for different opinions and ideas.

Dear friends, what are the challenges ahead?

The paper The important policy areas for NSC in the future, prepared for this meeting mentions several important policy areas for the future. This paper was discussed at the political meeting yesterday and the conclusions of this meeting will give important guidelines for the future work of the NSC.

I want to focus on one theme I find interesting and important; Energy.

The 2007 Spring European Council demonstrated that the EU is taking the lead in the fight against global warming. EU heads of state and government adopted an energy policy for Europe, which doesn't simply aim to boost competitiveness and secure energy supply, but also aspires to save energy and promote climate-friendly energy sources.

EU leaders set a firm target of cutting 20% of the EU's greenhouse gas emissions by 2020 - the EU will be willing to put this goal up to 30% if the US, China and India make similar commitments. EU leaders also set a binding overall goal of 20% for renewable energy sources by 2020, compared to the present 6,5%.

A binding minimum target of 10% for the share of biofuels in overall transport petrol and diesel consumption by 2020 was also set.

European Commission President José Barroso has stated "We can say to the rest of the world - Europe is taking the lead. You should join us in fighting climate change",

I totally agree with President Barroso and my question is What can we do in the North Sea Region?

The GREEN PAPER ON A EUROPEAN STRATEGY FOR SUSTAINABLE, COMPETITIVE, AND SECURE ENERGY highlights several priorities., all of them important, but I would like to emphasize one priority; Priority 5: Encouraging innovation: a strategic European energy technology plan. From my perspective this links very well our work on Lisbon and Gothenburg. One example of innovation of use of alternative fuels is a project in Norway called HyNor - the Hydrogen Road of Norway.

Last week the 2nd Hydrogen filling station in Norway opened in Porsgrunn, Telemark. In a partnership connecting major industrial and energy companies, transport companies, regional and

national public authorities, R&D institutes and one private person has resulted in 9 hydrogen cars has its base in the region. 9 cars seems little but this is 2 % of the total operating Hydrogen cars in the world and the 2nd largest active fleet of hydrogen cars in the world. This we can achieve in our small region, what can we then achieve if we all work together in the North Sea Region?

The next step for our region to look at the possibilities in public transport sector – the possibilities for hydrogen busses. Again what solutions can a creative cooperation between the public actors and the private sector present to us in Telemark as well as for all the regions in the North Sea , solving these fundamental challenges. How can we , the regions around the North Sea stimulate research and innovation networks to come up with sustainable solutions , urge for cooperation and create meeting places the universities and the research institute in the North Sea basin With in the framework of NSC we have the framework for making firm steps in that direction

Biofuel

The goal for Norway concerning biofuel have been set to 2 percent of our total consumption of fuel in 2007 coming up to 5 percent in 2010. That means a total demand for biofuel in 2010 will be 250 billion litres, either as ethanol or biodiesel.

How to produce this fuel in a sustainable way?? There is a discussion going on : will it be right to use valuable areas of farmland to produce fuel instead of food ??

To day we face the second generation of biofuel, and I am proud to tell you that our region has taken positive action to meet that challenge. Fuel based on timber and resources from our woods . To day there are but a few biodiesel-production plants around in the North Sea as well as in the Baltic Sea. We have a clear vision to take part in develop a new generation of sustainable industry with in this sector .

Dear friends, we are facing an active year with many opportunities and challenges. The follow up of the maritime policy, establish projects, focus on energy together with the activities in the thematic groups work plans, will all require active participation from all member regions with the effort from their politicians and officers.

.With your help we will make every effort to engage. National and EU polticians and our citizens to raise awareness of our work

However I know that if the North Sea Family continues to work together. We will meet the challenges with confidence. And ensure that we maximise every opportunities for our communities

I wish you all a save journey home.
Thank you.