
Protecting the Baltic Sea:

The Helsinki Convention and National Interests

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Different kinds of international organizations are often seen as the most important actors in addressing large-scale environmental concerns. These organizations are usually established with the purpose of combating transboundary environmental disturbances. The threats to the ecological health of the Baltic Sea were quite apparent in the late 1960s, and the Helsinki Convention on the Protection of the Marine Environment of the Baltic Sea Area was signed in 1974. This was the first international convention addressing all kinds of pollution in a particular region. An Interim Commission was established which focused mainly on discharges of harmful substances and monitoring the state of the marine environment.¹ The 1974 Helsinki Convention entered into force in May 1980, and the Helsinki Commission (HELCOM) was formally established as the main intergovernmental body. A new convention was signed in 1992 as a consequence of the dramatically changed political landscape at the south-eastern rim, and entered into force in early 2000.

Most kinds of international organizations—non-governmental as well as governmental—are sometimes criticized for being weak and having mandates that are too restricted. Although worries have also been expressed over the political influence exerted by such organizations due to their varying degrees of democratic accountability, the most common criticism is that too little, in terms of environmental enhancement, is achieved. They are said not to have the power to enforce mitigation schemes perceived as necessary to deal with the environmental disturbances at hand. All types of actors involved—professionals as well as NGOs and concerned citizens—often express frustration over unsatisfactory mitigation agreements, weak control mechanisms, and low degrees of actual implementation. HELCOM has been no exception to this tendency. The permanent staff of the HELCOM secretariat is quite small, and most of the research in the area is a result of undertakings in individual member countries.² Furthermore, the primary regulatory mechanism stipulated in the Convention, the so-called HELCOM Recommendations, is not particularly forceful. Unanimous acceptance by the member countries is required for a Recommendation to be adopted, which

might imply that the least ambitious country sets the level of commitment.

In this essay, however, this view of the weakness of inter-governmental organizations in general, and of HELCOM in particular, is challenged as partly incorrect and to some extent invalid. It will be argued that a richer understanding of the interaction on environmental issues between the countries in the region can be reached if HELCOM is seen less as an independent actor, and more as a result of the interaction between the countries. From this perspective, the structure and workings of HELCOM reflect the varying interests of the Baltic Sea countries. To understand such institutional outcomes, country-specific interests and capability must be focused. In other words, an approach is here suggested whereby national interests to a considerable extent are promoted through international organizations, rather than the other way around.

Differences between Individual and Collective Interests

The fundamental influence over regional co-operation rests not with HELCOM but with the individual governments involved.³ It can be reasonably assumed that their primary concern is to protect their respective national interests.⁴ This does not mean that all kinds of common environmental problems are unimportant, but rather that national interests will not be sacrificed in order to care for common benefits. Different countries in the region often have dissimilar interests in the protection of the Baltic Sea. The coast lengths of the respective countries, for example, vary considerably, meaning that their stakes diverge correspondingly.⁵ The interest shown by domestic electorates might furthermore vary between the countries.

Apart from diverging interests, national capabilities in the protection of the Baltic Sea vary significantly. Financial resources available for environmental investments in Poland, Russia, and the Baltic states are considerably smaller than in the comparably affluent countries at the north, west, and south-western rim. Thus, even if the level of interest in the protection of the Baltic Sea—irrespective of financial capability—is identical in all countries, afflu-

ent countries will most likely spend more.⁶ It is not certain, of course, that the level of interest in the protection of the Baltic Sea is identical in all countries. To the extent they are not, this will tend to augment—or decrease—willingness to spend national resources on these issues.

Baltic Sea environmental goods are to a considerable extent collective. When the ecological balance is jeopardized somewhere, the effects tend to proliferate to other geographical areas. Local damage at the initial disturbance point generally decreases over time, for example, through dilution. At a general level, this means that each country has strong incentives not to implement regulations that are too strict, since the regulatory costs typically fall on that particular country, while the gains from the more stringent rules over time tend to benefit everyone. Investments in, for example, waste-water treatment facilities or other kinds of cleaning devices are typically covered by domestic resources, but the gains in terms of reduction of pollution benefit not only the country where the investment was undertaken, but all the Baltic Sea states, albeit not necessarily equally.

The fact that costs are generally borne by individual countries, while benefits are shared between all, means that individual countries might be expected to abstain from investments that would be warranted from a regional perspective. It should be noted, however, that different environmental disturbances are distributed unequally geographically. Some poisonous metals, for example, tend to cause primarily local effects, while other substances affect the ecological system in very large areas.⁷ The temptation to get a free ride can be assumed to be higher the more rapidly and evenly a specific pollutant is distributed in the Baltic Sea, since this makes the environmental disturbance more fully collective.

To sum up, the strategies chosen by the Baltic Sea countries regarding policy on common environmental issues can thus be assumed to be determined primarily by:

1. the stakes in the environmental goods of the Baltic Sea, in terms of e.g. coast length, valuable archipelago, number of estates at the coast, citizens' subjective valuation, etc.;
2. the economic capability in terms of GNP;
3. countries' estimations of the dissemination pace of particular pollutants.

Despite the fact that joint action taken by all the Baltic Sea countries on stricter environmental regulations would probably be beneficial to all, it could not be inferred that all countries will thus work straightforwardly towards this target. What should be anticipated is rather that each country will choose a policy that is expected to promote its interests as efficiently as possible.⁸

HELCOM as an Institutional Outcome

Since it is assumed that the Baltic Sea countries will first of all promote their own interests, the institutionalization of HELCOM should be seen as *one* outcome, among others. Different institutional solutions on regional co-operation benefit different countries in different ways. Therefore, before the regional administrative body is institutionalized or the convention drafted, it can be assumed that each country will suggest organizational solutions and convention phrasings in accordance with their respective interests. As will be shown below, this was the case in the early HELCOM process.

There is furthermore no *a priori* reason to suppose that countries will refrain from other policy choices if they believe their particular interests can be more efficiently promoted through, for example, bilateral co-operation. It is often the case that the least ambitious member determines the ambition level of international organizations, the so-called rule of the lowest common denominator. This has been highly relevant in the case of HELCOM. Before the disintegration of the Soviet Union, the Scandinavian countries were the ones most interested in stricter regulations and increased levels of environmental investment. Due to the tensions created by the Cold War, however, regional co-operation was cumbersome, and the actual achievements rather modest. The establishment of HELCOM as a regional forum was endorsed by the Soviet Union, but its representatives seem to have been more interested in using this forum as an arena for Cold War politics than for actual environmental improvement.⁹

All this began to change in the second half of the 1980s because of the political reforms in the Soviet Union initiated by Gorbachev. Although the Soviet Union suggested environmental issue areas as a field where regional co-operation ought to be expanded, actual achievements were at first quite modest. In the early 1990s, however, when the Soviet Union fell apart and the Baltic states regained their independence, political preconditions for increased environmental co-operation increased substantively almost overnight. The focus was now less on regional bodies such as HELCOM, and more on bilateral agreements of different kinds.¹⁰ HELCOM became more of an agenda-setter than a forum for negotiations. Since the potential for joint action was now much larger, the old institutional framework, where the lowest common denominator rule was still important, could not be allowed to set the pace.¹¹ Instead, wide-ranging schemes were formulated on a bilateral basis, often including some of the large international financial institutions such as the World Bank or the European Bank for Reconstruction and Development. The so-called laggard countries (those least interested in more extensive regulations and investments) were thus no longer

able to obstruct other countries from taking more decisive action. The bilateral agreements furthermore made it easier for the involved countries to choose issue areas where their particular interests were especially strong. It will be shown that the development during the 1990s was to some extent towards strengthening the role of HELCOM, but the most significant change was the increased use of bilateral agreements and joint implementation. This occurred in parallel with the growing importance of the European Union in this region, for the Scandinavian member countries as well as for the applicant countries along the south-eastern rim of the Baltic Sea.

After a short description of the main environmental issues relating to the ecological condition of the Baltic Sea, the evolution of the HELCOM process from its start in the 1970s to the present will be described. The HELCOM process is, however, used primarily as a dispositional focal point, around which the wider network of regional and bilateral environmental co-operation is described and analysed.

The Main Environmental Issues: Eutrophication, Hazardous Substances, and Poisonous Side-Products

The ecological stability of the Baltic Sea is extraordinarily sensitive due to several natural factors. The shallow sound connecting the Baltic Sea with the North Sea allows for only a slow rate of replenishment, which means that many types of environmental disturbances tend to be long-lasting and fade only gradually by natural water movements.¹² Most of the water entering the Baltic Sea originates from surrounding rivers, and this inflow typically carries considerable amounts of pollutants from in-land sources.¹³ The low salinity of the brackish water of the Baltic Sea furthermore tends to augment biological sensitivity among many species, since their natural habitats in most cases are either the sea or inland lakes. The result is that these species experience a considerable degree of stress, also without being exposed to man-made environmental disturbances.

The most important disturbances affecting the environmental status of the Baltic Sea have been considered to be eutrophication (excessive inputs of nutrients), hazardous substances, such as heavy metals, pesticides, oil spills, industrial substances (e.g. PCBs), and poisonous side-products (e.g. dioxin).¹⁴ The high load of nutrients causes severe disturbance to sensitive ecological systems, which affect, for example, oxygen concentrations at various seabed locations. The most dramatic effect occurs where the concentration of oxygen becomes so low that almost no organisms can survive. The occurrences of a 'dead sea-bed'

have been a recurring phenomenon in large geographical areas of the Baltic Sea. The main nutrient sources in the region consist of agricultural and forestry run-off, atmospheric deposition, and discharges from municipalities and industries. Emissions from municipalities and industries in the former socialist states have been a significant source. Waste-water treatment plants and the necessary infrastructure of sewage networks were often either non-existent, not constructed according to Western standards, or improperly managed.¹⁵

Hazardous substances sometimes cause equally dramatic disturbances, albeit through somewhat dissimilar mechanisms. Reproductive capability can be severely reduced by, for example, PCBs and DDT, and other pollutants such as various heavy metals can cause grave physiological damage. The prohibition of PCBs and DDT in the 1970s resulted in lower concentrations in several animal species, and also in a recovery of the total number of seals and several birds of prey in the region.¹⁶ However, several other substances that might have harmful effects are still in use, new ones with uncertain ecological effects are invented every day, and large volumes of various pollutants are at present embedded in sediments. These sedimented pollutants pose a long-term threat to the Baltic Sea, since future natural processes as well as human exploration can cause a release of these substances into the seawater.¹⁷ Substantial amounts of hazardous substances are furthermore still emitted to the Baltic Sea from various industrial activities, especially in the former socialist countries.

Several inland areas close to the coastline in these countries—and some in Scandinavia and in Germany—are furthermore badly contaminated. Inadequate management of these sites could cause significant fluxes of pollutants into the Baltic Sea in the future.¹⁸ Environmental hazards relating to oil transportation in the Baltic Sea have been a long-standing issue. The number of vessels entering the Baltic Sea increased significantly during the 1990s, and those destined for ports in the Baltic states and Russia are often rather old and do not have up-to-date environmental security equipment. Although oil spills in most cases do not pose significant long-term ecological threats, local damage can be substantial, both in terms of animal suffering and death, and in terms of clean-up costs, disturbance of recreational areas, reduced fish stocks, and the like. Since September 2001 Sweden has attempted to achieve within the HELCOM framework a joint application to the IMO in order to get the Baltic Sea classified as a Particular Sensitive Sea Area (PSSA).¹⁹

The First Helsinki Convention and the Cold War

It is quite clear that the early HELCOM initiative was caught in Cold War tensions during the 1970s and 1980s. The 1974 Helsinki Convention was not ratified by all parties until 1984. The interim secretariat was replaced by a permanent organization, but this did not change the main characteristics of HELCOM. Significant research efforts were made, particularly by the Scandinavian countries, concerning environmental issues relating to the Baltic Sea, but it was not possible to fully bridge the gap between scientific knowledge and joint political action. The Baltic Sea countries were also, after the ratification of the Convention, free to formulate domestic environmental priorities on issues relating to the Baltic Sea. HELCOM could only issue Recommendations on appropriate environmental policies. In order to achieve the necessary acceptance from all members, these Recommendations were typically vague, and it was possible to interpret them in different ways. In other words, the substantial investments and policy changes that took place in the environmental sector of the Scandinavian countries in particular were generally a result not of regional co-operation, but rather of national concerns.

The difference in national environmental stakes in a rehabilitation of the Baltic Sea should be noted. Approximately three-quarters of the Baltic Sea coast belongs to Sweden and Finland, and these countries also have considerable areas of valuable archipelagos.²⁰ Assuming countries to be concerned primarily with their own respective interests, it is clear that a convention stipulating maximum emission levels, mandatory cleaning technology and environmental practice, and similar, would be preferable to the countries with the highest stakes. In this way, costs would be shared between all the HELCOM member countries, while the environmental gains would be enjoyed primarily by Sweden and Finland. It is equally clear that, from a perspective of self-interest, the countries with the lowest stakes would not prefer common restrictions. Although this is only one aspect of the driving forces behind the diverging strategies chosen, country-specific incentives have probably shaped much of the underlying perceptions of reasonable political strategies. As will be shown below, coast length corresponded very well with the Scandinavian countries' respective ambition levels during the 1990s concerning environmental support to the former socialist countries.

Despite the quite ambitious efforts by HELCOM in this era, political and structural factors limited the efficiency in terms of actual results. Partly because of the Cold War influence at the political level and partly because of the divergent stakes, HELCOM tended to focus on technical and scientific subjects. The type of observers taking part

in the work accentuated the scientific approach. These observers consisted of qualified professionals, representing organizations such as ICES (the International Council for Exploration of the Sea), IBSFC (the International Baltic Sea Fishery Commission), the IMO (the International Maritime Organization), and the OSPAR Commission (the Commission for the Protection of the Marine Environment of the North-East Atlantic). Most of the work in HELCOM was undertaken in specialized subcommittees rather than in the Commission. One of the most important tasks was at this stage perceived to be an accumulation of scientific knowledge. Research results from different countries were collected, reports and compilations published, knowledge gaps identified, and potential pollution abatement strategies were evaluated.

The Second Helsinki Convention and Political Co-operation on the Joint Action Programme

The collapse of the Soviet Union in the late 1980s dramatically changed the potential for regional environmental co-operation in the Baltic Sea area. Environmental movements in the Baltic states had been important civil forces in the liberalization of these countries, and closer co-operation with Western neighbour countries was perceived to be of utmost importance. The Scandinavian countries and Germany were likewise sincerely interested in closer co-operation. The most important issue for all actors was national security and democracy support, but environmental co-operation soon became a significant part of the interaction between the former socialist states and the more affluent Western countries.²¹

A rather far-reaching revision of regional co-operation on environmental issues was elaborated at the 1990 Ronneby Conference held in Sweden. The strategy endorsed in the Baltic Sea Declaration signed in Ronneby emphasized the need to identify key environmental areas where investment was urgently needed, the importance of including the major international financial institutions in the HELCOM process, and the vital role of financial support to the former socialist states.

The Convention of 1974 was modified in order to take advantage of the new political circumstances as well as of increased scientific knowledge, especially on transboundary environmental disturbances. A new convention was signed in 1992, although not all HELCOM members had ratified it until 17 January 2000.

It is stated in the present Convention text that the 'Contracting Parties shall individually or jointly take all appropriate legislative, administrative or other relevant measures to prevent and eliminate pollution in order to promote the ecological restoration of the Baltic Sea Area and the

preservation of its ecological balance.²² It is also stipulated that the HELCOM member countries shall 'prevent and eliminate pollution of the marine environment of the Baltic Sea Area caused by harmful substances from all sources' and also eliminate pollution to the Baltic Sea from land-based sources.²³ Monitoring of point source as well as diffuse pollution shall furthermore be undertaken using scientifically accepted methods.²⁴

HELCOM today consists of the Commission, six expert subgroups, a task force, and a secretariat. The work of the six expert groups is targeted towards specific environmental issue areas such as monitoring, land-based pollution, maritime issues, nature conservation, and the overall HELCOM strategy.²⁵ The Commission convenes at least once a year. The chairman is furthermore required to call for an extraordinary session when requested by at least two Contracting Parties. The chairmanship rotates between the members every second year.²⁶ Meetings at a ministerial level are held occasionally. The number of HELCOM members has grown considerably.²⁷ The Baltic states and Russia were invited, and for the first time an organization—the European Community—achieved full member status.

The most important difference compared with the 1974 Convention was that inland waters were now included.²⁸ Because of political tensions during the Cold War, it had not been possible for HELCOM to adopt resolutions concerning circumstances within particular member countries, such as pollution of rivers and inland lakes, even if the primary environmental effect was ultimately on the Baltic Sea. With the new convention also such matters could be targeted for HELCOM Recommendations.

Another important change in the wording of the new convention was the more active collaboration with observers. As noted above, only a small number of scientific and expert organizations had taken active part in the HELCOM process in the 1970s and 1980s. Now the number of observers increased considerably. Today, the governments of Belarus and Ukraine have formal status as observers, together with 14 intergovernmental organizations. Furthermore, 16 non-governmental organizations, such as the WWF and BirdLife International, have achieved observer status. Two things should be noted, however. First, most of these non-governmental organizations have a regional focus, such as Coalition Clean Baltic (CCB) and the Union of the Baltic Cities (UBC). This can be seen as an indication of the growth of a regional civil society on environmental issues, although this development is still at a very early stage. Second, about half of the non-governmental observers consist of business-related associations, such as the European Chemical Industry Council (CEFIC) and the European Chlor-Alkali Industry (EURO CHLOR).²⁹ The increasing attention

shown by these organizations is both an indication of HELCOM's interest in incorporating not only countries but also other influential actors, and a sign of the importance of involving major companies in the protection of the Baltic Sea. It has become increasingly important for many corporations to retain a good public reputation on environmental issues in order to protect profits and future prosperity.

Finally, regarding the second Helsinki Convention, it should be noted that several of the general environmental principles discussed during the 1980s and 1990s have now been incorporated in the formal agreement. The most important principles are the precautionary principle—preventive measures do not require exact scientific knowledge before action is taken, if environmental damage can be reasonably assumed to occur—best environmental practices (BEP) and best available technologies (BAT)—the best technology and practices available to a reasonable cost should always be used – and the polluter pays principle (PPP)—actors causing environmental harm should be held responsible for these effects. The value of such very general principles could certainly be discussed. They have not been shown directly to influence policies adopted targeting the Baltic Sea.³⁰ The reason is twofold. First, the generality of these principles makes it necessary to specify their meaning in all kinds of different issue areas. This means that the value of the principles in relation to specific Recommendations and other decisions is difficult to estimate. Second, these principles always have to be related to costs incurred. The choice of technology, practice, and level of environmental hazard is always a compromise between environmental values and social or private costs. However, the value of these principles as focal points and norm-conforming instruments should not be discarded. Proclaiming far-reaching principles—even if they are quite unrealistic when taken literally—might make eventual policy outcomes and adopted recommendations more stringent than those that would have been achieved without them.

The JCP and the Importance of Bilateral Support

The most important outcome of the Ronneby Conference in 1990 and the Baltic Sea Declaration was probably not, however, the new convention but rather the endorsement in April 1992 of the need for an environmental action programme, the Baltic Sea Joint Comprehensive Environmental Programme (JCP).³¹ It was stated that the JCP should be a tool for the protection of the Baltic Sea, and that a special task force—the HELCOM Programme Implementation Task Force (HELCOM PITF)—should be the main monitoring authority of the JCP, particularly regarding financial issues.³² The HELCOM PITF consists of a substantial number of representatives, not only from all the

countries in the Baltic Sea drainage area, the European Union, and a significant number of other intergovernmental and non-governmental organizations, but also from the most important international financial institutions, regional as well as world-wide.³³

The JCP environmental action programme consists primarily of an identification of the most critical issues—Hot Spots—to address in order to ensure the future ecological health of the Baltic Sea, and a tentative financing plan for these areas. The cost of the complete programme was in 1992 estimated at ECU18 billion for the following twenty-year period. The number of Hot Spots initially identified was 132, located at different places in all Baltic Sea countries. Some of them were considered especially urgent, Priority Hot Spots, and were typically located in the former Soviet Union, that is, in the Baltic states, the St Petersburg region, Kaliningrad, and in Poland. Some Hot Spots have since been removed from the list, and the total number of items is currently around 115.³⁴ Most of the deleted Hot Spots concern different kinds of point-source pollution, where technical solutions and financial resources have been quite readily available. In issue areas where the individual emissions are small but large in number, so-called diffuse pollution (e.g. from traffic and agriculture), less has been achieved. The cost for the elimination of the remaining Hot Spots was estimated in 1999 to be about €EUR9.5 billion.

The creation of the JCP shows that an approach emphasizing environmental conventions as the only tools for the protection of the Baltic Sea was perceived as insufficient. The political changes in the former socialist countries had undoubtedly increased the opportunities for adoption of more stringent common regulations, but the fact that, as long as each member had veto power over the adoption of formal Recommendations, the lowest common denominator rule still hampered more ambitious efforts.³⁵

Without deflating the value of conventions, the adoption of the JCP set the agenda for the future environmental focal points, the issue areas where most of the available investments were to be made. With the creation of a 'to-do list' recognized as valid by all member countries, HELCOM was able to influence not only regional co-operation, but also projects undertaken at national or bilateral level (or between any number of participating countries).

As it turns out, almost all large-scale environmental investments relating to the Baltic Sea have been undertaken as national, bilateral, or trilateral joint projects, where the strategy has often been to facilitate the financing by some of the international financial institutions of projects in the former socialist countries.³⁶ When support money in this way is used to assist the recipient country in drafting a project proposal to, for ex-

ample, the World Bank, considerably larger projects can be obtained than when no financial institution is involved.

Considering the fact that the lower the number of involved actors, the more precisely advantageous projects can be chosen by the most concerned actors, the large number of bilateral projects undertaken is not surprising. In fact, since an individual donor country often covers the major part of the financing needed for a particular project, that donor can have almost complete discretion in project selection. The recipient country might not perceive the selected project as the most beneficial from its own perspective, but, in most cases, it is nevertheless better than nothing. It has been shown that Sweden, for example, has tended to favour joint projects in issue areas where the transnational effects are significant.³⁷ In this way, Sweden has been able to promote important national environmental interests.

It is furthermore interesting to note the correlation between the stakes of different donor countries in the environmental state of the Baltic Sea and the amount of environmental assistance they have provided to the recipient countries Estonia, Latvia, Lithuania, and Poland. Data concerning environmental assistance from Sweden, Finland, and Germany in the period 1990–1994 is shown in Table 1. The coast length adjusted assistance (fourth column) shows the amount each donor country would have contributed if the total volume of assistance was identical and the allocation scheme was strictly according to the length of the respective country's Baltic Sea coastline. A high degree of correspondence between coast length (as a proxy for national environmental stake) and amount of support would indicate that national interests have been important when deciding on the bilateral assistance to the Baltic states. As a comparison, the amount that each donor country would have given if it had been in strict relation to the size of the respective country's economy is given in the last column.

It is quite clear from Table 1 that the length of the coastline is a relevant factor when trying to explain donor country commitment. Although no general conclusions can be drawn from this individual case, the correspondence between the willingness of these donor countries to provide assistance and their stakes in the environment of the Baltic Sea as indicated by their respective coast length is remarkable. In contrast, the size of the economy does not seem to be a relevant factor at all.

It should finally be noted that the reliance on individual donor country incentives to finance particular projects might easily result in biased investment schemes in the recipient countries. Most bilateral donors are interested primarily in issue areas where environmental disturbances cross national borders, because national environmental

Table 1. Bilateral environmental assistance in relation to coast length and size of economy

Bilateral donor	Percentage of total Baltic Sea coast length ^a	Gross assistance ^b	Coast length adjusted assistance	GNP adjusted assistance ^c
Sweden	60	52.2	50.7	6.4
Finland	17	13.7	14.4	3.2
Germany	5	3.4	4.2	59.7
TOTAL	82	69.3	69.3	69.3

Notes:

^a Data on coastline lengths have been obtained through personal communication with the Swedish Meteorological and Hydrological Institute (SMHI), 21 April 1999.

^b Data on gross assistance have been taken from Berg (1995), *The Environmental Support to the Baltic States*. The exchange rates used were: 1 SEK = €EUR8.60, FIM1.44, DKK1.15, \$US8.3, and DEM4.4. All amounts are in current million \$US.

^c Data on GNP are from International Bank for Reconstruction and Development (1993), *World Development Report: Investing in Health* (New York: Oxford University Press); and International Bank for Reconstruction and Development (1995), *World Development Report: Workers in an Integrating World* (New York: Oxford University Press). The average of the GNP data from 1991 and 1993 has been used for the calculation of GNP adjusted assistance.

values could then be threatened. In order to ascertain local commitment to a project, most bilateral donors require the recipient country to cover a considerable part of each joint project's costs. The result is often that local resources available for environmental investments are used in joint projects targeting issue areas with significant transboundary effects. This means that other issue areas, those with primarily local environmental effects such as solid-waste management and protection of freshwater, natural, and cultural landscapes, are often neglected, since neither financial assistance nor local means are accessible for investments in these areas.³⁸

Discussion

The environmental status of the Baltic Sea has been enhanced in several respects during the last decade. Emissions of nutrients from point sources have been significantly reduced, as have releases of organo-halogen compounds (e.g. dioxins and furans), leaded petrol is being phased out in the whole region, and joint environmental monitoring is becoming more efficient and reliable. Visible improvements such as reopened bathing beaches and the recovery of white-tailed eagle and seal have been important in order to ensure future political support of the JCP.

It is difficult to estimate to what extent HELCOM has been instrumental in these improvements, and also what would have been achieved without such a regional institution. However, there is no doubt that HELCOM has played a significant role in how the protective measures relating to the Baltic Sea have been shaped and financed. This influence has primarily been achieved not through

convention texts or institutional strength, but rather due to its ability to successfully shape the regional environmental agenda. It has been able to formulate a list of items—the Hot Spots—where urgent action is needed, and to suggest remedies in the form of the JCP. These initiatives have both been based on scientific evidence produced in HELCOM member countries. It should be noted, however, that the JCP would most likely not have been accomplished in the way it was if the basic structure of HELCOM had not been in place beforehand. Had the JCP been elaborated on a purely political and bilateral basis, the focal point on common environmental issues would almost certainly have been blurred by various national interests, and the need to involve non-state actors would probably have received less emphasis.

When the Baltic states and Poland become members of the European Union, regional integration in the Baltic Sea area will take an important leap forward.³⁹ Environmental regulation will be more in line with that of other EU member countries. This will most likely not mean, however, that environmental management and protective policies in the Baltic states and in Poland will be easily solved, even if additional funds from the EU become available. One of the most important reasons for this is the fact that, although environmental regulation at the state level has already been reasonably well adapted to EU standards in the Baltic states and Poland, local administration and implementation in general is still quite undeveloped, as a result of not only a shortage of financial resources but, perhaps more importantly, also a scarcity of professional skill and administrative capacity.⁴⁰

The entrance into the European Union does not mean

that the underlying incentives for bilateral co-operation—as opposed to union-wide management—disappears. The relatively affluent Scandinavian countries, Sweden, Denmark, and Finland, will continue to have strong incentives to shape environmental enhancement strategies in accordance with their individual national interests. However, when the situation improves in the areas hitherto prioritized by the Scandinavian countries, individual countries' incentives for bilateral funding might decrease. HELCOM will thus continue to have an important role to perform as an agenda-setter for regional environmental improvement in the Baltic Sea region. It will furthermore continue to have a vital role in facilitating the Baltic states, Poland, and Russia to obtain environmental investments from the international financial institutions. Since funding for particular projects is seldom fully covered by grants, the continued involvement of these institutions will be a prerequisite for any restoration of the Baltic Sea.

The role for HELCOM as an augments of regional environmental co-operation will also be very important from a political perspective when Russia becomes the only Baltic Sea country outside the European Union. HELCOM will predictably achieve a position as somewhat of a mediator between the EU and the Russian Federation regarding regional environmental issues. The inclusion of the Baltic states and Poland in the EU will furthermore make HELCOM's expertise vital in the formulation of future EU strategies on the protection of the Baltic Sea.

The HELCOM example shows that, when the ultimate goal is to reach substantial and tangible improvements, it is not sufficient to focus only on convention texts and formal agreements in international environmental co-operation in general and regional co-operation in particular. Especially when the number of actors is relatively small, action plans and similar political initiatives, where key areas are identified and individual countries are allowed to focus on those issue areas of particular interest to them, can bring sizeable additional contributions.

Notes and References

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1. Ronnie Hjorth (1992), *Building International Institutions for Environmental Co-operation* (Linköping: University of Linköping), 165.
2. At present, the HELCOM secretariat consists of one Executive Secretary, five Professional Secretaries, one Administrative Officer, one Project Co-ordinator, and seven Assistants. The budget for 2003 is €EUR 1.9 million.
3. The European Union, the World Bank, the European Bank for Reconstruction and Development, and some other bodies certainly exert influence in this issue area, but the point here is that the behaviour of these bodies to a considerable extent is determined by the interests and capabilities of their dominating member states.
4. A case study on the driving forces behind Swedish policy in regard to regional environmental problems can be found in Björn Hassler (2003), *Science and Politics of Foreign Aid: Swedish Environmental Support to the Baltic States* (Dordrecht: Kluwer Academic Publishers).
5. It can reasonably be argued that a longer coastline, *ceteris paribus*, tends to increase the value of maritime environmental enhancements, due to total real-estate, recreational, and tourist values as well as fish stocks and the like.
6. The most important reason why richer countries can be assumed to spend more on environmental investments than less affluent countries is because the 'environmental budget' typically increases in parallel with a rising GNP. Furthermore, it is probably the case that environmental goods have a rather high income elasticity compared with many materialistic goods; that is, the relative size of environmental investments in relation to other budgetary items increases with GNP. See further Björn Hassler (2002), 'Foreign Assistance as a Policy Instrument: Swedish Environmental Support to the Baltic States 1991–96', *Co-operation and Conflict*, 37: 1, 25–45.
7. The spread of an ecological disturbance is not only determined by the type of pollutant, but is also influenced by different chemical processes, biological absorption, etc.
8. Jack Knight and Itai Sened (1998), *Explaining Social Institutions* (Ann Arbor: University of Michigan Press).
9. Hjorth (1992), *Building International Institutions*.
10. Hassler (2003), *Science and Politics of Foreign Aid*.
11. To some extent, the lowest common denominator restriction had been countered by the administrative mechanism where working groups were assigned specific tasks. However, this did not change the fact that less ambitious actors still had significant capacity to slow things down.
12. It has been estimated that it takes approximately 25 to 40 years to fully renew the total water volume of the Baltic Sea; HELCOM (1993), *High Level Conference on Resource Mobilization* (Gdansk, Poland).
13. Per Stålnacke (1996), *Nutrient Loads to the Baltic Sea* (Linköping: Department of Water and Environmental Studies, University of Linköping).
14. HELCOM (1993), *Summaries of the Pre-Feasibility Studies*, Baltic Sea Joint Comprehensive Environmental Action Programme (Helsinki: Helsinki Commission).
15. Economic Commission for Europe (1999), *Environmental Performance Review: Latvia* (Geneva: United Nations); Economic Commission for Europe (1999), *Environmental Performance Review: Estonia* (Geneva: United Nations); Economic Commission for Europe (1999), *Environmental Performance Review: Lithuania* (Geneva: United Nations).
16. Swedish Environmental Protection Agency (2000), *Environmental Monitoring for a Healthier Baltic*, *Enviro Report* No. 3 (Stockholm).
17. HELCOM (1993), *The Baltic Sea Joint Comprehensive Environmental Action Programme: Opportunities and Constraints in Programme Implementation* (Helsinki: Helsinki Commission).
18. Ministry of Environmental Protection of the Republic of Lithuania (1996), *Lithuanian Environmental Strategy* (Vilnius: Ministry of Environmental Protection of the Republic of Lithuania); Ministry of Environmental Protection and Regional Development (1995), *National Environmental Policy Plan for Latvia* (Riga); Ministry of Environmental Protection and

- Regional Development of the Republic of Latvia (1996), *National Environmental Action Program* (Riga).
19. In March 2003 it was not yet clear whether this goal would be achieved. However, it was then stated by the Swedish Minister of Infrastructure, Ulrica Messing, that, if it was not possible to reach a consensus among the HELCOM member countries, Sweden would try to achieve this by itself (Interpellation 2002/03:211). This issue was also discussed in a joint HELCOM/IMO/EU workshop held in Warnemünde, Germany, in March 2003, but no decision has yet been reached.
 20. Sweden has approximately 60 per cent of the total coastline and Finland approximately 17 per cent. Source: personal communication with the Swedish Meteorological and Hydrological Institute (SMHI), 21 April 1999.
 21. Hassler (2003), *Science and Politics of Foreign Aid*.
 22. *Convention on the Protection of the Marine Environment of the Baltic Sea Area*, 1992, Article 3. The members of the Helsinki Commission (HELCOM) are formally known as *Contracting Parties*. In this text, 'Contracting Parties' and 'members' are used interchangeably.
 23. *Convention on the Protection of the Marine Environment of the Baltic Sea Area*, 1992, Articles 5 and 6.
 24. *Ibid.*, Article 3.
 25. The six HELCOM expert groups are: HELCOM MONAS (monitoring and assessment), HELCOM LAND (land-based pollution), HELCOM MARITIME (mainly shipping issues), HELCOM RESPONSE (targets swift responses to accidents and similar), HELCOM HABITAT (nature conservation and coastal zone management), HELCOM STRATEGY (targets overall HELCOM strategic coherence), and the HELCOM PITF (the Programme Implementation Task Force).
 26. *Convention on the Protection of the Marine Environment of the Baltic Sea Area*, 1992, Article 19.
 27. In early 2003 the Contracting Parties were Denmark, Estonia, the European Union, Finland, Germany, Latvia, Lithuania, Poland, Russia, and Sweden.
 28. It was also explicitly stated that a view should be adopted whereby the complete Baltic Sea catchment area is considered. This means that land-based emissions originating from areas outside the borders of the member countries but affecting ecosystems of the Baltic Sea could be discussed within the HELCOM framework (*Convention on the Protection of the Marine Environment of the Baltic Sea Area*, 1992, Article 6).
 29. A complete list of all HELCOM observers can be found at the HELCOM website at <<http://www.helcom.fi>>.
 30. Per Mickwitz (1998), *Implementation of Key Environmental Principles: Experiences from the Protection of the Baltic Sea* (Copenhagen: Nordic Council of Ministers).
 31. HELCOM (1993), *The Baltic Sea Joint Comprehensive Environmental Action Programme: Opportunities and Constraints in Programme Implementation*.
 32. A separate Resource Mobilization Conference was held in Gdansk, Poland, in 1993. See HELCOM (1993), *High Level Conference on Resource Mobilization*.
 33. Apart from the Contracting Parties, the following countries and organizations are members of the HELCOM PITF: Belarus, the Czech Republic, Norway, the Slovak Republic, Ukraine, the World Bank Group, the Council of Europe Development Bank (CEB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Nordic Investment Bank (NIB), the Nordic Environment Finance Corporation (NEFCO), and the International Baltic Sea Fishery Commission.
 34. It is somewhat difficult to give an exact figure on the number of Hot Spots at present, since some of them are under consideration for removal from the list.
 35. It should be noted, however, that there is always a cost attached to being the least ambitious country, in terms of loss of reputation, potential reprisals from other countries, etc., which means that the eventual outcome of the negotiations between the member countries will typically be somewhat of a compromise between the diverging standpoints.
 36. Christian Berg (1995), *The Environmental Support to the Baltic States, Poland and Western Russia* (Stockholm: Swedish Environmental Protection Board).
 37. Björn Hassler (2000), *The Strategy of Assistance: Swedish Co-operation with the Baltic States 1991–1996* (Linköping: Department of Water and Environmental Studies, Linköping University, Diss. No. 255).
 38. *Ibid.*
 39. These countries will become EU members within a couple of years, possibly in 2004. Before this can happen, however, national referendums have to be carried out. Although popular support for EU membership has declined during recent years, most observers still believe that the proponents for membership will prevail in Poland as well as in the Baltic states.
 40. Economic Commission for Europe (1999), *Environmental Performance Review: Latvia*; Economic Commission for Europe (1999), *Environmental Performance Review: Estonia*; Economic Commission for Europe (1999), *Environmental Performance Review: Lithuania*.

