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REPORT
on
THE CURRENT STATE OF AND
PERSPECTIVES FOR COOPERATION
in the
BALTIC SEA REGION

(Presented by the Commission)



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This report finds its origin in a Communication from the Commission to the Council, "*Orientations for a Union Approach towards the Baltic Sea Region*" (25 October 1994), which was endorsed by the Council in its "*Council Conclusions on the European Union policy vis-à-vis the Baltic Sea Region*" (DS 268 Rev. 1; May 1995). In the *Conclusions* the Council calls for the Commission to prepare "..... a report on the current state of and perspectives for the cooperation in the Baltic Sea Region". The *Cannes Summit* reiterated the interest in such a report.

The report is of an informative character and should not be interpreted as a budgetary document. It is a synthetic document reflecting: (a) the various existing and estimated contributions for the period 1991-94, and (b) an estimate of the indicative contributions foreseen for the Baltic Sea Region from different sources for the period 1995-99. The financial resources of the Community and the Member States that could be allocated to different programmes over the period 1995-99, are subject to approval on an annual basis by the respective budgetary authorities.

The report therefore presents an overview of the total of foreign assistance provided to the Baltic States (Estonia, Latvia and Lithuania), Poland (in as far as its Baltic Coast is concerned), and the Russian Federation (specifically, the St. Petersburg region and Kaliningrad). It includes the funds provided by the EU, the Member States (on a bilateral basis), the other G-24 members and the international financial institutions (IFI). The overview includes both grant and credit resources made available in the period 1990-94. In addition, the report attempts to draw some conclusions with regard to the total and character of the assistance which could be available for the Baltic Sea Region in the period 1995-99.

1. Background

1.1 Orientations

Against the background of the accession of Finland and Sweden to the EU, the functioning of the Europe Agreement with Poland, the signing of the Europe Agreements with the three Baltic States (June 1995), the oft-stated desire of the associated countries to be considered as potential future members of the EU, and the Partnership and Cooperation Agreement signed with the Russian Federation, the *Orientations* outline:

- the historical ties between the countries of Western Europe with those of the Baltic Sea Region,
- the EU, Member States, G-24 and IFI supported measures already in place to strengthen the regional dimension of political and economic cooperation; and
- the potential for stronger concerted effort to enhance development and increase synergy through a regional integrated approach for cooperation in the Region.

The *Orientations* indicate that scope for the development of such a specifically regional Union approach to the countries of the Baltic Sea Region exists, based upon a deepening of the Union's own bi-lateral relationships and supported by the active encouragement and support of inter-regional and sub-regional cooperation.

The *Orientations* identify a number of means to realise the approach:

- enhancing the political dialogue with Baltic States in a multi-lateral framework on issues of common interest, with a view to promoting stability and security in the Baltic Sea Region;

- addressing issues relating to stability and security in the Baltic Sea Region in the Union's political dialogue with Russia;
- continuing the Commission's active part, as a full member, in the work of the Council of the Baltic Sea States (CBSS);
- intensifying the coordination of existing bi-lateral and multi-lateral assistance programmes to the countries in the Region, within a regional context;
- giving priority to infra-structure, environment and investment promotion, noting that the Union's structural, PHARE and TACIS funds for the area should contribute in a complementary manner to such projects in the Baltic Sea Region;
- stimulating and supporting the activities of the economic operators in the area at regional, sub-regional, local and private organisation level; and
- encouraging regional and sub-regional cooperation for the regions of Russia bordering the Baltic Sea.

1.2 Council Conclusions

The *Council Conclusions* take note with satisfaction of the *Orientations* and state that the European Union is uniquely placed to contribute to the stability of the Region, as a result of the ties it has created with the countries bordering the Baltic Sea and which find expression in the establishment of numerous channels for political dialogue (including the structured dialogue with the associated countries, the Partnership and Cooperation Agreement with Russia and the dialogue with Norway in the context of the European Economic Space). The *Conclusions* further refer to the adoption of the Pact for Stability (March 1995), the lead role now played therein by the Organisation for Security and Cooperation in Europe (OSCE), and the need to follow this process closely with regard to the Region.

The *Conclusions* highlight the importance of the Council of the Baltic Sea States (CBSS) and invites the Commission to formulate proposals with regard to the role the Commission can play in that context.

The *Conclusions* call attention to the need to foster regional economic cooperation in the Region, the need to enhance close commercial ties (especially with regard to the non-Member States), the desirability of putting assistance delivery to the countries concerned in a regional context, the need to achieve regional consensus on assistance priorities, and the need to strengthen assistance coordination (looking to the G-24 and CBSS suitable fora in this regard).

The *Conclusions* end by expressing a desire that the activities of the European Union in the Region contribute to and complement regional cooperation and good neighbourly relations. The Council sees the following areas as priority:

- trade;
- infrastructure (including transport);
- investment;
- environment;
- energy and nuclear safety; and
- development of activities by local entities and the private sector.

1.3 Report Structure

A broad classification of types of programmes has been adopted in this report¹:

- Economic infrastructure and services - transport, communications, environment, and energy;
- Social infrastructure & services - education, health, and public administration;
- Production sectors - agriculture (including agro-processing and fisheries), industry, trade, banking and tourism; and
- Multi-sector - macro-economic assistance, balance of payment support, structural adjustment and debt management.

In addition, an indication is provided of the following types of assistance:

- technical assistance and training;
- export credits;
- private investment support; and
- sector aid and other (including: economic reform and public investment).

The sections 2-7 below, summarise past and ongoing programmes in the Baltic Sea Region, funded from a variety of EU and non-EU sources, arranged by sector or attention area. Tables providing detailed and summary figures on aid allocations by major donors in the region over the period 1990-94 can be found in the Annexes 1, 2 and 3.

Section 8 and Annex 4 present an outline of the resources which would most likely be available in the period 1995-99, while section 9 suggests a possible follow-up to the report.

2. European Union - PHARE & TACIS Programmes and Community Assistance

2.1 PHARE National Programmes - Baltic States and Poland

Over the period 1990-94 the three Baltic countries (Estonia, Latvia and Lithuania) and Poland received a total of 1,218 MECU² in the form of assistance in the context of the national PHARE programmes funded by the European Union³. It is estimated that of the total of assistance to Poland over that period (1,012 MECU), an average of 15% (or 152 MECU)⁴ benefited the Baltic coast region of Poland. This results in a total of national PHARE (and TACIS) programme funds for the Baltic Sea Region of 358 MECU for the period, of which a total of 206 MECU for the three Baltic countries.

¹ Differences in orientation between the assistance programmes funded by the various donor countries and organisations and targeting the Baltic Sea Region, are difficult to assess due to diverging definitions of types of assistance.

² Most figures in this report (except where relevant) are rounded to nearest MECU.

³ The total of 1218 MECU includes 15 MECU from the TACIS programme provided to the Baltic States in 1991, before these countries joined the PHARE programme in 1992.

⁴ The average of 15% is based on an calculation of the share of funds provided to Poland, directly or indirectly benefiting the first 2 lines of "voivodships" fronting the Baltic Sea. No generic data for this estimate are available.

These programmes mainly concerned macro-economic stabilisation and covered the provision of technical assistance, financial assistance (SME credit lines), training and limited equipment supplies in a wide variety of areas, including all infrastructure sectors, privatisation/restructuring, banking and public finance, human resources development, including the social sectors (education, health, social safety and labour market), public administration and external debt management.

Multi-annual Indicative Programmes (MIPs) for the period 1995-99 and covering a total estimated allocation of 430 MECU, are currently under preparation for the three Baltic countries. An amount of 750 MECU is likely to be available for Poland, of which an estimated 15% (or some 115 MECU) for the country's coastal regions. The total of funds for the Baltic Sea Region from EU multi-lateral funds under the national PHARE programmes is therefore likely to amount to 545 MECU.

More concentrated in character than the earlier programmes, the MIPs are expected to focus on:

- pre-accession (implementation of the Free Trade and Europe Agreements, adoption of the internal market acquis and preparations for accession to the Union);
- medium-term restructuring (post-stabilisation economic development);
- infrastructure investment; and
- regional cooperation.

2.1.1 Estonia

With total funding of almost 48.5 MECU⁵ for the period 1990-94, the programme for Estonia largely concentrated on economic stabilisation and restructuring, while a number of strategy and feasibility studies in energy environment and transport were also financed. During the first years of assistance, relatively little attention was given to human resources and social sector development.

For the period 1995-99, the focus with regard to the indicative national PHARE programme allocation (an indicative total of 105 MECU) will shift to the preparation of public and private economic investment (especially in agriculture and regional development). The main reason for this can be found in the need to counter-balance the earlier bias in favour of urban development, to the detriment of the rural areas.

It is expected that the MIP, in addition to European integration and infrastructure development, will dedicate substantial funds for activities in the areas of:

- export development;
- regional development; and
- public sector management.

2.1.2 Latvia

Support for the process of macro-economic stabilisation (privatisation, industrial restructuring and development of finance and banking sector) constituted also the larger part of the total of 67.5 MECU⁶ made available to Latvia in the period 1991-94.

⁵ Including 4 MECU from the TACIS programme in 1991.

⁶ Including 5 MECU from the TACIS programme in 1991.

Over the period 1995-99 (and based on an indicative total allocation of 135 MECU) this type of funding will substantially support the process of restructuring in the industrial and agricultural sectors. Part of the PHARE assistance will be dedicated to support of infra-structure investment, both through technical assistance and the funding of part of the local cost financing pertaining to loan-based financing of public investments by the IFI. The PHARE criteria for infrastructure investments, especially those pertaining to "additionality" and "complementarity" will apply⁷.

In addition to European integration and infrastructure development, the MIP is expected to dedicate substantial resources to:

- private sector development (privatisation, banking, SME, investment promotion);
- agriculture;
- institutional and human resources development; and
- the social sector.

2.1.3 Lithuania

Identical orientations as for Estonia and Latvia have applied to the Lithuanian programmes in the period 1991-94, which amounted to a total of 90 MECU⁸. Noteworthy in the case of Lithuania was the use of PHARE funding for the preparation of 3 large-scale strategy studies in the areas of, respectively, agriculture, transport and energy.

For the period 1995-99, continued assistance (an indicative total of 190 MECU) is foreseen for both economic investment (agriculture, industrial restructuring and SME development) and infrastructure development (energy, environment, transport), including local cost financing of the Government's Public Investment Programme.

In addition to support for European integration-related activities, the MIP for Lithuania is expected to concentrate on:

- economic reform (agriculture, privatisation/restructuring, SME development (credit lines), investment promotion, banking/finance); and
- the social sector and human resources development (vocational education, public administration, labour market, health and civil society).

2.1.4 Poland

The total of PHARE Programme resources for Poland in the period 1990-94 amounted to 1,011.6 MECU (of which an estimated 152 MECU for the Baltic coastal regions)⁹ and covered programmes in every key sector, focusing on key policy issues. Major programmes concerned:

- infrastructure (transport, environment, energy and telecommunications);
- economic investment (agriculture (cooperatives, credit lines), finance and banking (taxation, National Bank, budget preparation), industrial restructuring/privatisation and private sector development (regional development and SME Development); and
- human resources development (labour market, education, health care, customs, statistics, public administration and higher education (scholarships, exchange programmes)).

⁷ Discussion Paper - "PHARE Infrastructure Investments", Brussels, January 1995.

⁸ Including 6 MECU from the TACIS programme in 1991.

⁹ See footnote 4.

Projections for the period 1995-99 are based on an allocation of 750 MECU (of which an estimated total of 115 MECU for the Baltic coastal regions) with programmes in the areas of:

- employment (energy infrastructure, agriculture, environment);
- institutional reform; and
- increased competitiveness (regional development, participation in Community programmes, higher education).

2.1.5 PHARE Infra-structure (Trans-European Networks)

An estimated 30% of the total of the national PHARE allocations for the period 1990-1994 was dedicated to the development of the infrastructure in the Baltic Sea Region, in the form of technical assistance, training and management support in the infrastructure-oriented sectors: energy, environment, transport, and telecommunications.

Over the period 1990-94, technical assistance and related support for infrastructure development in the Region amounted to an estimated 107 MECU, as part of and included in the above mentioned respective national PHARE programmes.

Further to the Copenhagen and Essen Councils, a maximum of 25% of the annual PHARE programme can now be dedicated to infra-structure investment. In view of the limitations posed by the available funds, relatively to the size of the substantial renovation, rehabilitation and new infra-structure needs, such direct financing will have to be complementary to loan-based financing extended by the IFIs.

The total allocation for Trans-European Networks (as an integral part of both the national PHARE programmes and the Multi-Country Programmes) for the partner countries in the Region for the period 1995-99, is expected to amount to 350 MECU, largely in the form of preparatory technical assistance and contributions towards local cost financing linked to loan-based programmes funded by the IFIs, combined with resources from the respective government budgets.

Major programmes which are under consideration, include:

- port development;
- Via Baltica and Via Hanseatica;
- Gdynia-Katowice railway (E-67);
- motorway Gdynia-Katowice (A1);
- border crossings;
- gas pipeline Russia-Belarus-Poland-EU;
- Baltic electricity ring; and
- telecommunication links.

2.2 Intra-Regional Cooperation

2.2.1 PHARE Multi-Country Programmes

In addition to the national PHARE programmes, the four partner countries benefit from participation in PHARE Multi-Country Programmes in a variety of areas. The programmes are designed to stimulate the promotion of regional cooperation between all 11 PHARE countries on issues of common interest. The total allocation for Multi-Country Programmes in the period

1992-94 amounted to 314.2 MECU and included, amongst others, substantial programmes in the areas of:

- macro-economic research (22.5 MECU);
- customs cooperation (16.5 MECU);
- energy networks (25 MECU);
- environment (46.0 MECU); and
- nuclear safety (35.0 MECU).

In addition, there were programmes in sphere of the fight against drugs, quality assurance and standards, telecommunications, transport, statistical cooperation, joint venture promotion, science and research and public administration.

Although definite allocations on a country-by-country basis cannot be identified (these depend on the pro-activeness of each country with respect to the Multi-Country Programmes) it is estimated that of the total multi-country resources of nearly 314.2 MECU, the partner countries in the Baltic Sea Region (including the Baltic coast region of Poland) benefited from around 30%, or 94 MECU.

For the period 1995-99 an estimate of allocations that could be made available (largely in the same areas) amounts to 30% of 476 MECU, i.e.: 143 MECU (rounded).

2.2.2 PHARE Cross Border Cooperation

Cross Border Cooperation activities in the Baltic countries started in 1994 with a total allocation (for that year) of 11 MECU. The focus in this programme lies with environment and transport infrastructure. In addition, the programme includes some smaller projects in the social sector.

The Cross Border Cooperation Programme for the period 1995-99 is set on an agreed regional footing (covering Estonia, Latvia and Lithuania, as well as the Baltic coast of Poland). The programme is closely linked to INTERREG II programme activities in Denmark and Finland. The allocation for 1995 has been set at a figure of 16 MECU (including a 5 MECU¹⁰ Baltic Small Project Facility, currently under preparation). By extrapolation the total allocation for the period 1995-99 amounts to 80 MECU¹¹.

The emphasis in the 1995-99 MIP for Cross Border Cooperation in the Baltic Sea Region is on:

- infrastructure (energy, environment, telecommunications and transport); and
- human resources development.

The Cross Border Cooperation programme offers significant scope for the effective combination of PHARE and TACIS funds for cross border projects between the partner countries in the region. A new TACIS regulation, opening up the possibility for cross border cooperation projects under that programme, is currently subject of discussion in the Council.

¹⁰ Composed of: 3 MECU from INTERREG II, Article 10 funds and 2 MECU from PHARE funds.

¹¹ Composed of: 5 annual allocations of 3 MECU for Estonia, 3 MECU for Latvian 4 MECU for Lithuania and 4 MECU for Poland (Baltic coastal regions), plus 2 MECU contribution from PHARE funds to the Baltic Small Project Facility; all figures indicative.

2.2.3 PHARE Horizontal Programmes

There are a number of smaller programmes of a multi-country character which offer scope for funding of activities in the Baltic Sea Region. These programmes which are described below depend (with the exception of the Democracy Programme) on funding from the PHARE and TACIS allocations, often in combination with financing from the European Regional Development Fund.

The PHARE and TACIS Democracy Programme

The programme is designed to enhance democratic practices in the societies of the CEEC and the NIS and to underline the importance of the rule of law. It focuses on eight areas of activity in supporting projects submitted by non-governmental organisations (NGOs): (1) parliamentary practice and organisation, (2) transparency of public administration and public management, (3) development of NGOs and representative structures, (4) independent, pluralistic and responsible media, (5) awareness building and civic education, (6) promoting and monitoring human rights, (7) civilian monitoring of security structures, and (8) minority rights, equal opportunities and non-discrimination practices.

The Lien Programme

The Link Inter-European NGOs (LIEN) programme aims to help CEEC and NIS non-governmental organisations to establish a safety net for populations which, in the current transition process are most vulnerable. It provides assistance to those having limited access to health, social care and employment, in order to improve their condition, status, education and professional employment opportunities; contributes to the social reintegration of the unemployed and marginalised sections of the population (minority members, the handicapped); and promotes sustainable health and social support for certain target groups (the elderly, the homeless, street children, victims of drug addiction or AIDS, etc.).

The Partnership Programme

The programme aims to promote socio-economic development by establishing sustainable EC-CEEC partnerships between non-profit making professional organisation, representative bodies, voluntary organisations, business foundations and other similar institutions. It provides support for initiatives that encourage local economic development and institutional strengthening, defined as the establishment or enhancement of the operational capacity of institutions that play a role in economic development. It focuses on five areas of activity: (1) regional development, (2) local development, (3) business and enterprise development, (4) human resources development and education, and (5) institutional strengthening, wherever it advances the process of economic reform and local socio-economic development.

Funding for this programme amounted to 10 MECU in 1993 and 11 MECU in 1995. It is estimated that the Baltic Sea Region partner countries benefit to the extent of around 15% of these allocations.

Civil Society Development Programmes

These programmes aim to strengthen and widen the capacity and range of actions and involvement of NGOs in civil society and are managed by a board consisting of representatives from NGOs, independent persons and government representatives.

2.2.4 Stability Pact

The above mentioned intra-regional programmes contribute to the objectives of the Stability Pact.

There exists considerable scope for expanding this type of programme, particularly in the sphere of democracy (e.g.: language training for minorities in Estonia and Latvia), development of non-governmental organisations, and civic society.

2.3 Community Macro-Financial Assistance

In 1992 the three Baltic States initiated ambitious stabilisation and reform programmes and concluded stand-by arrangements with the IMF. The G-24 were called upon to contribute to fill the remaining expected balance of payments gap for the initial programme period (mid-1992 - mid-1993), estimated at a level of USD 105 million for Estonia, USD 210 million for Latvia and USD 285 million in the case of Lithuania.

In November 1992, the Council approved macro-financial assistance of up to 220 MECU for the three countries (Estonia: 40 MECU; Latvia: 80 MECU and Lithuania: 100 MECU) in support of the countries' programmes of adjustments and structural reform. The bulk of the remaining bi-lateral support was awarded by non-EU G-24 countries, in particular Japan and EFTA countries. Loan agreements and memoranda of understanding between the Community and each beneficiary were signed in early 1993. The Commission disbursed the first tranche (50%) in March 1993 for Estonia and Latvia and in July 1993 for Lithuania. An amount of 25 MECU out of the second tranche of the loan facility to Lithuania was disbursed in August 1995.

2.4 Community Programmes

Pressure from the partner countries in the Baltic Sea Region is mounting to be admitted to participation in Community Programmes. The partner countries wishing to participate in Community Programmes are expected to pay themselves the cost of this participation from their own government budgets. If necessary, PHARE may complement this financial contribution up to a maximum of 10% of the national PHARE allocations.

The outline Multi-Annual Indicative Programme (MIP) 1995-99 for Poland includes an 8% share for participation in community programmes, which is not, however, linked to potential projects in a Baltic Sea Region context.

In the course of the current programming discussions with regard to the MIP 1996-99, none of the three Baltic partner countries have foreseen the possibility to request financial assistance from PHARE funds to participate in community programmes. It is expected however, that future annual reviews of the respective MIPs will dedicate a part of the available resources to community programmes, especially in the field of education.

In the area of science and technology, the three Baltic States, as well as Poland, participated in research projects of the 3rd and 4th Framework Programmes in 1994 (PECO) and were also entitled to participate in the COPERNICUS 1994 call for funded joint research projects and concerted actions. In addition, Poland was eligible to participate in PECO 1992 and PECO 1993. Mention can also be made of Research and Technology Development-related interventions of the FACIS programme. In 1993 the Commission (DG XII) launched a feasibility study to examine the use of the STRIDE model for Research and Technology Development in Central European Countries.

Under the 4th Framework Programme, all 4 countries are eligible for EU funding via INCO for participation in other specific programmes of the 4th Framework Programme and the COPERNICUS 1995.

A further and enhanced consideration of Research and Technology Development in regional development schemes may be opportune to strengthen the competitiveness of the Baltic Sea Region.

The LIFE Programme

Under the LIFE I programme, which aims at (a) supporting the strengthening of administrative structures in charge of the implementation of environmental provisions, (b) the control and reduction of various forms of pollution, and (c) the protection of sensitive areas in the EU, 5% of the total budget (450 MECU for 1992-95) has been earmarked for actions in third countries of the Baltic and Mediterranean Sea areas (see next paragraph). LIFE II (1996-99), which is under preparation, will provide for a broader integration of associated CEECs, including Poland and the Baltic States, in the programme. In principle, all actions supported by the programme will be accessible for these countries, however only through contributions from their respective national budgets or through utilisation of (part of) their PHARE allocations. The general principles regarding the financing of the CEEC participation will apply.

The LIFE "Third Country Branch"

Since 1993, the LIFE programme has contributed an amount of 3.6 MECU to three Environmental Centres for Administration and Technology (ECATs) in the Baltic Sea Region (Kaliningrad, Riga and St. Petersburg). The ECATs are joint projects between a Central or Eastern European administrative body for environmental protection and a Western European counterpart. The recipient partners contribute an additional 1 MECU in total. A fourth ECAT is scheduled for opening in Vilnius in May 1996.

The ECATs were designed to assist local governmental and non-governmental organisations as well as industry and educational institutions in the development and implementation of projects, action programmes and policy instruments to protect the environment. ECAT attracts international assistance to environmental initiatives and facilitate the flow of environmental information between Central and Eastern European Countries and the European Union.

The Baltic Environmental Forum

A newly established Baltic Environmental Forum (BEF), with activities in the three Baltic States, aims to strengthen regional cooperation in the field of environment and supports the process of integration of the countries concerned into the European Union. The support from the Commission amounts to 0.5 MECU. The BEF receives additional funding from the German Federal Government, as well as from Schleswig-Holstein and the Finnish Ministries of Environment. The activities of the BEF include workshops and seminars at the request of the Baltic Council or ministries in the Baltic area. It also provides support to the Baltic States in the development and implementation of National Environmental Action Programmes and strategies.

The SYNERGY and SAFE Programmes

The Energy Cooperation Programme for third countries, SYNERGY (4-5 MECU/annum for the Central and Eastern European Countries and the Newly Independent States), continues to benefit the Baltic Sea Region through energy policy conferences and technical assistance projects. The

SAVE II (energy efficiency) programme was recently opened to participation by the associated countries of Central and Eastern Europe and is of relevance also to the Baltic Sea Region. All countries of the Baltic Sea Region are signatories of the European Energy Charter, the Energy Charter Treaty and its associated instruments and continue to be participants of further negotiations. These instruments will remain a basic framework for a free flow of energy over the European continent and for energy investment.

2.5 TACIS Programmes

Two regions in the Baltic Sea Region benefit from the EU TACIS Programme: St. Petersburg and Kaliningrad.

2.5.1 St. Petersburg

The programme for the St. Petersburg region dates from 1992, has an overall allocation of 30 MECU and includes the following elements:

- agriculture;
- energy;
- transport;
- enterprise support;
- financial services; and
- human resource development;

A new programme for the St. Petersburg region against 1995 resources is currently under consideration.

2.5.2 Kaliningrad

The 10 MECU programme for the Kaliningrad region dates from 1994 and includes the following elements:

- enterprise restructuring;
- human resources development;
- food production and distribution; and
- networks (energy/transport)

No decision has been taken with regard to programme orientations and allocations for the period 1995-99.

3. EU Structural Funds

3.1 General

The Member States bordering the Baltic Sea benefited from more than 235 MECU in structural funds up to 1993. For the period 1994-1999, a total of 5,300 MECU is allocated to the Baltic Sea Region¹² (including Community Initiatives such as INTERREG II).

¹² Denmark, Finland, Germany (Länder Mecklenburg-Vorpommern and Schleswig-Holstein) and Sweden.

3.2 INTERREG II

For the period 1994-99, the INTERREG II allocation for bi-lateral or multi-lateral activities of cross border cooperation in the Region amount to slightly more than 170 MECU. An amount of some 80 MECU of these INTERREG funds have a direct bearing on regions with potential for cooperation in the context of the PHARE Cross Border Cooperation programme, of which 8 MECU in relation to the multi-lateral programme for the Baltic Sea Region.

The focus of the INTERREG II initiative lies with "soft" cross border cooperation projects, undertaken by regional and local entities. The projects vary in character, but concentrate on economic development, including cooperation in spheres supporting the primary focus.

The new INTERREG II-C strand for transnational cooperation promises to be an interesting instrument providing complementary funding (not exceeding 15 MECU) for the Baltic Cross Border Cooperation programme. It will support "soft" measures on a transnational basis in the fields of spatial planning, optimal utilisation of Trans-European Networks, improving the organisation of transport in peripheral regions, the environment (in particular maritime and coastal environment), sustainable development, tourism and human resources.

3.3 ECOS-Ouverture

The programme concerns initiatives based on Article 10 of the European Regional Development Fund (ERDF) and aiming at inter-regional cooperation and networking between, at least, two regions or municipalities from the EU and one partner in the PHARE partner countries. The relevant fields concern modernisation of local administration, environment and economic development, including support for small- and medium-sized enterprises. So far, local and regional partners from the Baltic Sea Region have played an active role in this programme. A total amount of 25 MECU has hitherto been granted to this programme under Article 10. It should be noted that the means available for Poland and the three Baltic States for this programme under PHARE will be amounting to 2 MECU per year from 1995 onwards.

From 1996 partners in Poland and the three Baltic States will be supported, in the framework of the Baltic CBC programme, in the form of a Baltic Cooperation Fund.

3.4 HELCOM

The Convention on the protection of the marine environment of the Baltic Sea area (Helsinki Convention), was signed between the riparian countries in 1974, entered into force in 1980 and was revised in 1992. After the political changes, the Commission, on behalf of the EU was able to participate in the 1992 revision and became a contracting party in 1994, after conclusion by the Council. The Baltic Sea Commission (HELCOM) has its secretariat in Helsinki. The EC contributes 2.5% of the administrative budget.

4. EU Member States Programmes

4.1 Denmark

In the period 1990-94 Danish assistance to the Baltic Sea Region (including small amounts for the St. Petersburg and Kaliningrad regions, and assuming that 15% of the assistance to Poland targeted that country's Baltic coast) totalled 177 MECU, of which around 72% in the form of grants. The assistance focused on the economic infrastructure and services, as well as the

production sector. Technical assistance made up 15% of the total of assistance, while export credits and private investment support each accounted for, respectively, 16% and 12%.

Figures available for the year 1995 indicate an overall level of assistance for the Baltic Sea Region in that year of 10.1 MECU in technical assistance alone. Assuming the same level of assistance for the following years, the total of support in the form of technical assistance for the Region for the period 1995-99 amounted to 50.5 MECU.

The total of Danish assistance (of all types) for the whole of the period 1995-99 is estimated at 175 MECU.

Danish assistance will change in terms of sector or attention area coverage, in that it will give more attention to the process of preparation for accession to the European Union. In addition, environmental programmes will form an increasingly important part of Danish assistance.

Annex 1, table 1 provides details.

4.2 Finland

In the period 1990-94, Finnish assistance to the Baltic Sea Region (excluding St. Petersburg and Kaliningrad, and assuming that 15% of the allocation for Poland concerned the Baltic coastal regions) amounted to a total of 183 MECU of which a total of 234.46 MECU (34%) in the form of grants. Finland concentrates its cooperation largely on Estonia (44% of the total for the Region).

Finland's assistance to the Baltic countries, focused on multi-sector projects, structural adjustment and debt reorganisation (72%). This percentage is heavily influenced by a sizeable allocation for debt re-organisation in Poland. This assistance also included a substantial element (19%) for investment in public infrastructure. The second area of importance concerned economic infrastructure and services (20%).

With regard to the type of assistance, Finland has concentrated on sector aid (53%) and export credits (30%) and less on technical assistance (10%).

For the period 1995-99, it is expected that Finland will be able to slightly increase the assistance effort for the Region (10%), which would result in an allocation for the period of 200 MECU, with a heavier focus on technical assistance (25%) and sector aid (60%, largely in the form of investment support).

Annex 1, table 2 provides details of allocations.

4.3 Germany

Over the period 1990-94, German assistance to the Baltic Sea Region (not including the St. Petersburg region and Kaliningrad and assuming that 15% of the Polish allocation, excluding debt reorganisation, targeted the Baltic coast), amounted to a total of 426 MECU, of which 45% in the form of grants.

Not including debt reorganisation for Poland, German assistance focused on multi-sector projects and structural adjustment (79%) and social infrastructure and services (15%).

By type of assistance the German efforts focused on sector aid (34%, not including debt reorganisation) and export credits (41%). Technical assistance made up 13% of the total.

It is expected that Germany will maintain for the Region the same level of assistance over the period 1995-99, which would imply an total of 425 MECU in resources for all types of assistance (excluding debt reorganisation).

Annex 1, table 3 provides details of allocations.

4.4 Sweden

Over the period 1990-94, Swedish assistance to the Baltic Sea Region (including the St. Petersburg region and Kaliningrad and assuming that 15% of the Polish allocation, excluding debt reorganisation, targeted the Baltic coast), amounted to a total of 264 MECU, of which 56% in the form of grants.

Not including debt reorganisation for Poland, Swedish assistance focused on multi-sector projects and structural adjustment (49%) and the production sector (24%).

By type of assistance the Sweden concentrated its efforts on sector aid (61%, not including debt reorganisation) and technical assistance (21%). Export credits made up 17% of the total. An interesting feature of Swedish assistance is its ability to deploy rapidly technical assistance linked to the preparation and implementation of IFI-loan financing.

It is expected that, for the period 1995-99, Sweden will increase the level of assistance it provides to the Region by 20%, which would result in an overall amount of 315 MECU for the whole of the period. No change is foreseen in the "mix" of the assistance.

For details of allocations, refer to Annex 1, table 4.

4.5 Other EU Member States

Over the period 1990-94, the total of assistance by the other EU Member States to the Baltic Sea Region (not including the St. Petersburg region and Kaliningrad and assuming that 15% of the Polish allocation, excluding debt reorganisation, targeted the Baltic coast), amounted to a total of 488 MECU, of which 31% in the form of grants.

Not including debt reorganisation for Poland, other Member States' assistance focused on multi-sector projects and structural adjustment (72%) and the productive sector (22%).

By type of assistance the other Member States' efforts focused on export credits (59%), and sector aid (23%, not including debt reorganisation). Technical assistance made up 9% of the total.

It is expected that the other Member States will maintain for the Region the same level of assistance over the period 1995-99, which would imply an total of 490 MECU in resources for all types of assistance (excluding debt reorganisation).

Annex 1, table 5 provides details.

5. International Financial Institutions

5.1 European Investment Bank (EIB)

Over the period 1990-94, the European Investment Bank has extended a total of 948 MECU in loans to four partner countries in the Region (Estonia, Latvia, Lithuania and Poland). Poland received the larger part (93%), with Estonia in second place (5%). Using the 15% criterion, the share of the Baltic Sea Region (not including the St. Petersburg region and Kaliningrad) in this total amounts to 194 MECU, mainly for investment projects (84%) in the economic infrastructure and services area (83%).

Annex 2, table 1 provides loan aggregates per country.

5.2 Nordic Investment Bank (NIB)

The Nordic Investment Bank's activities with regard to the Baltic States comprise the following:

- the Baltic Investment Programme (BIP); and
- loans to Nordic companies for investment in the Baltic countries.

The BIP was established in 1992 with a duration of 3 years and aims to channel technical assistance and investment capital to the Baltic countries in order to create favourable conditions for local investment. The NIB was mandated to administer a 5 MECU technical assistance fund, which was mainly used in the context of the establishment of the three national investment banks in the Baltic countries. In addition, the NIB administers the 30 MECU Baltic Investment Loan fund (BIL), the purpose of which is to support Nordic small- and medium-sized enterprises' investments in the Baltic countries, as well the investment activities of the above mentioned three national investment banks.

Over the period 1992-94, the NIB's support to the Baltic countries included an amount of 63 MECU in the form of loans to companies investing in the Baltic countries. These investments were mainly directed at the manufacturing industry and the telecommunications sector.

5.3 European Bank for Reconstruction and Development (EBRD)

The EBRD operates in the countries of Central and Eastern Europe, including the former Soviet Union, committed to multi-party democracy, pluralism and open market economies. Its purpose is to foster the economic and democratic transition process and to promote private and entrepreneurial initiative in those countries through provision of loans, equity investments and technical cooperation.

It also administers the Baltic Investment Funds and the Baltic Technical Assistance Special Fund.

Exact figures are not readily available for activity in the Baltic Sea Region as such, given that data for Poland and Russia is not dis-aggregated appropriately. However, over the period 1990-94 the Bank extended over 300 MECU of finance in the three Baltic States alone.

Given that the Bank made no loans until 1992 and is only now reaching its cruising speed as far as operations are concerned, one can expect a substantial increase in activity between over the period 1995-99.

Annex 2, table 2 provides loan aggregates per country.

5.4 International Bank for Reconstruction and Development (IBRD)

Over the period 1990-94 the four partner countries in the Region took out a total of nearly 3,200 MECU in loans from the World Bank, including some 620 MECU in the form of general programme assistance for Poland. Assuming that 15% of the Polish share of this total benefited the countries coastal areas, this amounts to a total of some 700 MECU for the Baltic Sea Region (not including the St. Petersburg region and Kaliningrad). These loans were used for investments projects in the economic infrastructure area (28%) and the production sector (33%). In addition, some 29% of the total was provided in the form of rehabilitation assistance.

It is assumed that the World Bank loan volume for the Region over the period 1995-99 will remain at the same level, i.e.: 700 MECU, with most of the proceeds used in the production and economic infrastructure and services sectors.

Annex 2, table 3 provides loan aggregates per country.

5.5 International Monetary Fund (IMF)

The International Monetary Fund has, so far, extended a total of slightly more than 3,800 MECU to the four partner countries in the Region, for supporting the countries' macro-economic adjustment and structural reform programmes.

Since the bulk of this assistance is not directly used for investment in either the public or the private sector, and, where Poland is concerned, not specifically attributable to the Baltic coastal regions, it is left out of consideration in this paper.

Annex 2, table 4 provides loan aggregates per country.

6. Other G-24 Members (non-EU)

Over the period 1990-94, assistance from the non-EU G-24 countries to the Baltic Sea Region (not including the St. Petersburg region and Kaliningrad and assuming that 15% of the Polish allocation, excluding debt reorganisation, targeted the Baltic coast), amounted to a total of 980 MECU.

Not including debt reorganisation for Poland, non-EU G-24 assistance focused on macro-financial assistance (91%), with the other attention areas receiving equal shares of the remaining 9%.

By type of assistance the non-EU G-24 effort focused on sector aid (52%, not including debt reorganisation) and export credits (30%). Technical assistance made up 13% of the total.

It is expected that the group of non-EU G-24 countries will not maintain the same level of assistance for the Region over the period 1995-99, in view of the important level of balance of payments support extended in 1992-93, due to the special circumstances prevailing at the time.

An estimate is exceedingly difficult to make and is limited for the purpose of this report to a total of 700 MECU in resources for all types of assistance (not including debt reorganisation).

Annex 3 provides aggregates of G-24 assistance per partner country.

7. All Donors

The total of assistance of all types from all donor countries and organisations for the Baltic Sea Region over the period 1990-94, can be valued at 4,534 MECU.

A summary is provided in Annex 4.

8. Perspectives

Although it is not possible, at this stage, to define with precision the orientations and allocations pertaining to the total of assistance likely to be available to the Baltic Sea Region for the period 1995-99, this future assistance can be tentatively characterised as follows:

- the total assistance is not likely to be smaller than it was in the period 1990-94 and shows a tendency to grow both in absolute amounts and scope;
- the volume of technical assistance (including sector aid for economic reform) is likely to be reduced in favour of both loan- and grant-based investment (including export credits, private investment support and sector aid for public investment in infrastructure);
- in addition to public investment in the infrastructure sectors, investment resources are likely to be increasingly dedicated to economic investment for private sector development including: SME development, agricultural restructuring (including the agro-processing industry and fisheries) and regional development. The particular needs of the fisheries sector in the Baltic Sea Region, which until now has not noticeably benefited from Community aid, should be taken into account by the above measures; and
- in as far as assistance from the EU and the Member States (the latter on a bi-lateral basis) is concerned the share of technical assistance specifically dedicated to the support of the process of European Integration (implementation of the Free Trade and Europe Agreements, adoption of the internal market acquis, and the related pre-accession activities) is expected to grow substantially vis-à-vis other forms of technical assistance.

The information available at this moment would indicate that the total of the resources which could be made available for the period 1995-99, by the various providers of assistance to the Baltic Sea Region, amounts to 5,055 MECU.

A breakdown is provided in Annex 4.

9. Follow-up

The Council is invited to note that, on the basis of currently available resources and the orientations highlighted in this report, the Commission, as a member of the Council of the Baltic Sea States (CBSS), intends to develop a long-term based Baltic Sea Region Initiative.

This regional Initiative will provide for a wide range of opportunities for future programmes in many sectors of priority and will thus become, if adopted, a framework for individual donors, including the Union, for assistance to the Region.

It will be prepared in close collaboration with all the partner countries around the Baltic Sea, as well as other donors and international financial institutions interested in developing cooperation in the Baltic Sea Region, for presentation to the Heads of State and Government of these countries at their conference scheduled to be held in Visby, Sweden in May 1996.

BALTIC SEA REGION - Assistance by EU Member States

Table 1

DENMARK	Allocations (MECU) 1991-94¹³					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kalinin-grad
Economic Infrastr. & Services	7.14	5.00	18.97	65.07	0.1	0.2
Social Infrastr. & Services	9.72	9.83	9.17	9.11		
Production Sector	3.47	12.03	6.92	90.21		
Other			0.33	115.54		
Total	20.33	26.86	35.39	279.93	0.1¹⁴	0.2¹⁵
<i>of which on:</i>						
Technical Assistance	14.95	12.54	19.21	45.38	0.1	0.2
Export Credit	0.34	5.83	11.20	79.18		
Private Investment Support	0.75	3.41	1.83	57.40		
Sector Aid & Other	4.29	5.08	3.16	98.48		

Table 2

FINLAND	Allocations (MECU) 1991-94¹⁶					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kalinin-grad
Economic Infrastr. & Services	27.85	10.21	10.02	16.88		
Social Infrastr. & Services	10.39	1.03	0.78	0.11		
Production Sector	9.71	2.41	1.93	1.03		
Other	32.53	33.96	15.90	153.80 ¹⁷		
Total	80.49	47.62	28.63	171.82		
<i>of which on:</i>						
Technical Assistance	10.98	3.79	3.17	0.66		
Export Credit	25.97	23.95	4.48	-		
Private Investment Support	4.22	4.22	4.22	-		
Sector Aid & Other	39.34 ¹⁸	15.66	16.76	171.16		

¹³ Conversion rate DKR-ECU (where applicable) = 7.27 (August 1995)

¹⁴ Concerns 1994 figures only; no data for the period 1990-93

¹⁵ Concerns 1994 figures only; no data for the period 1990-93

¹⁶ Conversion rate FMK-ECU (where applicable) = 5.67 (August 1995)

¹⁷ Of which 142.88 MECU (93%) in the form of debt reorganisation

¹⁸ Of which 7.48 (19%) in the form of investment projects

BALTIc SEA REGION - Assistance by EU Member States

Table 3

GERMANY	Allocations (MECU) 1991-94¹⁹					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Economic Infrastr. & Services	2.69	1.17	8.69	18.05		
Social Infrastr. & Services	9.39	10.31	10.77	227.92		
Production Sector	1.60	1.50	2.12	24.49		
Other	9.56	20.55	58.54	3979.12 ²⁰		
Total	23.25	33.54	80.12	4250.18		
<i>of which on:</i>						
Technical Assistance	8.54	8.77	17.89	125.57		
Export Credit	1.91	15.67	35.21	807.86		
Private Investment Support	3.15	0.10	19.45	184.58		
Sector Aid & Other	9.65	9.00	7.58	3132.17		

Table 4

SWEDEN	Allocations (MECU) 1991-94²¹					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Economic Infrastr. & Services	14.86	6.45	20.14	37.03		
Social Infrastr. & Services	9.10	10.37	6.02	7.84		0.62
Production Sector	25.17	3.21	20.08	93.50		1.72
Other	49.45	31.62	45.35	504.53 ²²		0.13
Total	98.58	51.65	91.58	642.91		2.47
<i>of which on:</i>						
Technical Assistance	20.37	14.13	11.86	53.02		2.47
Export Credit	20.31	0.38	17.49	47.38		
Private Investment Support	-	-	-	26.44		
Sector Aid & Other	57.89	37.14	62.23	516.07		

¹⁹ Conversion rate DM-ECU (where applicable) = 1.87 (August 1995)²⁰ Of which 2325.81 MECU (58%) in the form of debt reorganisation²¹ Conversion rate SKR-ECU (where applicable) = 9.52 (August 1995)²² Of which 491.7 MECU (98%) in the form of debt reorganisation

BALTIC SEA REGION - Assistance by EU Member States

Table 5

Other EU Member States	Allocations (MECU) 1991-94					
	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Programme Area						
Economic Infrastr. & Services	1.05	1.43	1.43	81.39		
Social Infrastr. & Services	1.07	1.93	2.32	40.78		
Production Sector	22.37	22.52	22.40	256.03		
Other	13.29	18.43	40.32	5,170.84		
Total	37.78	44.69	66.47	5,549.04		
<i>of which on:</i>						
Technical Assistance	5.42	6.48	7.81	158.92		
Export Credit	25.09	20.31 ²³	36.38	1,362.00		
Private Investment Support	0.05	-	1.73 ²⁴	248.13		
Sector Aid & Other	0.33	17.90	20.55	3,779.99		

²³ All of which provided by Spain

²⁴ All of which provided by France

BALTIC SEA REGION - Assistance by IFIs

Table 1

EIB	Loans (MECU) 1991-94					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Economic Infrast. & Services	42.00		10.00	723.00		
Social Infrast. & Services						
Production Sector		5.00		13.00		
Other	5.00			150.00		
Total	47.00	5.00	10.00	886.00		
<i>of which on:</i>						
Investment Projects	42.00		10.00	736.00		
Private Investment Support						
Sector Aid	5.00	5.00		150.00		

Table 2

EBRD	Loans (MECU) 1991-94					
Programme Area	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Economic Infrast. & Services	80.56	51.99	74.90	167.40		
Social Infrast. & Services				2.70		
Production Sector	10.00	10.90	1.80	356.81		
Other				57.70		
Total	90.56	62.89	76.70	584.61		
<i>of which on:</i>						
Investment Projects	80.56	61.49	74.90	558.21		
Private Investment Support						
Sector Aid	10.00	1.40	1.80	26.40		

BALTIC SEA REGION - Assistance by IFIs

Table 3

World Bank	Loans (MECU) 1991-94					
Programme Area	Estonia	Latvia	Lithua- nia	Poland	St. Peters burg	Kalinin- grad
Economic Infrastr. & Services	42.03		28.08	829.92		
Social Infrastr. & Services				334.92		
Production Sector		50.44		1,177.85		
Other	23.11	34.67	46.22	619.87		
Total	65.14	85.11	74.30	2,962.56		
<i>of which on:</i>						
Investment Projects	64.14	85.11	74.90	2,342.69		
Private Investment Support						
Other				619.87		

Table 4

IMF	Loans (MECU) 1991-94					
Programme Area	Estonia	Latvia	Lithua- nia	Poland	St. Peters burg	Kalinin- grad
Economic Infrastr. & Services						
Social Infrastr. & Services						
Production Sector						
Other	44.18	141.49	316.57	3,337.65		
Total	44.18	141.49	316.57	3,337.65		
<i>of which on:</i>						
Investment Projects						
Private Investment Support						
Sector Aid	44.18	141.49	316.57	3,337.56		

BALTIC SEA REGION - Assistance by Other G-24 Members (non-EU)

Table 1

G-24 (non-EU)	Allocations (MECU) 1991-94 ^a					
	Estonia	Latvia	Lithuania	Poland	St. Petersburg	Kaliningrad
Economic Infrastr. & Services	4.65	4.62	7.54	61.60		
Social Infrastr. & Services	5.70	4.73	5.60	66.45		
Production Sector	5.37	7.93	7.92	55.45		
Other	104.28	150.56	144.75	7,048.49 ^b		
Total	120.00	167.84	165.81	7,231.99		
<i>of which on:</i>						
Technical Assistance	22.33	23.00	28.88	382.10		
Export Credit	12.53	55.27	33.95	1,252.43		
Private Investment Support	1.43	2.21	2.27	256.03		
Sector Aid & Other	83.71	87.36	100.71	5,341.43		

^a Conversion rate DKR-ECU (where applicable) 7.27 (August 1995)
^b Of which 3,756.20 MECU for debt reorganisation

**BALTIC SEA REGION - Summary Tables (Past, Current (1990-94) and Anticipated
(1995-99) Programmes of Major Donors (MECU)**

Donor	Programme	Allocation 1990-94	Focus ²⁸	Indicative Allocation 1995-99	Focus
EU/PHARE	Poland	152	EI/SO/PS/OS	115	EI/SO/PS/OS
	Estonia	48.5	EI/SO/PS/OS	105	EI/SO/PS/OS
	Latvia	67.5	EI/SO/PS/OS	135	EI/SO/PS/OS
	Lithuania	90	EI/SO/PS/OS	190	EI/SO/PS/OS
	Multi-Country	94	EI/SO/PS	143	EI/SO/PS
	Cross Border Cooperation ²⁹	11	EI/SO/PS	80	EI/SO/PS
	Horizontal Programmes ³⁰	2.0 ³¹		2.0 ³²	EI/SO/PS/OS
Sub-Total - EU/PHARE		465		770	
EU/TACIS	(St. Petersburg)	30	EI/SO/PS	n.a.	n.a.
	(Kaliningrad)	10	EI/PS	n.a.	n.a.
Sub-Total - EU/TACIS		40		p.m.	
EU/Structural Funds	INTERREG II	1	EI/SO	170	EI/SO
	ECOS-Ouverture	n.a.	EI/SO	10	EI/SO
	Other	(235) pm ³³	n.a.	(5,120) pm ³⁴	EI/SO/PS/OS
Sub-Total - EU/Structural Funds		1		180	
TO NEXT PAGE		506		950	

Rounded to nearest '000

²⁸ EI Economic Infrastructure (Transport, Communications, Environment, Energy)

SO Social Infrastructure (Education, Health, Public Administration)

PS Production Sector (Agriculture, Fisheries, Industry, Trade, Banking and Tourism)

OS Other Sectors (Multi-sector, Macro-economic Assistance, Structural Adjustment, Debt Reorganisation, Food and Emergency Aid, NGO Support)

²⁹ CBC Programmes started in 1994

³⁰ PHARE Horizontal Programmes are: Democracy, LIFE, Partnership and Civil Society

³¹ Allocation for the Partnership programme only

³² Allocation for the Partnership programme only

³³ Up to 1993; all Objectives; not included in totals in this table

³⁴ Period 1994; all Objectives; not included in totals in this table

**BALTIC SEA REGION - Summary Tables (Past, Current (1990-94) and Anticipated
(1995-99) Programmes of Major Donors (MECU) ³⁵**

Donor	Programme	Allocation 1990-94	Focus ³⁶	Indicative Allocation 1995-99	Focus
FROM PREVIOUS PAGE		506		950	
EU/Community Programmes	LIFE I & II	11 ³⁷	EI	p.m. ³⁸	EI
EU/Stability Pact	Various	p.m. ³⁹	SO/OS	p.m.	SO/SO
EU/Balance of Payment Support	Central Bank Reserves/Imports	220 ⁴⁰ (pm)		-	n.a.
Sub-Total - EU		737		950	
Denmark	Bi-lateral; Export Guarantees	177	EI/SO/PS/OS	175	EI/SO/PS/OS
Finland	Bi-lateral	183	EI/SO/PS/OS	200	EI/SO/PS/OS
Germany	Various	426	EI/SO/PS/OS	425	EI/SO/PS/OS
Sweden	BITS; SIDA; SwedeCorp; other	264	EI/SO/PS/OS	315	EI/SO/PS/OS
Other EC Member States	Various	488	EI/SO/PS/OS	490	EI/SO/PS/OS
Sub-Total - EU Member States		1,538		1,605	
IMF		3,800 (pm)	OS	-	OS
EIB		194	EI/SO	(pm)	EI/SO
EBRD		318 ⁴¹	EI/SO	600 ⁴²	EI/SO
IBRD (WB)		669	EI/SO/OS	700	EI/SO/OS
NIB		98	EI	100	EI
Sub-Total - IFIs⁴³		1,279		1,400	
G-24 (non-EU)		980	EI/SO/PS/OS	700	EI/SO/PS/OS
GRAND TOTAL - ALL DONORS		4,534		4,655	

³⁵ Rounded to nearest '000

³⁶ EI -- Economic Infrastructure (Transport, Communications, Environment, Energy)

SO -- Social Infrastructure (Education, Health, Public Administration)

PS -- Production Sector (Agriculture, Fisheries, Industry, Trade, Banking and Tourism)

OS -- Other Sectors (Multi-sector, Macro-economic Assistance, Structural Adjustment, Debt Reorganisation, Food and Emergency Aid, NGO Support)

³⁷ Estimate, based on a 50% share of an allocation of 5% of 450 MECU available for programmes in the Baltic Sea and Mediterranean Regions (no separate quota for the Baltic Sea Region exists, as funding is provided on the basis of submission of suitable projects).

³⁸ No separate funding set aside for the Baltic Sea Region; participation in LIFE activities dependent upon contributions from national budgets and/or PHARE funds.

³⁹ p.m. = pro memoria; no separate allocations, but funded from existing programmes

⁴⁰ 50% of total allocation of 585 MECU, does not include the Polish Stabilisation Fund and Debt Relief for Poland; sum not included in totals.

⁴¹ Estimate.

⁴² Estimate.

⁴³ Does not include IMF Standby Agreements and EC/G-24 Balance of Payments Support