1. Introduction
In January Estonia took over the coordinating role of the Nordic-Baltic cooperation (NB8) from Sweden.

2014 has been a challenging year. The rapid escalation of the crisis in Ukraine and Russia’s actions have altered the security situation in Europe and in our region. Thus foreign, security and defense policy dialogue has taken central stage in Nordic-Baltic high-level meetings this year. Simultaneously it has become clear that maximizing our region’s combined potential either in trade, industry, energy, transportation or any other field, does not only serve our economic interests but equally as much our security interests. By connecting the Nordic-Baltic region further and strengthening our cooperation we can ensure that the Nordic-Baltic region becomes a considerable and strong global actor.

2. Estonian priorities
Regional cooperation has had a notable role in Estonia’s foreign policy in 2014. In January Estonia commenced its yearlong role as coordinator of the Nordic-Baltic 8 cooperation. Since January, Estonia is also chairing the Baltic cooperation, both in the Baltic Assembly and the Baltic Council of Ministers. In July 2014 Estonia took over the chairmanship of the Council of the Baltic Sea States. To mark those events Estonia’s Ministry of Foreign Affairs announced 2014 as the Baltic Sea Year.

Nordic-Baltic cooperation during 2014 has been focusing on cyber cooperation, energy cooperation, security cooperation and the Eastern Partnership. When developing priority cooperation areas for 2014, Estonia targeted on addressing the acutest foreign policy issues in the region, but also following the suggestions on the Wise Men Report as well as the accomplishments of the previous NB8 coordinators.

3. The implementation of Birkavs-Gade recommendations in 2014
The following status report tracks the implementation of said recommendations in six clusters – foreign and security policy dialogue, cooperation concerning diplomatic representations, civil and cyber security, defense cooperation, energy cooperation and the NB8 brand.
3.1 Foreign and security policy dialogue

In 2014 we have seen an intense foreign and security policy dialogue between NB8 countries due to the ongoing serious situations in Syria, the Middle East, Iraq, Central African Republic, Afghanistan, but most notably due to Ukraine crisis and its’ impact on Europe’s and region’s security. All of these issues of common concern have been high on the agendas of this year’s ministerial and officials’ meetings.

The situation in Ukraine was especially addressed during the E-PINE political directors’ meeting in June, which this year took place in Kyiv. The political directors had meetings at the Ministry of Foreign Affairs, at the Cabinet of Ministers and at the Administration of the President of Ukraine, as well as with different non-governmental organizations.

Ukrainian crisis was also the center of attention during the second Nordic-Baltic and Visegrad Group foreign ministers’ meeting – a meeting format first introduced by Sweden and Poland in 2013. The ministers issued a joint statement condemning the unprovoked violation on Ukraine's sovereignty and territorial integrity by Russia and expressed their disapproval concerning the illegitimate referendum in Crimea on accession to the Russian Federation. The meeting was organized in cooperation with the Visegrad Group Hungarian Presidency. Visegrad and Nordic-Baltic countries have numerous common concerns and topics of interest. During their meeting in Narva, the ministers also discussed the security policy, energy issues and transport interconnections. In preparation for the ministerial meeting the security policy directors of NB8 and Visegrad countries met already in January, in Budapest.

Regional and European security situation, latest developments in Ukraine and Russia’s actions were again discussed at length during the annual Nordic-Baltic foreign ministers’ meeting in September in Tallinn. The foreign ministers issued a joint statement expressing deep concern over the abduction of Estonian policeman Eston Kohver by Russian security services on Estonian territory in September and demanded his immediate release and safe return to Estonia.

The ministers also discussed energy issues from a regional perspective, as well as the situation in Syria and Iraq.
The security policy directors had an in depth discussion in their meeting in November. To provide a wider discussion spectrum in the questions of Ukraine, Russia and European Eastern Partnership, a conference titled “Eastern Partnership: Quo vadis / Eastern Partnership countries in transformation: politics, economy, civil society” was held in Tallinn in the beginning of December. At the same time the Russian and Eastern European directors of NB8 foreign ministries’ had their meeting with participation of Italy. Likewise, an academic seminar on security issues took place on the margins of the NB8 and Poland policy planning directors’ meeting in December.

In other global issues, in January 2014 the Nordic Baltic countries issued a joint statement at the meeting of International Contact Group on Afghanistan and Pakistan in New Delhi, India. The NB8 members stated that in order for Afghanistan’s transition period to be successful and development aid to continue, the country must ensure to carry out free and fair elections as well as commit more to economic development, the fight against corruption, and the protection of human rights, especially women’s rights.

2014 has also seen the strengthening of ties and policy dialogue in Nordic-Baltic “plus formats”. Second Nordic-Baltic and Visegrad 4 foreign ministers’ meeting has been already mentioned and Slovakia will host the format in 2015 with Denmark as co-host. The regular NB8 and UK prime ministers’ meeting - Northern Future Forum - took place in November, in Helsinki. This format has established itself to be a good opportunity for government officials and social partners to exchange views on topical issues.

The E-PINE format or Nordic-Baltic cooperation with the United States of America has been active. In addition to the traditional E-PINE meeting between political directors, a high-level inter-institutional cyber security roundtable was held in Tallinn in the beginning of October. The purpose of the meeting was to enhance the cyber security dialogue and exchange of experiences between the NB8 region and USA. The next meeting will take place in 2015 in Finland.

A new ad-hoc format - NB8 cooperation with Japan - has been continuing from 2013 November, when a NB8+Japan foreign ministers’ meeting took place on the margins of
ASEM. In 2014 Japan participated at the NB8 political directors’ meeting in Tallinn in February. Japan was also invited to participate at the NB8 foreign ministers’ meeting in September, but due to calendar reasons the participation of the Japanese foreign minister did not materialize.

Among topics of common interest for Japan and Nordic-Baltic countries are Eastern Partnership, Russia, Arctic, peace building and economic growth through innovation. In October NB8 meeting with Japanese prime minister took place in the margins of ASEM in Milano with the emphasis on Ukraine and East Asia, Arctic issues, promotion of women's participation in society and innovation (including IT).

Nordic-Baltic cooperation is also strong and growing in multilateral organisations. During 2014 Tallinn hosted the Council of Europe directors’ meeting in April and United Nations’ directors’ meeting in September. Regular cooperation takes place at the Council of Europe, OSCE and the UN. Prior to the EU meetings, the NB6 countries meet on regular and informal basis. NB8 ambassadors also work closely together in numerous diplomatic representations around the world. A newfound set of cooperation is also available in NATO with the adoption of the Partnership Interoperability Initiative, the invitation of Finland and Sweden, the only non-NATO members of NB8, to the Enhanced Opportunities Partnership, as well as the signing of the host nation support agreement with NATO at the Wales Summit in September.

**3.2 Cooperation concerning diplomatic representations**

The cooperation concerning diplomatic representations was discussed in the meeting of the State Secretaries of the Ministries of Foreign Affairs in October. Since the Memorandum of Understanding on Principles for Locating Foreign Diplomats within the Premises of the Parties’ Missions entered into force in 2012 numerous cooperation agreements between Nordic-Baltic countries have been implemented already. In September 2014 Latvia opened its diplomatic representation in United Arab Emirates which is located on the premises of Danish Embassy in Abu Dhabi. Latvian Embassy in New Delhi, India is located in the premises of the Estonian Embassy. Latvian diplomats are also located at the Lithuanian premises in Moldova. Estonian diplomat is working in the premises of the Latvian Embassy in Baku, Azerbaijan. Estonia is accommodating the Embassy of Island in Beijing, China since May.
Sweden, Norway, and now also Finland are renting office space in the Danish embassy in Damascus, Syria.

In 2014 Estonia and Finland continued their ongoing tradition of exchanging diplomats – in September Estonian diplomat started his 6-month practice at Finnish Embassy in Riyadh, Saudi Arabia. Equally, a diplomat from Finland finished his 6-month stay at the Estonian Embassy in Tblisi, Georgia.

3.3 Cyber and civil security

Cyber cooperation, internet freedom and digital agenda have been issues of rising importance in the Nordic-Baltic area and in the world at large. Nordic-Baltic countries have great potential to be the leading region for cyber security and digital agenda when the countries are heading in one direction and cooperating.

In 2014 NB8 cyber cooperation has been active. In October 2014 a first high-level inter-institutional E-PINE cyber experts’ roundtable was held in Tallinn. The discussion topics addressed cyber stability and the emerging diplomatic agenda internet governance, national cybersecurity strategies and crisis management mechanisms, the economic dimension of cyberspace, strengthening cross border and public-private cooperation, law enforcement cooperation and capacity building. The USA was represented by the Cyber Coordinator of Department of State Chris Painter.

At the end of January, NB8+UK+Poland cyber security and internet freedom informal high-level roundtable was held in Riga. Roundtable focused on internet freedom, different forms of collaboration in the field of cyber security, raising awareness, cooperation in EU and with third parties.

As to civil security, in January 2014 the foreign ministries’ points of contacts discussed Finland’s proposal of initiating cooperation between Nordic-Baltic emergency supply centres with the aim of creating a working communications’ network. As a pilot project the idea was to establish an exchange system for medical supplies at the times of pandemias. Due to emergency supply systems being very different in NB8 countries and this being a great opportunity for better cooperation in that field, the idea was deemed worthy to be further
pursued in the future.

3.4 Defence cooperation

NB8 forms a cluster of shared values of self-reliance and responsibility. The recent events in Europe have shown that, considering our size and strategic importance, we can’t afford to draw an additional border between the Nordic and the Baltic countries in our region.

There is already a well-established defence policy cooperation network between Nordic and Baltic countries. Ministers of Defence and Chiefs of Defence meet annually, as well as defence policy directors, NB8+US defence policy planners, Nordic Baltic Initiative Steering Group and NORDEFCO and Baltic States Military Coordination Committee. There is an active and ongoing cooperation in the fields of military education (BALTDEFCOL) and sea surveillance (SUCBAS). The Nordic and Baltic countries are valuable partners and contributors to international peace and security, taking actively part in international operations (Afghanistan, Mali). The Nordic Baltic Initiative has been a successful cooperation format to aid the security sector reform in the Western Balkans, Georgia and also Ukraine and is now incorporated to the NORDEFCO framework. A Joint Nordic Baltic Exercise Plan (CJNBEP) has been established during 2014 on military level.

In 2015 Sweden leads the next rotation of Nordic Battle Group, which was previously active in 2008 and 2011. The Nordic Battle Group will be truly a Nordic-Baltic effort, as Latvia and Lithuania will participate for the first time. In 2014 there have been many discussions on how to ensure that the Nordic Battle Group will be used in future international operations.

In December 2013 Estonia and Finland prepared a Food for Thought paper on possible areas to deepen the Nordic-Baltic defence cooperation in the future. The paper has been discussed on military and political level during 2014 and has been revised and presented at the Nordic Baltic Defence Ministers’ Meeting in November 2014. Some of the ideas from 2013 are being considered on political and military level, for example Baltic engagement in various military cooperation areas within NORDEFCO, educational cooperation and exchange of students between different military educational institutions in Nordic-Baltic region; possible cooperation between the Nordic-Baltic military CERT/CIRCs (Computer Emergency
Response Team / Computer Incident Response Capability). The work will continue during 2015, during the Swedish chairmanship of NORDEFCO.

3.5 Energy cooperation

Strengthening the energy security remains a continuous priority. The issue of connecting Nordic-Baltic energy markets has been high on the agenda in 2014. There have been many developments in Nordic-Baltic energy sector in 2014 – the further implementation of BEMIP, launch of Estlink 2 between Estonia and Finland, opening of the Klaipeda LNG terminal in Lithuania, building of NordBalt between Sweden and Lithuania. In November a decision between Estonia and Finland was reached to share a LNG terminal between the two countries.

In November 2014 Estonian Ministry for Foreign Affairs has organized first expert-meeting on energy issues for experts from foreign affairs ministries and ministries directly responsible for energy sector in every NB8 country. The agenda covered energy security issues, harmonization of Nordic-Baltic gas and electricity markets and a visit to the Estonian transmission system operator Elering. All NB8 countries present agreed to the importance of NB8 speaking with one voice in energy-related matters and expressed their appreciation of the energy experts meeting format as a potential key component for future NB8 coordinators.

3.6 The NB8 brand

With reference to the Birkavs – Gade report, it can be said that although Nordic-Baltic cooperation is working well in a number of areas, the visibility of NB8 cooperation is still inadequate. In order for Nordic-Baltic region to establish itself as a considerable global actor a higher level of visibility is needed for Nordic-Baltic cooperation format.

Estonia utilized its role as a multiple chair for different regional cooperation formats in 2014 and created the umbrella concept of Baltic Sea Year and with it a wider visual identity including a Baltic Sea Year logo. A separate Baltic Sea Year webpage was created under the Estonian Ministry of Foreign Affairs webpage holding key information, news and calendars for Nordic-Baltic 8 format, as well as for Baltic cooperation and Council of the Baltic Sea States. For Nordic-Baltic cooperation, the electronic calendar has been introduced for the first time. The Baltic Sea Year concept and events received good press coverage and with it increased the visibility and knowledge of the NB8 brand. Regional cooperation is widely
important and the more collective and coherent the relations and also the NB8 brand is, the stronger it can be.

This year Nordic-Baltic countries have also taken a step towards a more balanced policy dialogue in deciding to let the chairing country of NB8 cooperation to contribute in the development of Nordic-Baltic prime ministers’ agenda, which thus far has only been the responsibility of Nordic countries, as the prime ministers’ meeting takes place at the margins of Nordic Council Session. This year Iceland and Estonia have agreed to share the responsibility and have drafted the agenda for October’s prime ministers’ meeting together.

4. NB8 cooperation in other areas

The Wise Men Report had the goal to cover the NB8 cooperation only in the core areas, but many other sectors are involved in NB8 cooperation as well. There are plenty of examples of close cooperation, meetings and topics which reflect the complexity and depth of the ties between the Nordic and Baltic countries. Here just a short abstract.

The NB8 ministers of justice met in August in Copenhagen to discuss different aspects of judicial systems and theirs reforms. Further there have been two meetings on experts’ level in January in Vilnius and in September in Tallinn. The latter was a seminar where Estonian and Swedish experts presented electronic information exchange possibilities in justice system. The meeting of transport ministers took place in May in Stavanger. The focus of the gathering was on transport reforms and road infrastructure planning.

In the educational sector a research conference called “Strengthening the Baltic-Nordic research collaboration” took place in May in Tartu. The conference was primarily intended for policy makers, research funding agencies and research coordinators and received 122 participants from 10 countries.

A good example of the continuous work is the annual meeting of NB8 gender equality senior officials which took place in April in Tallinn. The main topics discussed were implementation of the Plan of activities 2011-2014, planning of the NB8 gender equality cooperation, including the Cooperation Programme 2015-2018. In addition, an update was given on national gender equality policy, legislation, etc. developments.
Further, the Ministries of Finance and Central Banks have an excellent and intense cooperation based on large number of regular meetings and workshops.

5. Conclusion / Final words

The year 2014 reiterated the high importance of the close cooperation and partnership in Nordic-Baltic region. Numerous international crises closer and farther in the world have required our attention and action. The close ties between the Nordic and Baltic States have made it easier to react quickly and jointly.

Nordic-Baltic cooperation continues to deepen and widen. In 2010 the Wise Men Report (Birkavs-Gade report) put forth a number of recommendations how to strengthen this pragmatic and well-functioning cooperation. Many of the 38 recommendations have already been implemented and the cooperation in 2014 has moved us further in realizing others.

Estonia would like to express his gratitude to all Nordic and Baltic colleagues for their support, valuable contributions and flexibility, and wishes success for Denmark as the NB8 coordinator in 2015.