

Ojārs Kalniņš address to

Central Baltic INTERREG IV A Programme 2007–2013

11th June 2008

Riga

Riga City Council

As you no doubt know, one of the Latvian Institute's main responsibilities is to promote awareness of Latvia around the world. It's clear that we will never achieve 100% recognition among the 6 billion people living in 200 countries on this planet. But we can do some things to become better known in the world. But why do we care about Latvia's image in the world?

Well, for one it can increase tourism and foreign investment and these are both important for our economy. Scientists, researchers and artists also benefit from international contacts. These contacts increase, if Latvia is known in the world, and our image is positive. But how does a small country like Latvia get known in the world?

Last year the Latvian Institute worked with an internationally renowned consultant, Simon Anholt, to determine how Latvia could improve its competitive identity in the world. Large countries like the United States, Russia, Germany or India don't have to worry about awareness – everybody knows who they are, and knows something about them. But what it is that makes smaller countries known and respected in today's world?

While there are many factors that affect a country's international image, in our research we identified three things that help smaller countries achieve respect and recognition in the world today, and all three of them are promoted by your involvement in INTERREG IV projects.

Those three are ENVIRONMENTAL AWARENESS, INNOVATION AND COOPERATION.

1. Climate change is a global problem, as is pollution control - countries with governments and citizens that display a serious respect and concern for the environment, are countries that are respected. A hundred years ago industrial countries were admired for their achievements. Today, green countries are admired even more, because they are trying to undo the damage that has been done by irresponsible industrial practices.
2. Innovation in any field is highly regarded in the world – innovation drives our economies and affects the quality of our lives. Countries that offer innovative ideas and participate in innovative projects get noticed and

remembered. The size of a country doesn't matter. The quality of its innovation does.

3. Cooperation is also a key to international recognition. By cooperating with public and private partners in other countries, we raise our profiles in those countries. If this cooperation leads to good results, other people around the world learn about us as well.

A country that shows respect for its environment, develops innovative ideas, and shares these ideas through cooperation, is a country that gets noticed and admired.

But there is another factor that can increase Latvia's recognition in the world. We are a part of one of the most respected and dynamic regions in the world – the Baltic Sea Region.

If you were wondering why Riga's Old Town was closed off last week, that was because Latvia was hosting the annual meeting of the Council of Baltic Sea States - CBSS. The prime ministers and other governmental leaders of 11 countries met across the street in Melngalvju Nams to talk about the future of this region.

Each year the presidency of the CBSS rotates. Last year it was Latvia's turn - we had the presidency of CBSS from 2007 until 2008. This year we turned it over to Denmark. An organization like CBSS may not be well known, - not even to those of us who live here - but the region it represents - the Baltic Sea region - is gaining recognition throughout the world.

For example, if you look at a map you will see that there are only 9 countries that actually border the Baltic Sea. But the CBSS has 11 members. Why? Because Iceland and Norway also wanted to be considered part of our Baltic region. France, which is nowhere near the Baltic Sea also indicated that it would love to join the CBSS. The United States has had observer status for many years.

In fact, the United States has been a fan of the Baltic Sea region since Latvia regained its independence in 1991. I served as Latvia's Ambassador to the US from 1993 until 2000. During those years one of President Bill Clinton's foreign policy priorities was to strengthen the Baltic Sea region and encourage cooperation and joint projects between all the countries of the region. During that time the US worked closely with Sweden to bring the three Baltic States closer to the Scandinavian countries. The types of projects that INTERREG IV proposes, were exactly what Washington DC talked about in the early 90's.

The Americans saw the Baltic Sea region as a gateway to the east. Some of us even called it the Amber Gateway. But today, it's not only Americans who understand the value of this region. China, Japan and other Asian countries are

also looking at this region as a gateway – from the east to the west. We are truly a crossroads region.

As you may know, the Latvian Institute has been researching a nation branding strategy for Latvia. Today, every country in the world is looking at its brand image as a way to promote tourism and investment. But many of us in the Baltic Sea region believe that a region like ours can also have a brand image. During the CBSS meeting in Riga last week, the Latvian Institute organized a conference on branding the Baltic Sea region. Organizations like the Baltic Development Forum have been talking about this idea for years. The Latvian government – represented by our Foreign Ministry and Latvian Institute – took this discussion a little further.

Although each of our countries has its own national identity and culture, we live in a region that also has an identity – one that is growing in importance around the world. The Baltic Sea is associated with prosperity, stability, innovation and hard work. The words Scandinavian and Nordic are words used to describe parts of this region – but the word Baltic is taking on a much broader meaning.

If you look in the Internet today, you will find hundreds of companies and organizations that use the word ‘Baltic’ in their names. These are not Latvian, Lithuanian or Estonian companies, but regional companies. Latvia was a visionary when it decided to call its national airline AirBaltic instead of AirLatvia – today AirBaltic is one of the fastest growing airlines in the region and is establishing routes throughout the world. Our airline is promoting more than Latvia, it is promoting the region we live and work in.

Why is a regional Baltic brand important to Latvia? Because if the region as a whole has a positive image, then every country in it benefits from that image. During our research last year we discovered that the city of Riga was better known than Latvia. After all, Riga has been around for 800 years, while Latvia as a republic has been around for only 90 years. Many of those who came to Riga for our conference saw Riga not only as Latvia’s capital, but as a truly Baltic city of regional importance. If Riga is Latvia’s best known brand, and Riga is viewed as a major Baltic city as well, Latvia benefits.

During our conference we encouraged people to think regionally, but to act globally. If we want to increase the competitive identity of our country in the world, we need to make it an integral part of a highly competitive region. We still have a lot of work to do in developing a regional brand for the Baltic Sea region. But one element of that brand is already known to us. This is one of the most cooperative regions in the world.

Already today, the Baltic Sea region leads the world in joint cooperative projects. Whether its economy, science, environment or culture, we are showing the world how neighbors can not only be good friends, but productive partners. These

cooperative projects not only bring benefits to each of our countries individually, but also bring respect from other countries around the world.

As Director of the Latvian Institute, I am responsible for promoting Latvia's interests. But what is Latvia? It is people. The people who live and work here. Its you and your colleagues and friends and neighbors. If we are doing something in Latvia's interests, we are doing it in your interests.

But the government alone cannot do everything. The government can encourage, support and lead, but it's the people of the country that make the difference. It's the small, medium and large businesses as well as organizations. In fact, one way small and medium size businesses can become large is by getting involved in regional projects.

That's why your involvement in the CENTRAL BALTIC INTERREG IV A program is so important. You are the innovators and the cooperators. Without you nothing happens.

And while the main motivation for getting involved in programmes like this is usually economic – I think there is an even more important reason that underlies the economic benefits of these projects. We all live and work around the same Baltic Sea. The safety, security and healthiness of that sea is important to all of us.

During the first 18 years of Latvia's restored independence we focused on short term goals because we had to get our country up and running again. But as we celebrate the 90th anniversary of the founding of our Republic, we have to think long term. We know what the last 90 years were like. But what about the next 90? What about our children, and their children? What is the legacy that we will be leaving them?

Your involvement in INTERREG IV can help shape the future of our country and our region. And if we can make this region safer, healthier, more prosperous and competitive, then we are also making a major contribution to the world.

I wish you all good luck and hope to see you all involved in developing worthwhile, innovative projects.

Ojars Kalnins