

Baltic Environment & Economy

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Baltic Sea Environment – 2 main environmental problems

- *Eutrophication – excess of nutrients*

- *Environmental impact*

- Toxic algal blooms, Oxygen depletion, Loss of valuable fish and benthic fauna, modification of eco-system

- *Examples of socio-economical impact:*

- Loss of recreational values
- Costs of drinking water treatment
- Infections, diseases and allergies

Baltic Sea Environment – 2 main environmental problems

- *Overexploitation of Fish*

- *Environmental impact*

- Decline in spawning stock size
- Every second cod killed in Baltic fisheries every year
- Considerable changes in structure of fish populations
- Wild salmon populations will go extinct

- *Socio-economic impact*

- Decrease in total landings of important commercial species
- Loss of livelihood and increased unemployment in fishing sector
- fishing markets/fish landings more variable and uncertain

**Many conflicts Environment-
Economy**

EU & national subsidies

EU subsidies to the Fisheries sector

World-wide destructive fisheries (e.g. deep-sea bottom trawling) receive 20 billion USD/year

Biggest support in Japan, China & EU – 3-4 billion USD/year, country

EU support because - afraid of social consequences for fishing industry

- Subsidies last 10 years – fishing fleet capacity doubled⁴

EU subsidies to Agricultural sector

- * 50% of the nutrient (P&N) load to Baltic Sea comes from agricultural nutrient run-off
- * EU & national subsidies strongly support intensive agricultural production (incl Industrial Animal Farms)
- * Baltic Sea without Eutrophication - cannot be combined with Intensive Agri production on main part of the farmland in Baltic ctachment



EU subsidies – support the degradation/destruction of the Baltic Sea eco-system and natural resources

EU Tax-payers money give support pollution/degradation of Baltic Sea



Challenge is - Integration of environmental & economic sectors practices

- Subsidies only if high environmental standards are fulfilled
- Agriculture sector must fulfil "Good Agricultural Practices" , (animal density 1,5 AU/ha)
- Subsidies for fisheries sector
 - to reduce fishing fleet - overcapacity
 - for Marine ecosystem recovery – e g Marine Protected Areas

Financial instruments - Economic incentives to solve environmental problems

Examples:

- Pollution discharge fees
- Tax/fee on Energy use
- Tax/fee on Artificial fertilizer
- Tax/fee for NOx -emissions
- Tax/fee and Trading systems for CO2-emissions
- Baltic Sea – Nutrient quota system/Nutrient Trading System (applied in Chesapeake Bay catchment, US)

Policy recommendations

Strengthen sustainable fisheries

- increased cooperation in field of control and enforcement

- integrate fishery policies with economic and environmental strategies

Strengthen sustainable agriculture

- integrate environmental policies with agricultural policies by supporting cooperation networks, action programmes, and environmental requirements to get CAP-subsidies