

Flanders and the North



**Government
of Flanders**



Flanders and the North

Dear reader,

As set out in the Flemish Coalition Agreement 2019-2024, the Government of Flanders is emphatically setting its sights on the North. The opening of a Flemish diplomatic post in Denmark is an essential part of that strategy. From Copenhagen, the Diplomatic Representative of Flanders will focus on shaping and strengthening relations with the four Nordic countries (Denmark, Sweden, Norway, and Finland).

It is our ambition to make Flanders an undisputed benchmark region in the Europe of the 2020s. **Building on our constructive cooperation with the Netherlands, Germany, and the Baltic States, we aim to rapidly find alignment with the other Northern European countries.** All of these countries have a flourishing and innovative economy, a business-friendly investment climate, a strong social protection model and modern public infrastructure.

In this Memorandum, we explain the Vision that was adopted by the Government of Flanders on 19 March 2021.

We indicate the strategic interests shared by Flanders and the North and lay out how we can work together to achieve our mutual goals.

We are convinced that this can lead to positive results, both for your country and for Flanders.

I look forward to working with you, in close dialogue and with great respect for your own vision and interests, to achieve these goals. My Government and I are always at your disposal.

Yours faithfully,

Jan Jambon
MINISTER-PRESIDENT OF THE GOVERNMENT OF FLANDERS,
MINISTER FOR FOREIGN AFFAIRS
CULTURE, ICT AND FACILITY MANAGEMENT

Introduction

One of the most striking new ideas in the Flemish Coalition Agreement of 2019 was that the Government of Flanders will turn its strategic focus to the North.

"It is our ambition to make Flanders an undisputed benchmark region in the Europe of the 2020s. We will turn our focus to the North, both economically and societally, and measure ourselves against societies such as the Netherlands and Scandinavia. We will be setting the bar high in all areas of our society."

"The Government of Flanders has the ambition to connect as quickly as possible with the most affluent Northern European countries with a flourishing and innovative economy, a business-friendly investment climate, a strong social protection model and optimum public infrastructure."

The Flemish policy Memorandum *Foreign Policy and European Affairs 2019-2024* sets out further details:

"My Government will take inspiration from and seek connection with the northern countries of Europe. I will work hard on a strategy for strengthening the ties with the North Sea and Hanseatic countries and look towards the Nordic countries and the Baltic States to forge strategic alliances. (...)

"In order to carry weight in EU decision-making, Flanders must act in a concerted way in European matters and actively seek likeminded partners to defend its interests. To achieve this goal, we will look first to the Benelux, the northern North Sea Countries and the Hanseatic countries".¹

In line with the passages from the policy texts quoted above, the Minister-President of the Government of Flanders has formally clarified that the **"countries of the North"** should be defined as **the Netherlands, Germany, Norway, Denmark, Sweden, Finland, Estonia, Latvia, Lithuania, and Ireland.**

The choice for these countries does not in any way detract from the importance of other ambitions or bilateral relations. As set out in the Flemish Coalition Agreement, the **Flanders' neighbouring countries** are and will remain our primary partners. We will therefore first and foremost work on strengthening the ties with these countries. In addition, we will continue to cooperate with the **Northern France (Hauts-de-France) and North Rhine-Westphalia (NRW) regions.**

In 2017, then-Flemish Minister-President Geert Bourgeois already highlighted the importance of close cooperation with the countries around the North Sea in a post-Brexit context. This includes the **United Kingdom and Ireland.** The present Government of Flanders will resolutely pursue that course. As far as the UK is concerned, we have chosen to work on a separate UK strategy, in which we will explore the importance of cooperation with the UK in its entirety, as well as the importance of bilateral cooperation with England, Scotland, Wales and Northern Ireland.

Ireland should be mentioned separately in this context. Currently, relations with Ireland are somewhat underdeveloped. At the same time, we consider Ireland to be an important strategic partner within the EU. There is significant potential in a strengthened relationship. The Government of Flanders is committed to pursuing initiatives to reach this objective.

¹ Policy memorandum OD 3.2., p. 32

The time has come to translate these ambitions into a **more fully elaborated Memorandum**. The Memorandum offers a general introduction and then explains in a structured manner for each group of countries what the current cooperation entails, what the strategic interest of cooperation can be for Flanders, and finally how it might be fleshed out.

After this Memorandum has been endorsed by the Government of Flanders, it will be time to translate it into **concrete actions**. To do this, the Government of Flanders will emphatically develop initiatives or commission its departments or agencies to do so. The degree to which the necessary efforts for implementing these initiatives are delivered or programmed can be indicated by (a) the planned international missions and receptions to and from the Northern countries, (b) the relevant projects and targets in business plans of Flemish departments and agencies, and (c) the relevant reports via the policy and budget explanatory notes that are submitted annually by the members of the Government in the Flemish Parliament.

Flanders and the North: a retrospective

- (1) **The focus on the North is not new.** A charter of Magnus VII - King of Norway and Sweden - dating from 1343, contains the oldest traces of the **Hanseatic League**: a partnership of Northern European trading cities with its headquarters in Lübeck. Hamburg, Brunswick, Cologne, Dortmund, Groningen, Bruges, Antwerp, Copenhagen, Bergen (Norway), Gdansk, Riga, Tallinn, and many other cities were members. Bruges was - with the exception of La Rochelle - the most southerly city of the Northern alliance.
- (2) It is no wonder that the recent rapprochement between the Northern EU Member States (2018) was called 'the Hanseatic Alliance'. But that rapprochement has been going on for longer: *"In advance of the Summit, the German Chancellor Merkel received her Scandinavian colleagues and the Dutch Prime Minister Rutte. The gesture did not go unnoticed: this was a meeting between like-minded leaders. The impression was conveyed that the Northern countries are working to form an alliance even more than before. The departure of Great Britain is scaring them. Their great ally in free trade will soon be leaving the EU. The Netherlands harbours the same feelings and is making overtures to the Northerners."*²

It was by then clear that the Government of Flanders wanted to join this alliance.

Why this focus on the North?

- (3) In the European Union, there has been for some time a diversity of geographic and substantive orientations. In periods of crisis, this diversity can become more pronounced. Every generalisation is, of course, a simplification and there are also some significant differences between these currents of opinion. There are, nevertheless, remarkable patterns. Flanders is focusing more on the North because we feel a great substantive congruence with these countries. These countries generally emphasise more frequently the importance of a sound budgetary policy, believe in a socially corrected but still largely liberal free market economy, are proponents of more international free trade and are rather averse to protectionism, concern themselves with socio-economic reforms to secure future prosperity and believe strongly in European cooperation and integration, provided this takes place in an EU that is built from the bottom up.
- (4) The differences between northern and southern Europe can also be seen in Belgium. In terms of policy, Flanders is more closely aligned to the Northern countries. Since 1993, when the Government of

² Bart BEIRLANDT, "Eénheid? De EU valt uiteen in blokken", [Unity? The EU is disintegrating into blocs] in *De Standaard*, 16 September 2016, pp. 16-17.

Flanders, under then-Minister-President of Flanders Luc Van den Brande, gained jurisdiction over its own foreign policy, Flanders has invariably focused strongly on more intensive cooperation with the Netherlands, both on the linguistic and cultural level and in terms of economy and politics (i.e. Scheldt Treaties, Ghent-Terneuzen Lock, joint trade missions, Flemish-Dutch Summit, etc.).

- (5) **The passage in the Flemish Coalition Agreement cited above is the first explicit statement that Flanders has the ambition to align itself with the Northern countries.** The Government of Flanders has, for instance, expressed its ambition to increase its employment rate to more than 80%, following the example of Germany, the Netherlands, and the Scandinavian countries. Flanders also has the ambition to gain a place among the top 5 most innovative knowledge regions in Europe. Flanders is also, like other Northern countries such as the Netherlands, Denmark, and Ireland, one of the major victims of Brexit, which is why we have every interest in investigating with those countries how we can redress that negative economic impact. The first steps towards cooperation have already been taken in the area of renewable energy and in the reduction, capture, storage and reuse of carbon emissions.
- (6) The new Government of Flanders resolutely seeks to continue along this path and **develop structurally stronger ties with the Northern European countries.** This, incidentally, seamlessly matches an ambition that was expressed on 29 June 2017 by Geert Bourgeois, at the time Minister-President of Flanders, at a major North Sea Conference in Göttingen, Germany. The then Minister-President Bourgeois argued for a North Sea Union or Alliance, whereby countries around the North Sea would work more intensively together on all sorts of common interests (ports, fisheries, offshore renewable energy, blue economy, coastal protection, marine environment, etc.).

Substantively, there are more than enough challenges for better cooperation and mutual reinforcement. By establishing structurally stronger relationships with the countries located more to the north in Europe, we can achieve a lot more progress in this respect.

Where do we stand now?

- (7) From the very start, cooperation with the **Netherlands has been a central priority** in the foreign policy of the Government of Flanders. To Flanders, the Netherlands is not just its closest neighbour from a geographical point of view. Issues of shared interest in many areas, including culture, education, and infrastructure, are regulated in bilateral treaties, or entrusted to supranational organisations created for that purpose³. The Flemish-Dutch cooperation is extremely broad, and there are multiple bilateral meetings at ministerial level. The entire relationship is overseen and directed by a Flemish-Dutch summit between both governments which, in principle, is held every two years. Dutch companies headed the 2020 list of foreign investors in Flanders, surpassing US-based companies.

In its most recent strategy memorandum on the Netherlands, the Government of Flanders has set the goal of uniting the Low Countries into “*one logistic* (target 1), *one economic* (target 2) and *one cultural space*” (target 3). To that end it is aiming for “*a strengthened form of international cooperation*” (target 4)⁴.

Flanders has had a Diplomatic Representation in The Hague since 1994. Today the Representation consists of three divisions, led by a Flemish Diplomatic Representative, an Economic Representative of

³ Dutch Language Union, Accreditation Organisation of the Netherlands and Flanders, Flemish-Dutch Scheldt Commission, the Common Nautical Authority, the Flemish-Dutch Bilateral Meuse Commission, etc.

⁴ Government of Flanders, *Strategy Memorandum Flanders-Netherlands. Relying on the competitive strength of the delta (Strategienota Vlaanderen-Nederland. Steunen op de concurrentiekracht van de delta)*, 2017.

Flanders and a director of VISITFLANDERS & Brussels. There is also a special bond with the Flemish Cultural Centre 'de Brakke Grond' in Amsterdam.

- (8) **Germany is Flanders' largest neighbour and trading partner**, and the EU's economic engine. Flanders' view on the future of the EU has much in common with that of Germany - even if only in the shared vision on the **importance of subsidiarity**. The Federal Republic of Germany is made up of sixteen federated states, several of which maintain close ties with Flanders. The closest German federated state is North Rhine-Westphalia (NRW). In 2015 and 2018, joint meetings were held between the governments of Flanders and NRW. A new bilateral governmental summit is planned for 2021.

In its strategy memorandum on Germany, the Government of Flanders has set out the goal of *"deepening economic interaction"* (target 1), counts on Germany *"to see its vision on the future of the European Union achieved"* (target 2), and wants to learn from Germany *"in order to strengthen Flanders as an open society"* (target 3)⁵.

The strategy Memorandum also shows the way for a more ambitious approach to the cooperation with the northern federated states of the Federal Republic of Germany. A visit by the Minister-President of the Government of Flanders to his colleague in Hamburg in 2019 was a first step in that direction. There is also close cooperation between the ports of Flanders and the port of Hamburg, for example in achieving international environmental targets.

In 2001, Patrick Dewael, the then Minister-President of Flanders, opened a Diplomatic Representation in Berlin. VISITFLANDERS & Brussels has an office in Cologne. Flanders Investment & Trade has offices with Economic Representatives of Flanders in Berlin, Cologne and Stuttgart.

- (9) Flanders has also maintained **intense diplomatic relations** with **Estonia, Latvia and Lithuania** since these countries regained their independence. On 24 November 1990, a joint declaration of intent was signed between Flanders and Lithuania. That was even before the first country (Iceland) had recognised the independence of Lithuania⁶. Russia would not recognise Lithuanian independence until 6 September 1991.

More declarations of intent with Estonia, Latvia and Lithuania followed. Ultimately, a treaty was signed with each of them in 1996. Those treaties are among the best-implemented cooperation treaties signed by the Government of Flanders. Initially, cooperation was largely focused on the transition of the Baltic States to liberal democracies and free-market economies, and on their accession to the EU⁷. That dimension has now been replaced by the usual bilateral cooperation between European Member States. Visits and contacts at government level have remained reasonably frequent. Indeed, very recently (19 November 2020), Lithuanian and Flemish ministers signed a Memorandum of Understanding on cooperation in the area of renewable energy.

Since 2007, Flanders has been represented in Estonia, Latvia and Lithuania via its Diplomatic Representation in Warsaw, Poland. In 2016, a new office of Flanders Investment & Trade was opened in Vilnius, Lithuania, in the presence of the Minister-President of the Government of Flanders and the Lithuanian Minister for Foreign Affairs⁸.

- (10) Until recently, Northern Europe was an underserved region in the Flemish diplomatic network.. The Nordic countries lead international rankings in many policy areas. They have the world's highest social mobility figures, an exceptionally high participation of women in the labour market and the highest

⁵ Government of Flanders, Strategy Memorandum Flanders-Germany, 2019, pp. 12, 21 and 23.

⁶ <https://www.fdfa.be/nl/gemeenschappelijke-intentieverklaring-tussen-litouwen-en-vlaanderen>

⁷ For this, the Government of Flanders was able at the time to draw on its Central and Eastern Europe Cooperation Programme. Between 2001 and 2008, 41 projects funded by that programme were implemented in the Baltic States, at a collective cost of 7,422,666 euros. ()

⁸ <https://www.fdfa.be/nl/nieuw-kantoor-flanders-investiment-trade-geopend-in-vilnius>

score of all countries in analyses of competitiveness, innovation and logistics performance . They are also leaders on public expenditure, development cooperation, and R&D.

Following an extensive SWOT analysis, the previous Government of Flanders decided to open a new diplomatic post in the Nordic countries. Rather than opting for a new bilateral Diplomatic Representative in every country, preference was given to a broader regional jurisdiction, whereby bilateral relations with the four Nordic countries can be promoted.

In 2019, Flemish exports to these four Nordic countries were valued at more than 11 billion euros. In terms of direct investments from these countries, the relations with the Nordic countries provide a very positive return for Flanders. In the past 10 years, combined investments from Denmark, Sweden, Norway, and Finland amounted to nearly 750 million euros and created around 2,800 additional jobs in Flanders. Only investment from the US, Germany, the Netherlands, and France combined provided more new jobs in the same period. There are also good relations at the academic and cultural level. In the current academic year, around 1,400 students from Flanders went on exchange to one of the four countries. Sweden and Finland also offer Dutch Studies degrees at university level. The Scandinavian countries score high in research and development rankings. A number of joint projects under the Horizon Europe framework programme are currently active: in more than 2,000 projects cooperation has been established between Flemish researchers and their colleagues in the Nordic countries. There is cooperation between cultural institutions, and Flemish artists have no trouble finding their way to Nordic stages. The cooperation between Flanders and some of the Nordic countries is already strong, but the **presence of a Flemish Diplomatic Representation should enable the further strengthening of these relations**

By opening a new Flemish Diplomatic Representation in the Nordic countries, the Government of Flanders has firmly chosen to strengthen the political, economic, and cultural ties with progressive EU Member States that enjoy an international reputation as defenders of democracy and human rights. Additionally, this new Diplomatic Representation offers the opportunity of working together even more closely with countries which, by means of some far-reaching governance and socio-economic reforms, aim to address challenges that are shared with Flanders, such as an ageing population, climate change, governance, integration of migrants, and radicalisation. The Nordic countries have close historic ties and are, leaving aside Finland, also closely connected linguistically. They also apply a similar societal model, have a comparable state system (centrally organised) and take similar positions internationally. Having said this, one should not make the mistake of viewing the Nordic countries as a monolithic bloc.

Way forward?

- (11) Each of Flanders' strategies for the North retains **the Netherlands as central priority** and builds on the foundations of the Flemish-Dutch cooperation. The Netherlands is, both geographically and diplomatically, Flanders' bridge to the North. The shortest road to the alignment being sought with the countries of the North is by way of **achieving the policy aims** set out in the strategy memorandum on the relationship between Flanders and the Netherlands. After all, these aims are designed to have Flanders belonging to the same logistic, economic and cultural space as its closest neighbour from the North. A consistent implementation of the current strategy memorandum must therefore be the first cornerstone and critical success factor for achieving the ambitions of the Government of Flanders with regard to the North.
- (12) In order to achieve its Northern ambitions, Flanders must keep closely abreast of developments in Germany and continue to raise its profile in Berlin. Germany is a key player within the EU, and is both politically and economically the centre of gravity of Northern Europe. Germany dominates the game of alliance building in the Union.

Flanders can therefore make use of its **good relations with the German federated states** and focus further on the partnerships with these leading German Länder. In light of the ambitions of the Government of Flanders, it is logical to seek closer relations with the northern federated states. Lower Saxony is an important agricultural region. The federated state of Schleswig-Holstein borders Denmark and plans to open a rail and road link with Sweden in 2029. Mecklenburg-West Pomerania borders the Baltic Sea. Both federated states are thus an integral part of the maritime North. Hamburg - a Hanseatic city - has the second largest aviation cluster in Europe and hosts the biennial international SMM⁹ exhibition on maritime economy.

- (13) A realistic Northern policy approach should also **build on the existing cooperation and diplomatic relations with Estonia, Latvia, and Lithuania**. That cooperation can be intensified and, if necessary, be further shaped at the political level. The Nordic countries are also focusing more strongly on the Baltic states in their own 'neighbouring countries policy'. Flanders' considerable diplomatic access to - and good cooperation with - the Baltic States may serve as an example and help to dispel any hesitation on the part of the Nordic countries.
- (14) A comprehensive approach to the North, as set out in the Coalition Agreement, requires a **bilateral catch-up with regard to Norway, Denmark, Sweden and Finland**. This implies that the Government of Flanders should interact with the governments of the Nordic countries as much as it does with other countries in the North and seek to similarly shape those relations and that cooperation legally and diplomatically."

To achieve this goal, the following elements are necessary:

- i) If the diplomatic relations with Norway, Denmark, Sweden and Finland are to be developed, the members of the Government of Flanders will have to **emphatically develop initiatives** for this.
- ii) In the agenda for cooperation with the countries of the North, it would be ideal to set out **a clear focus**. From the text of the policy Memorandum and coalition agreement (see above, (5) and (6)), it can be inferred that priority must be placed on (a) cooperation in the areas of **economy and innovation**, but that (b) **inspiration and lessons learned** should also be sought in **other policy fields** among good policy practices in the North. And that (c) **alliances** should be pursued with those countries in order to influence EU decision-making on major matters of common interest.
- iii) The central ambition of the Government of Flanders is to take Flanders into the top five in the Regional Innovation Scoreboard (RIS) of EU regions.¹⁰ The Nordic countries comfortably hold the top positions in this ranking and are thus an interesting area for prioritising cooperation and 'policy learning' in the areas of **science and innovation**. The Nordic countries are an important region for Flanders' economy, one where Flemish companies find business partners and deliver to them. They are also an important source of investment in technology sectors. In addition, there is a connection with the Northern countries due to the geography, which raises specific challenges in terms of sustainable connections, mobility and energy. There are also great similarities with the most northerly countries in terms of norms and values, which offers opportunities for cooperation and exchange in domains such as diversity and equal opportunities, as well as civic integration and integration.

⁹ "Shipbuilding, Machinery and Marine Technology". This is the most important international forum for the maritime industry.

¹⁰ See: <https://interactivetool.eu/RIS/index.html>) The Flemish Advisory Council for Innovation and Enterprise, VARIO, has developed an indicator set with 20 indicators (for which they are now doing the baseline measurement). See: https://www.vario.be/sites/default/files/documents/2020_JULI_VARIO_ADVIES_NR_13_INDICATORENSET%20VOOR%20W%20EN%20I.pdf

With a view to determining further policy focus for cooperation with the Nordic countries, it more explicit choices must be made.

iv) In order to achieve the bilateral catch-up the countries of the North, the **necessary diplomatic instruments** will also have to be provided. In this case, this concerns:

- **the opening of a Flemish Diplomatic Representation** to the Nordic countries. The Government of Flanders decided this on 29 May 2020 and chose Copenhagen as location for the new Diplomatic Representation. The opening of this new Flemish diplomatic post will fill an important gap in Flanders' diplomatic network..

The Diplomatic Representation will be accredited to Denmark, Sweden, Norway and Finland. Its remit will be to represent and promote Flanders in those countries as an autonomous federated state with strong, treaty-making powers. The Representation will identify opportunities for cooperation, introduce interested authorities, institutions and organisations to each other, and support and monitor all the forms and projects of cooperation.

- **the reinforcement of the current presence of Flanders Investment & Trade** (Economic Representatives of Flanders) in the Nordic countries through the addition of an extra **Technology Attaché**.

The new Technology Attaché will have their office in Copenhagen and will focus on Climate Tech (with special focus on energy) and Health Tech (biotech, medtech), in the Scandinavian region and the Baltic States. The remit of the new Technology Attaché in Copenhagen will consist of establishing relevant links with Flemish sectors and clusters in those fields and subsequently giving Flemish companies quicker access to the market and assisting them in finding investors.

v) Finally, in order to give cooperation with the Nordic countries every chance of success, it is recommended to also involve **Flemish local authorities and non-governmental organisations**. With its Strategy for the North, the present Government of Flanders also wishes to promote exchanges between the Nordic countries and the local authorities.

(15) An effective Strategy for the North includes, alongside a bilateral component, **the EU dimension and multilateral cooperation** as an important element. In the above (14,ii, c), attention was drawn to the intention in the coalition agreement to strive, together with the countries from the North, to reach common positions in order to influence EU decision-making on crucial matters. In connection with this, the following elements are the most important.

- i) The nine countries of the North listed do not form a unified group in all the policy issues. The interests and positions of this group of countries diverge as often as they coincide. Yet now and again a common denominator is visible or appears to be emerging with which a large number of these countries can identify, and for which Flanders may ask itself whether it can do the same.
- ii) If influence is to be exerted on EU decision-making, Flanders must first have an influence on the positions adopted by Member State Belgium. That process largely takes place via intra-federal consultation and coordination under the leadership of the Federal Public Service Foreign Affairs.

The Government of Flanders already exercises influence on European Commission policy proposals at an early stage. The Flemish Diplomatic Representation to the EU plays an important role in this process. Exchanging and aligning positions with other EU Member States is a part of the agenda of EU diplomacy around the Schuman square in Brussels. The Flemish Diplomatic Representation to the EU can therefore best be asked to **build up and maintain close contacts with the Permanent Representations of the specified Northern countries**. This will allow it to obtain an

early indication of how the interests and positions of the Northern countries are evolving, and to assess whether Flanders' positions are aligned to those of like-minded Member States from the North and to which of these they are most closely aligned.

- iii) Occasionally, one or more countries of the North take initiatives in order to - together with a number of like-minded countries - formulate common positions or to exercise influence on the EU policy agenda. An initial example of this is given under point (3) of this Memorandum. On the other hand, a more recent example originated from Stockholm, and was intended as a joint initiative of Sweden, Denmark, Finland, the Netherlands, Germany and the Czech Republic to join efforts to counterbalance 'protectionist tendencies' in EU trade policy¹¹.

For Flanders it makes sense to be alert to such alliance building initiatives, and to investigate systematically whether, to what degree and how it can join in either formally or informally.

A critical success factor for such alliance building will be to make the countries in the North familiar with the fact that Flanders is competent for its own foreign policy according to the principle 'in foro interno, in foro externo' set out in the Belgian Constitution.

- iv) Certainly, with regard to EU external policy, closer cooperation and alignment of positions with the Northern countries is an option. An example here is the policy concerning trade, development cooperation, strategic goods and human rights.
- v) The EU is increasingly showing the desire to speak with a single voice in the **multilateral forum**. From that point of view, it is logical that Flanders should **search alignment with like-minded countries** with a view to formulating common positions or pooling donor resources for the same multilateral programmes or instruments¹².

¹¹ <https://www.politico.eu/article/free-trading-stockholm-six-counter-french-protectionism/>

¹² Flanders is currently the largest sub-national donor to the UN Central Emergency Relief Fund (CERF). Four of the five largest CERF donors are Germany, the Netherlands, Sweden and Norway.



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