

JOINT STATEMENT OF THE 24th BALTIC COUNCIL

On 26 October 2018 in Vilnius, the Republic of Lithuania, the Baltic Assembly and the Baltic Council of Ministers convened for the 24th Baltic Council to discuss cooperation in security and defence, common position of the Baltic States on the 2021-2027 EU Multiannual Financial Framework, to review progress in developing regional energy and transport infrastructure projects, and to define objectives of Baltic parliamentary and governmental cooperation in 2019.

Security and defence

NATO is the foundation of our strong collective security and defence. In the years since the Wales Summit, NATO has achieved significant progress in adapting to the changing security environment and ensuring that its deterrence and defence posture remains credible, coherent and resilient. The NATO Enhanced Forward Presence (eFP) of four multinational combat-ready battalion-sized battlegroups in the Baltic States and Poland has contributed to the Alliance's strengthened deterrence and defence posture and has significantly beefed up security of the Baltic States. However, NATO's eFP needs to be joint-enabled with air and maritime elements. Due attention in NATO must be given to the viable reinforcement strategy, the readiness of armed forces, the Alliance's political and military responsiveness, and the ability to act in a non-permissive environment. Improving military mobility remains among the top priorities in the Baltic Sea Region.

We thank the Allies participating in NATO's eFP battlegroups, the Baltic Air Policing Mission and contributing to NATO Force Integration Units in the Baltic States. These and other NATO measures contribute significantly to the deterrence and defence posture in this part of the Alliance.

We stress the importance of spending at least 2 % of GDP on defence and underline our readiness to work towards a fair burden sharing within the Alliance. Close transatlantic cooperation and a solid, durable bond between Europe and the United States are indispensable for security and defence of the Euro-Atlantic area. The Baltic States also highlight the importance of US military presence in the Baltic Sea Region and its continued commitment to engage in defence capability development in the region.

The Baltic States stress that sanctions against the Russian Federation for its aggression in Ukraine must be continued until the territorial integrity of Ukraine is restored. It is important for NATO to respond in a defensive manner to the threats arising from Russia's provocative

military activities, such as repeated violations of our airspace, large-scale exercises and increasing militarisation along NATO's border, including the deployment of advanced nuclear-capable *Iskander* missiles to Kaliningrad and military training activities with offensive scenarios in the western direction.

We welcome the ongoing strengthening of European security and defence and emphasise the importance of the EU's efforts in reinforcing the European pillar of transatlantic partnership. The defence initiatives of the EU are elements of the European security and defence landscape with NATO and the transatlantic relationship as its cornerstones. In this regard, we positively note the activation of the Permanent Structured Cooperation (PESCO) and stress the importance of its further development and delivering concrete results.

We emphasise our strong support for the European aspirations of the Eastern Partnership countries and confirm our readiness to provide political and economic support to the partner countries. We also stand ready to share our experience in enhancing reforms and economic development through the efficient use of support and financial instruments. We duly note that 2019 will mark the tenth anniversary of the EU Eastern Partnership cooperation format, and we confirm our readiness to provide, if needed, support for cultural or political events highlighting the importance of the format.

Cooperation in countering hybrid threats

As long as the Baltic States face hybrid threats, there is a need to counter hostile activities, cyber-attacks, disinformation campaigns, energy blackmail, aggressive intelligence activities, political corruption, and interference in elections. It is important to strengthen our ability to recognise, respond to, defend against hybrid threats by strengthening resilience, and exploit the opportunities offered by cooperation with other EU and NATO member states.

The Baltic States agree on the need to bolster the resilience of their societies, including via strategic communication. Three strands of work are crucial in this regard: (1) positive communication about the impact of the EU and NATO on the daily life of every citizen; (2) the fight against disinformation, and education of our citizens and media on how to recognise and deal with information manipulation; and (3) encouragement of online platforms to sign up to the EU Code of Practice on Disinformation. Exposing hostile influence campaigns makes common threats more visible for our societies whose support is vital for our common action in bolstering resilience.

The Baltic States agree on the need to bolster the efforts in countering hybrid threats by information and experience sharing, joint initiatives, including those in cooperation with the Helsinki-based European Centre of Excellence in Countering Hybrid Threats. There is also an

urgent need to support efforts of Eastern Partnership countries, especially Georgia, Moldova and Ukraine, in countering hybrid threats and bolstering their resilience.

It is also important for the Baltic States to further enhance their cyber security capabilities in order to deal effectively with any potential cyber-attacks. At the same time, we have to focus our efforts in the EU, NATO and other international fora on creating new and more effective diplomatic and legal instruments to deter and combat malicious cyber activities. Regional cooperation in this field, especially in the NB8 format and including the U.S., is highly important and needs to be continued and enhanced. It is vital to strengthen the resilience of critical infrastructure, including energy, transport, telecommunication and financial services. The Baltic States should continue regional cooperation in bolstering their cyber resilience in all critical sectors.

Regional electricity and gas market, nuclear safety

We welcome the Political Roadmap on the synchronisation of the Baltic States' electricity networks with the Continental European Network via Poland signed on 28 June 2018. The synchronisation of the Baltic States with the continental European network by 2025 is a key political priority and is crucial to ensure secure, affordable and sustainable energy for the Baltic States.

Estonia, Latvia and Lithuania stress that the Nord Stream 2 gas connection project is Russia's geopolitical instrument that would reduce competition, isolate Ukraine and make Europe even more dependent on Russia's gas.

The Baltic States resolve to further promote the implementation of the highest international nuclear and environmental safety requirements for nuclear facilities in the EU neighbourhood, for example, in regard to the development of the nuclear power plant project in Belarus.

Estonia, Latvia and Lithuania call Belarus to prepare a national action plan with clear timelines ensuring full implementation of all safety recommendations by relevant international organisations before the commissioning of the Ostrovets Nuclear Power Plant, invite the European Commission to follow the process of the preparation of a Belarussian national action plan and monitor the timely implementation of all the recommendations made by the stress test peer review team. We note that this is a crucial exercise in order to ensure environmental and nuclear safety in the EU.

The Baltic States agree to continue working towards establishing measures to secure level playing field in electricity trade with third countries, which is essential for the creation of a competitive, transparent and open electricity market.

We shall continue monitoring timely implementation of infrastructure projects of the electricity and gas market. These projects will also contribute to enhancing the competitiveness of the Baltic energy market.

The Baltic States highly welcome the progress achieved in the development of a regional natural gas market and in this regard acknowledge the signing of the Memorandum of Understanding, which is an important step for the introduction of regional market mechanisms by 2020, by the natural gas transmission system operators of Latvia, Estonia and Finland and express the hope that in the nearest future discussions will continue with the Lithuanian gas transmission system operator on joining the Memorandum.

Development of transport infrastructure

We reiterate the importance of the further progress of the “Rail Baltica”, as it is a bottleneck of the Trans-European Transport Network. However, we underline that the project’s success depends not only on the full responsibility and commitment of the Member States to implement it, but also on EU instruments and the continuation of significant financial support after 2021. The next multiannual financial framework should provide stability and clarity for reaching the strategic goals of the “Rail Baltica” project as part of the TEN-T Core Network, by continuing and completing it, and taking it into use to reach the economic and social benefits envisaged by it.

We strongly welcome the European Commission’s plan to utilise EU instruments within the next budgetary framework for improving military mobility, which will support the objective of meeting security-related requirements to ensure dual usage of transport infrastructure in the Baltic Sea Region and other parts of the European Union.

Supporting sustainable mobility, seeking to improve traffic safety and foster innovations on “Via Baltica” route, we emphasise the Baltic States’ big potential to become frontrunners in the TEN-T corridors’ alternative fuels, automated vehicle driving and ITS innovative flagship projects initiatives.

Common position of the Baltic States on the 2021-2027 EU Multiannual Financial Framework

The Baltic States reiterate that the future EU budget should be sufficiently funded to enable the implementation of EU long-term objectives and respond to the new challenges. To

achieve these goals, the Union's resources should be above 1 % of EU 27 GNI, and the Baltic States are ready to increase their contributions. We underline that the EU budget must focus on investments promoting convergence, competitiveness, productivity and connectivity, while also tackling the challenges related to security and migration as well as transition towards low carbon and climate resilient economy.

We emphasise that cohesion policy should remain the key EU investment policy with adequate funding. Its funds should be focused on less developed regions, addressing regional disparities in order to achieve long-term goals of economic, social and territorial cohesion as enshrined in the EU Treaty. Cohesion policy allocations should be fair and balanced, reflecting socio-economic developments in the Member States, ensuring gradual phasing-out for regions as they converge and taking into account financial capacities of the beneficiaries.

Besides, we are convinced that European Territorial Cooperation (INTERREG) significantly contributes to the implementation of cohesion policy, therefore it is necessary to preserve all elements of territorial cooperation.

We stress the need for a strong and adequate CAP budget that would enable meeting ambitious targets. There is a need to ensure the level playing field for farmers across the EU single market. The major precondition to achieve this is full external convergence of common agricultural policy's direct payments and increased support for rural development in the EU.

The Baltic States underline that the new financial framework should ensure sufficient and sustainable contribution to the development of missing transport and energy networks, digital infrastructure and services in order to ensure synchronisation of the Baltic States with the European electricity network, digital interoperability and to complete the railroad link between the Baltic States and the rest of Europe. Implementation of these projects is of strategic importance for the region and the entire EU.

The EU should continue to support stability, security, state building and governance reforms in the EU Eastern Neighbourhood with a solid, separate and specifically targeted financial instrument. We underline that in order to address the challenges of migration and security it is vital to ensure proper financial resources for the common standards of land border surveillance.

Estonia, Latvia and Lithuania agree that continuous appropriations should be designated for the Ignalina Nuclear Power Plant's decommissioning, as the process of the decommissioning has reached an irreversible state.

Education, research, health care, culture

Estonia, Latvia and Lithuania underline that the activities and initiatives of the Baltic Science Network are of high importance, as is the visibility of the Baltic Sea Region in a wider EU context.

The Baltic States will continue implementing the joint procurement of medicines and cross-border cooperation in the provision of ambulance services in the border area.

We strongly believe that the establishment of the Baltic Culture Fund will promote cultural cooperation between the three Baltic States, strengthen the internationalisation of Estonian, Latvian and Lithuanian culture through joint cultural events abroad, facilitate regional connections, develop high-quality and more competitive cultural production of our countries and encourage mutual learning and sharing of best practices.

The Baltic Council defined the following priorities for cooperation in 2019:

1. Strengthening security in the region;
2. Developing regional connectivity with a focus on energy and transport infrastructure and digital agenda;
3. Promoting common interests within the EU.

The 25th Baltic Council will be held during the Latvian Presidency on 28-29 November 2019 in Riga, the Republic of Latvia.

Valerijus Simulik



President of the Baltic Assembly

Linas Linkevičius



Chairman of the Cooperation Council of the
Baltic Council of Ministers