

**JOINT STATEMENT
PRIME MINISTERS' COUNCIL
OF THE BALTIC COUNCIL OF MINISTERS**

The Prime Minister of Estonia Mr Jüri Ratas, the Prime Minister of Latvia Mr Māris Kučinskis and the acting Prime Minister of Lithuania Mr Algirdas Butkevičius met within the framework of the Baltic Council of Ministers on 9 December 2016, in Riga, Latvia. The Prime Ministers reviewed the progress concerning the implementation of the joint priorities of Latvia's chairmanship of the Baltic Council of Ministers – strengthening security in the region, promotion of strategic communication and development of transport and energy infrastructure. The Prime Ministers stressed the need to keep working on developing a competitive and connected region, ensuring that Europe remains strong and united, and to move forward with successful and timely implementation of the NATO Warsaw Summit decisions.

Developing competitiveness and connectivity

The Prime Ministers:

Emphasised the need to further develop **region's competitiveness** and potential for jobs, growth and investments, in particular by: continuing integration into the Europe's infrastructure networks to increase connectivity and build genuine internal market, pursuing structural reforms to advance economic productivity, and expanding investments in education and innovation.

Agreed to continue further development of integrated and well-functioning **regional gas and electricity market**, as well as work towards ensuring transparent market conditions in order to facilitate competition and attract new market participants and investment, and recognised the importance of the work done by the Baltic Council of Ministers' Committee of Senior Energy Officials to achieve that.

Reiterated the necessity to synchronize the Baltic electricity networks with the European networks in order to increase the level of energy security and attain a fully functioning and connected internal electricity market. Committed to strive for a swift progress under the BEMIP framework for identifying the best, most cost-efficient and timely solution for the synchronisation of the Baltic States with the European network, taking into account results of the Joint Research Centre study and other studies revealing technical and financial aspects of the synchronization process.

Stressed that it is essential to take coordinated steps towards the creation of a level-playing field in electricity trade vis-a-vis third countries due to different market structures and environmental and nuclear safety standards in the EU and non-EU countries.

Underlined that all international commitments must be fulfilled and highest nuclear safety and environmental requirements complied with while developing nuclear energy projects in the EU and EU neighbourhood, especially including the Ostrovets Nuclear Power Plant being built forty kilometres from Vilnius, the capital of Lithuania.

Appreciated the work done by the Regional Gas Market Coordination Group on developing the regional gas market and welcomed the adopted Regional Gas Market Development Action Plan, which sets out the necessary mid-term measures for ensuring functioning of the Eastern-Baltic regional gas market until 2020, as well as invited Finland to join the Action Plan and continue taking part in the regional gas market development process.

Acknowledged the importance of timely implementation of such key projects as the Gas Interconnection between Poland and Lithuania (GIPL), BalticConnector pipeline between Estonia and Finland, modernisation of Inčukalns underground gas storage, Estonian-Latvian and Latvian-Lithuanian gas interconnections, the third Latvian-Estonian electricity interconnection and others,

which together with the existing infrastructure will not only ensure the security of energy supply in the region, but also improve the functioning and liquidity of the energy market.

Agreed that efforts should be continued to find the most economically viable long-term regional solution to ensure diversified and secure gas supply to the Baltic States, and jointly seek the EU financial support for the implementation of such solution.

Reiterated that all new energy infrastructure projects should be in compliance with the EU's energy policy goals and principles, and remained committed to the opinion that Nord Stream II project goes against the EU policy aims to diversify the energy supply sources, suppliers and routes, eliminate the dominance of one energy supplier and enhance energy security.

Stressed the importance to speed up the realisation of the **Rail Baltic/Rail Baltica project** in order to secure timely implementation and continuous support from the project partners.

Welcomed the signing of the Contracting Scheme of the Rail Baltic/Rail Baltica project on 8 October 2016, and encouraged all parties, with RB Rail as coordinator, to implement the principles established in this Agreement without any further delay.

Welcomed the signing of the Grant Agreement under the second Connecting Europe Facility (CEF) call for proposals on 18 November 2016, and supported the submission of joint application for the third CEF call for proposals. Stressed the importance of continued EU support and funding at the highest permissible EU co-financing rates in the following EU multiannual financial frameworks.

Encouraged Poland and Finland to continue active participation in the development of the North Sea – Baltic Core Network Corridor with the aim to improve connectivity and ensure efficient use of the Rail Baltic/Rail Baltica project.

Stressed the aim to develop and sign the Intergovernmental Agreement, thus strengthening the commitment to implement the Rail Baltic/Rail Baltica project and ensure its functionality.

Acknowledged the progress achieved in the construction of 1435 millimetre railway section between Lithuania/Polish border and Kaunas and referring to the forthcoming feasibility study stressed the need to take further steps to continue efficient development and upgrade of this railway section in order to correspond to the technical parameters of the entire Rail Baltic/Rail Baltica project. In respect of harmonious development of the cross-border section between the Baltic States and Poland, stressed the importance of jointly defining the milestones, including technical parameters of design speed, ERTMS and the timeline of their implementation, as envisaged in the Joint Ministerial declaration on enhanced cooperation for the implementation of Rail Baltic/Rail Baltica project, signed in Rotterdam on 21 June 2016.

Emphasised the need to pursue successful implementation of the **EU Digital Single Market Strategy** by promoting transformation and adaptation to the digital age in order to boost competitiveness of the region and seize new opportunities and benefits for citizens and businesses, and reiterated support for ambitious implementation of the EU “e-Government Action Plan 2016-2020”.

Stressed the necessity to raise awareness and spread the practice of secure **electronic signing** and recognised the need for public administrations to lead the way in order to intensify the usage of e-signature and digital document exchange.

Reiterated strong support for maintaining the **Multiannual Financial Framework (MFF)** focused on EU's core policies, which underpins strategic long term objectives, such as sustainable growth, employment and convergence in the EU, and contributes to EU's security and external actions. Agreed to cooperate closely in defining and securing common interests in the MFF post-2020,

especially with regard to Cohesion and Common Agriculture policies and cross-border infrastructure projects. Underlined the role of the Cohesion policy as an important source of enhanced European added value by promoting growth, jobs and competitiveness, as well as reducing the development disparities across the EU regions.

Strengthening security in the region

The Prime Ministers:

Reaffirmed the enduring commitment to spend a minimum of two percent of Gross Domestic Product on defence.

Noted the ongoing and relentless work of the Baltic States on the implementation of **NATO Warsaw Summit** decisions, particularly, the establishment of enhanced forward presence in the region.

Reaffirmed the commitment to ensure adequate Host Nation Support for multinational forces provided by framework nations and other contributing Allies, and assured that the improvement of military infrastructure and legal aspects are being dealt with as a matter of priority, with the goal to ensure proper accommodation of enhanced forward presence battle groups as of 2017. Noted that necessary steps should also be made to ensure smooth and rapid movement of the Allied forces among the Baltic countries.

Stressed the significance of **transatlantic bond**, which is the foundation of strong NATO and firm security architecture in Europe. Expressed support in continued U.S. leadership and engagement in strengthening security and promoting stability, and noted that the **U.S. persistent presence** in Europe and especially in the Baltic States will remain of utmost importance. The Baltic States are grateful for the U.S. commitment to the regional security over the last two decades and are looking forward to continuing and enhancing the partnership in all domains.

Emphasised the importance of further Baltic cooperation in the areas of defence planning and capability development.

Noted that the Baltic States have been successfully working together to strengthen **cyber security** and coordinate policies and have been upholding their commitments to attain goals agreed in the NATO Cyber Defence Pledge, seeing this as a firm foundation for building on the declaration of cyber as a separate domain of operations at the NATO Warsaw Summit.

In order to ensure swift and efficient response to cyber security challenges facing the region, reaffirmed commitment to enhance operational cooperation and information exchange. Welcomed further cooperation on research in cyber security, annual expert consultations, cyber security training and cyber defence exercises, considering this vital to developing capabilities to counter cyber threats and strengthen the cyber security of the critical infrastructure. Reiterated the support to the activities of the NATO Cooperative Cyber Defence Centre of Excellence in Tallinn.

Acknowledged the benefit in coordinating the adoption and implementation of the Directive on Security of Network and Information systems (NIS directive), which is yet another tool for strengthening national and regional cyber security.

Expressed support to the ongoing cooperation format of the Baltic States and the U.S. on cyber security in critical energy infrastructure and the active involvement of the Baltic States in Nordic-Baltic-U.S. high-level interagency discussions on cyber security and cyber space related issues.

Emphasised the need to further strengthen NATO and EU cooperation and welcomed the efforts by NATO and EU staffs in identifying concrete options for the implementation of the Joint Declaration

issued in Warsaw by the NATO Secretary General, the President of the European Council and the President of the European Commission.

Reiterated the importance of continuing cooperation on **strategic communication** issues and acknowledged the current security challenges and growing use of disinformation by external actors, as well as the importance of independent and professional media and effective communication in provision of quality unbiased information.

Stressed the need to continue cooperation in order to increase societal resilience to manipulation through citizens' critical thinking, promotion of media literacy and support for independent journalism. Welcomed in this context the efforts by the Baltic Centre for Media Excellence and the Estonian Centre of Eastern Partnership.

Endorsed the strengthening of strategic communication capabilities of states and international organisations, primarily the EU and NATO, including by making the best use of NATO Strategic Communications Centre of Excellence in Riga, and urged to reinforce the European External Action Service (EEAS) East Strategic Communication Task Force.

Common interest in united and strong Europe

The Prime Ministers:

Reiterated the necessity to maintain **unity of the EU** and stressed the need to preserve politically and economically strong Europe based on shared values, principles and achievements of the European integration process.

Emphasised that after the June 23 referendum in the **United Kingdom** (UK) the cooperation of the Baltic States, as well as Baltic-Nordic cooperation, have become even more important. Underlined that the UK is a strategic partner for the Baltic States on many issues, especially in political, security, defence and economical domains.

Stressed the importance of ensuring the ties between the EU and UK as close as possible after the UK withdrawal, at the same time stressing the need to preserve equality between rights and obligations in future relationships.

On external relations the Prime Ministers:

Expressed strong support for protecting the sovereignty and restoring the territorial integrity of Ukraine and praised the EU and transatlantic unity in this regard. Current EU sanctions policy and principles must remain in place until Russia returns to the principles of international law, including full and irreversible implementation of the Minsk Agreements.

Reiterated the Baltic States' unwavering and continuous non-recognition policy of the illegal annexation of Crimea and Sevastopol.

Underlined the importance to uphold the unanimity and coordinated messages regarding Russia's violations of the international law, notably in Ukraine.

Expressed the disappointment with economic and trade developments in Russia which are distant from the principles and spirit underpinning the World Trade Organisation (WTO) and global economic cooperation.

Noted with great concern the increasing internal restrictions in Russia against local and international non-governmental organisations (NGOs) and civil society actors.

Reiterated that strengthening of state and societal resilience in the neighbourhood is EU's strategic priority and expressed commitment to further cooperate on reinforcement of the **Eastern Partnership** as one of the EU's external actions priorities.

Welcomed the initiative to organise the 5th Eastern Partnership Summit during Estonia's Presidency of the Council of the EU. Agreed to continue the implementation of the Riga Eastern Partnership Summit decisions as well as cooperate on identifying the deliverables for the next Summit including an agenda forward.

Welcomed the agreement on the amendments to the Visa Suspension Mechanism and expressed support for the visa free regime with EU to be granted to Georgia and Ukraine without further delay. Stressed the need of finalisation of the EU Association/ Deep Comprehensive Free Trade Area Agreement with Ukraine and its full entry into force. Committed to continue the support for Georgia, Moldova and Ukraine in the implementation of the Association/ Deep Comprehensive Free Trade Area Agreements with the EU and further promote the development of relations with Armenia, Azerbaijan and Belarus on the basis of tailor made cooperation frameworks.

Encouraged the Eastern Partnership countries to proceed actively with their reform processes as an essential element of resilience building and enhanced cooperation in the four priority areas agreed in Riga Declaration.

Expressed concern regarding the ongoing violence and deteriorating situation in **Syria** and stressed that negotiated political transition is the only option to end the Syrian conflict and achieve peace. Condemned the excessive and disproportionate attacks by the Syrian regime and its allies against civilian populations and infrastructure, and called for an immediate cessation of hostilities and full unhindered and sustainable country-wide humanitarian access. Given the recent development the Prime Ministers emphasised the need to avoid retributions against the people of East-Aleppo. Welcomed the EU High Representative's outreach with the key regional actors and expressed support for the EU emergency humanitarian initiative for Aleppo. However they expressed regret that due to unwillingness of the regime and its allies to provide necessary security guarantees the humanitarian assistance never reached people in need. Welcomed initiatives in the United Nations aimed at ending the conflict (Reso 2254 and 2268) in Syria and called for implementation United Nations Security Council relevant resolutions.

Reiterated that well managed **migration** is of benefit for all – ensuring legal pathways, providing protection for those in need and effectively returning irregular migrants. Stressed the commitment to closely monitor the new trends and migration ways in order to react timely and effectively. Reconfirmed the readiness to provide support to the frontline EU Member States, nevertheless participation in any kind of support measures should continue to be voluntary.

Emphasised that **strengthening of the EU external borders** will continue to be a priority as well managed borders contribute to facilitation of the overall security in the EU. Stressed that it is of utmost importance to continue developing interagency cooperation, as well as strengthen information and best practice exchange among the Baltic States. Reiterated that the Baltic States will fully contribute to the European Border and Coast Guard.

Expressed strong support to **Estonia in preparation for its first Presidency of the Council of the EU** in the second half of 2017 and commended the outlined priority areas.

Congratulated Estonia on taking over the **Presidency of the Baltic Assembly and the Baltic Council of Ministers in 2017** and welcomed the decision to preserve the continuity of joint priorities, such as

strengthening of security in the region, and developing regional energy market and transport connections.

Jüri Ratas
Prime Minister
of the Republic of Estonia
Riga, 9 December 2016

Māris Kučinskis
Prime Minister
of the Republic of Latvia

Algirdas Butkevičius
Acting Prime Minister
of the Republic of Lithuania