

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

Prime Minister of Estonia Mr. Jüri Ratas, Prime Minister of Latvia Mr. Māris Kučinskis and Prime Minister of Lithuania Mr. Saulius Skvernelis met within the framework of the Baltic Council of Ministers on 17 December 2018 in Vilnius, Lithuania. The Prime Ministers discussed the key issues of regional and trilateral cooperation, as well as current foreign policy and the EU issues. They reviewed the progress in the implementation of the joint priorities during Lithuania's chairmanship of the Baltic Council of Ministers.

Strengthening security in the region

The Prime Ministers:

Celebrating the 100-year anniversary of the independence of the Baltic States, *underlined* the unwavering desire of Lithuania, Latvia and Estonia to be free, independent and safe.

Underlining the role of NATO as the cornerstone for collective defence in the Euro-Atlantic area *emphasised* the importance of the transatlantic unity in order to withstand the complex global threats.

Recognising that cooperation with the United States remains vital for the security and prosperity of the region, *underscored* their determination to continue developing the comprehensive strategic partnership between the Baltic States and the United States in all fields and at all levels. The security and defence cooperation between the United States and the Baltic States, including military support, security assistance for capability development, continuous participation in regional defence initiatives and exercises, has been strengthened in recent years and proven to be beneficial to all sides. The Baltic-U.S. summit earlier this year marked the centennial of the Baltic States' independence and reconfirmed our long-term strategic partnership with the United States.

Recalling the commitment to allocate 2 per cent of GDP for defence, which all of the Baltic States fulfil or exceed, *welcomed* that 2 per cent of GDP will not be considered a ceiling for the investment in defence, and *noted* the intentions to further increase it. Sufficient defence spending is vital to strengthen national, regional and Allied security and defence, as it enables the modernisation of the armed forces, while increasing their ability to effectively respond to security challenges.

Welcomed the decisions made at the NATO Brussels Summit, especially on the need to fully implement the measures to enhance NATO's deterrence and defence posture, including air defence and maritime domain. *Underlined* the urgency to enhance NATO's reinforcement capability. The Alliance has to be ready to act quickly to reinforce the affected areas.

Supported the EU initiatives in the area of security and defence, *underlining* that all measures taken by the EU must complement and work in synergy with those of NATO. Military mobility is a particularly good example of complementarity of the EU and NATO.

Agreed on the necessity to enhance the early warning capabilities, *underlining* the benefit of information sharing and close coordination regarding the initiatives that strengthen security and defence in the region. Stressed the importance of conducting joint exercises and sharing the common operational picture.

Emphasised the need for closer coordination regarding crisis management and defence planning in the Baltic region.

Cooperation in the field of information and cyber security

The Prime Ministers:

Welcomed the Baltic States' efforts in increasing their capabilities to defend against cyber threats, acknowledging that cyber threats are complex, and that in order to mitigate them, cooperation is absolutely vital.

Agreed on the need to bolster the resilience of the societies via strategic communication; two 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 and 2) fight against disinformation and raising the media literacy of our citizens. Through calling out the perpetrators and debunking disinformation the common threat becomes more visible and tangible to the public. Society's support is key in bolstering our resilience to foreign interference.

Developing transport connections

The Prime Ministers:

Recognised a substantial progress reached in the *Rail Baltica* development, including advancing of key Global project studies advancing, detailed technical design procurements of several main line sections launched and land acquisition processes advancing in all three countries as well as first design contract being signed.

Recalling the *Rail Baltica* Intergovernmental Agreement ratified by the three Baltic parliaments in 2017 and reaffirming the ambitious schedule for the delivery of the *Rail Baltica* project, as stated in the Commission Implementing Decision on the *Rail Baltica* cross-border project on the North Sea-Baltic Core Network Corridor on 26 October 2018,

underlining that the project's success depends not only on the full responsibility and commitment of the Member States to implement it, but also on the availability of EU instruments for the continuation of significant financial support after 2021 for this high value added project.

Stated that the Baltic States have been and will be taking an active role in the discussions on the next multiannual financial framework to ensure stability of financing for the completion of the *Rail Baltica* project as an important part of the TEN-T Core Network and a catalyst for economic and social benefits.

Welcomed the European Commission's plan to utilise EU instruments within the next budgetary framework for improving military mobility, which will support the objective to meet security-related requirements for dual usage of transport infrastructure in the Baltic region and other parts of the European Union.

Underlined the importance of coordination of actions between the Baltic States aimed at defining the efficient *Rail Baltica* railway infrastructure management, which would ensure effectiveness of railway operations, the future attractiveness of using this rail connection, and therefore its sustainability in the long run, and to consider various aspects.

The Prime Ministers:

Seeking to continuously improve cohesion and accessibility of the Baltic region, create attractive investment framework and increase business and leisure trips to and from the Baltic region, *noted* the importance of supporting the EU policies, which have impact on attractiveness of the Baltic States airports to flight operators, also on the incentives aimed at ensuring both the quantity and quality of the accessibility of the Baltic States.

Acknowledged the importance of transport and mobility innovations and *welcomed* the Memorandum of Understanding and Intentions in the field of Connected Automated Driving (CAD) development in *Via Baltica* road, signed on 28 September 2018.

Agreed that the EU support in the next Multiannual Financial Framework will be the solid basis to promote connected automated driving and sustainable mobility, as well as to improve traffic safety on the main road artery connecting the three Baltic States.

Expressed their support to the development of *Via Carpatia* project in order to extend it along the Baltic States to the North on the existing *Via Baltica* route.

Regional electricity and gas market, nuclear safety

The Prime Ministers:

Welcomed the decisions reached in the Political Roadmap of 28 June 2018 and at BEMIP High Level Group on the Baltic States' synchronisation with the Continental European Network (CEN) on particular scenario, schedule and timeline.

Underlined the importance of cooperation of the involved parties (European Commission, relevant ministries and TSOs) to ensure:

- constructive technical discussions following the conditions set in the Political Roadmap and smooth de-synchronisation process;
- preparation and signing of the Baltic States' electricity systems and CEN Connection Agreement by Spring 2019;
- effective utilisation of the Connecting Europe Facility funds and maintaining the PCI status for the synchronisation and related projects in the upcoming fourth list of PCI's.

Acknowledged the importance of the application of the uniform principles related to the entrance to the electricity market from third countries and in this regard emphasized that it is essential to continue the steady work on finding a regional solution and implement it in 2019.

Underlined the need to continue working on the implementation of gas infrastructure projects of regional importance and further development of the common regional gas market.

Encouraged, with the view to the future, for the senior officials of energy to investigate possibilities for strengthened co-operation on renewable energy in order to contribute to fulfilment of the national as well as the EU renewable energy targets.

Recalled the EU stress tests in relation to nuclear safety/installations in the EU neighbourhood, which revealed shortcomings and *underlined* the importance to fully implement their recommendations.

Called upon Belarus to prepare a National Action Plan for the implementation of the EU stress tests recommendations with clear timelines ensuring full implementation of all recommendations by the stress tests peer review team before the commissioning of the Belarussian nuclear power plant, *reminded* Belarus of necessity to implement environmental and nuclear safety requirements and all relevant environmental conventions (including the Espoo Convention) for their nuclear power plant project.

Resolved 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.

Called Belarus to prepare a national action plan with clear timelines ensuring full implementation of all safety recommendations issued 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.

Common positions of the Baltic States on the EU 2021-2027 multiannual financial framework

The Prime Ministers:

Reiterated that the future EU budget should be sufficiently funded to achieve our common goals: Union's resources should be above 1% of EU 27 GNI and the level of the current MFF in 2021-2027 even after Brexit should be maintained.

Underlined that the EU budget must focus on investments promoting convergence, competitiveness, productivity and connectivity.

Noting that the new priorities like migration and security demand more funding, but the objectives of the Cohesion and the Common Agricultural Policy are still relevant, *emphasised* that the balance as regards financing of new and long-standing priorities should be found. Cohesion Policy should remain the main EU investment policy with sufficient funding. Acknowledging the importance of European territorial cooperation goal (INTERREG) contribution to Cohesion policy it is necessary to preserve all its main elements of cooperation and ensure its sufficient financing.

Having in mind the importance of the Cohesion policy in all EU regions, *stressed* that the support for EU regions should be focused on the less developed regions and reduced gradually, not drastically as they converge in order to ensure smooth transition and continuous process of convergence.

Stressed that sufficient financing of the Common Agricultural Policy is vital in order to meet the ambitious targets of this policy. The completion of convergence of direct payments as well as the increase of rural development financing are crucial for ensuring level playing field for all EU farmers.

Reiterated that Connecting Europe Facility is an important instrument helping to develop the missing links in energy, transport and digital sector. In order to complete *Rail Baltica* as the missing railroad link between the Baltic States and the rest of Europe, sufficient proportion of transfer of the Cohesion fund to the Connecting Europe Facility transport part and the element of competitiveness must be maintained.

Agreed that the implementation of the EU obligations, meaning an adequate financing for the decommissioning of the Ignalina Nuclear Power Plant, which has reached an irreversible state, must be ensured.

Underlined that the new financial framework should ensure sufficient contribution into the development of missing transport and energy networks, digital infrastructure and services in order to ensure the synchronisation of the Baltic States with the European energy market and complete rail link between the three Baltic States and the rest of Europe. The implementation of these projects is of strategic importance for the region and the whole EU.

Eastern Partnership

The Prime Ministers:

Reaffirmed their firm support to associated partners' European aspirations and European choice.

Duly noted that 2019 will mark the 10 year anniversary of the European Union's Eastern Partnership cooperation format, and confirmed their readiness to provide support to events that highlight the importance of the format.

Welcomed the increased differentiation of the Eastern Partners based on sovereign right to choose the level of ambition and cooperation with the EU. *Underlined* the importance of the full implementation of the EU Association Agreements with Georgia, Republic of Moldova and Ukraine along with ensuring EU's targeted

support to that end, including through a foreseen format between the EU and the associated partners for exchange on association related reforms.

Underlined the importance of EU's continued engagement with Armenia, Azerbaijan and Belarus on the basis of tailor-made approach. In this regard, *welcomed* the application of the Comprehensive and Enhanced Partnership Agreement with Armenia as of 1 June 2018 and looked forward to a speedy conclusion of the negotiations of the new agreement with Azerbaijan.

Emphasised the need for the European Union together with the other international financial institutions and donors to help Ukraine, Georgia, Moldova and other Eastern Partners to maintain a reform momentum and boost economic growth through investments and capacity building. In this context, *agreed* to continue discussions on possible new initiatives how to best support Ukraine, Georgia, Moldova and other Eastern Partners and remain ready to share with our Partners their experience of enhancing reforms and development through the efficient use of support and financial instruments.

Encouraged the Eastern Partners to stay the course and continue reform efforts and *underlined* that EU financial support is clearly linked to concrete reform progress. With a view to build political and economic resilience and to strengthen strategic communications, *welcomed* the new political and economic objectives to be achieved in the Eastern Partnership by 2020, as set out in the strategy '20 deliverables for 2020', and *called* upon all relevant stakeholders to implement them without any delay.

Russia's aggressive actions

The Prime Ministers:

Strongly condemned the recent unjustified use of military force against Ukrainian navy in the Sea of Azov and the military build-up in the area. Pursuant to the international law this provocative behaviour should be considered as an act of open military aggression by Russia against a sovereign state.

Called on Russia to unconditionally return to Ukraine its vessels and detained crew members without any delay, to ensure unhindered and free passage through the Kerch strait, in accordance with the international law, and to start respecting Ukraine's sovereignty and territorial integrity within its internationally recognised borders.

Called on international community to deplore these illegal actions by Russia, which constitute a grave violation of international law, to use all means to counter them, including through the introduction of restrictive measures.

Reaffirmed support for Ukraine's independence, sovereignty and territorial integrity, within its internationally recognised borders and *strongly condemned* the continued Russian aggression against Ukraine and illegal annexation of the Autonomous Republic of Crimea and the city of Sevastopol underlining unwavering commitment for an effective non-recognition policy by the EU.

Regretted the persistent highly volatile security situation in eastern Ukraine caused by Russian aggression since February 2014. *Stressed* that the sanctions on Russia are to be maintained until full restoration of Ukraine's territorial integrity, within its internationally recognised borders, including the Autonomous Republic of Crimea and the city of Sevastopol, and full implementation of the obligations under the Minsk agreements (September 2014 and February 2015).

Condemned building of the Kerch bridge without Ukraine's consent, hindering of access to Ukrainian seaports in the sea of Azov and holding by Russian Federation of the so-called 'elections' in the separatist-controlled areas of Ukraine on 11 November, which run counter to the letter and spirit of the Minsk agreements and will never be recognised.

Condemned Russian hybrid attacks against the international community, aimed to weaken the international rules-based order that Russia itself has signed up to.

Welcomed the decisions of the transatlantic community regarding measures to counter chemical weapon attacks, cyber attacks, disinformation, and *called* for the swift implementation of these decisions.

Deplored the fact that ten years after the Russian military aggression the Georgian territories of Abkhazia and Tskhinvali region/South Ossetia remain under the occupation by Russia as well as the illegal borderisation and creeping annexation of both occupied territories is continuing.

Expressed concern about the increased restrictions on non-governmental organisations, civil society actors and most recently, on foreign media in Russia that go against human rights obligations of the Russian Federation.

Reiterated position regarding “Nord Stream 2” as a geopolitical project against both EU energy independence and Ukraine.

Called upon Russia to return urgently to full and verifiable compliance of the Intermediate Range Nuclear Forces Treaty. Russia’s persistent violation of the INF Treaty for 5 years erodes the foundations of effective arms control and undermines the Euro-Atlantic security.

EU Directive on summer-time arrangements (2000/84/EC)

The Prime Ministers:

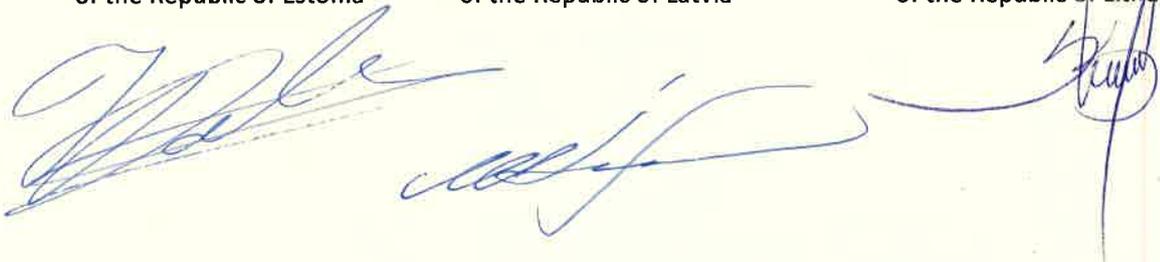
Welcoming the EC Proposal for a Directive of the European Parliament and of the Council discontinuing seasonal changes of time and repealing Directive 2000/84/EC that would end the ritual of switching between summer and winter time *agreed* to coordinate their actions in order to keep the same time zone in Estonia, Latvia and Lithuania.

Upon the results of the public consultations to be held, *agreed* to undertake consultations among the Baltic States and Finland aiming at finding common approach on permanent use of same time zone.

Jüri Ratas
Prime Minister
of the Republic of Estonia

Māris Kučinskis
Prime Minister
of the Republic of Latvia

Saulius Skvernelis
Prime Minister
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Vilnius, 17 December 2018