

RESOLUTION
OF THE 32ND SESSION OF THE BALTIC ASSEMBLY

The Baltic Assembly,

having convened on 28–29 November 2013 in Rīga, the Republic of Latvia, for its 32nd Session;

having discussed the latest results in cooperation of the Baltic States, development of the digital single market in the region, coordination of activities in development of a joint external economic policy and attraction of investments, cooperation in the field of research and innovation, a proactive and integrated approach towards the fight against organised crime and development of a joint regional tourism concept;

underlining that Lithuania's presidency of the Council of the European Union is strengthening European integration and solidarity, as well as voicing the position of the entire Baltic Sea region on the European level;

expressing appreciation to Latvia for the goal it has achieved – introduction of the euro in 2014; and **emphasising** the wish to see Lithuania follow suit and adopt the euro in January 2015;

considering the importance of the EU Strategy for the Baltic Sea Region to the achievement of more rapid economic, social and territorial cohesion, as well as more efficient handling of the Baltic Sea and environment protection problems, elimination of shortcomings in infrastructure, especially with regard to energy and transport;

acknowledging that only through targeted and goal-oriented cooperation and joint effort the Baltic States can meet global challenges and promote the growth, prosperity and stability of the region;

emphasising that the Baltic States shall identify, as soon as possible, priorities, set cooperation channels and define policies that will enable them to represent and defend their interests in the European Union more effectively by engaging in practical cooperation at national and EU levels whenever new EU legislation is drafted and considered, as well as take a coordinated approach in harmonising national laws, regulations and procedures that transpose EU legislation;

underlining the need to promote implementation of the Partnership Agreement signed by the Baltic States on Joint Procurements of Medicinal Products and Medical Devices and Lending of Medicinal Products and Medical Devices Procurable Centrally, as well as the declaration on cooperation in organ transplantation, and to urge Latvia and Lithuania to sign an agreement on coordination of emergency aid;

regarding energy cooperation:

referring to the objective set by the Council of the European Union to complete the internal energy market by 2014 and end the energy isolation of some Member States of the European Union after 2015;

underlining that energy isolation of the Baltic States is an urgent matter to be solved;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to employ all the possible energy infrastructure funding sources, including the Connecting Europe Facility, for the implementation of the necessary energy infrastructure projects which cannot be financed solely by the market;
- to ensure the implementation of the Third Energy Package, which will contribute to the creation of a harmonised regional natural gas market and finalisation of electricity markets' liberalization process;

regarding development cooperation:

underlining that the Baltic States have committed themselves to promote the United Nations Millennium Development Goals and the development aid priorities of the European Union;

highlighting that the Baltic States have drawn on their transition experience to share the lessons learned and provide technical support to transition countries with a similar developmental background, such as Azerbaijan, Moldova, Georgia, Belarus and Ukraine, with the major focus of cooperation being on good governance, the judiciary, civil society, education and the environment, as well as border management and illegal migration;

being convinced that regardless of limited institutional capacity and financial resources available to both governmental and non-governmental stakeholders, smart regional cooperation can ensure more active and successful participation in large multilateral development aid tenders and eventually projects;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to become actively involved in the Post-2015 Development Agenda debate;
- to develop initiatives for joining efforts with regard to participation in large multilateral development aid tenders and eventually projects;
- to involve civil society in all development cooperation policy processes by institutionalising the dialogue among public institutions and the non-governmental sector in formulating development policy;

regarding economic cooperation and joint measures to promote economic growth, increase of employment and support to the agricultural and tourism sectors:

sharing the opinion that efforts and resources of the Baltic States should be pooled and aimed at manufacturing products and providing services with high added value, as well as facilitating innovation;

identifying the need to take a coordinated approach in promoting the exports of the Baltic States and attracting foreign direct investments to the region;

underlining the need for the Baltic States to get into the top ten ranking of the Doing Business project of the World Bank, which would be a strong incentive for attracting foreign direct investments to the region;

emphasising the need to develop a Baltic digital single market and eliminate all obstacles that hinder its creation;

inviting the Baltic States to have more active coordination of their tax policies, as well as ensure stability and predictability of their tax systems;

welcoming the Memorandum of Understanding signed between the Lithuanian Medical Tourism Cluster, the Lithuanian Resorts Association, the Latvian Health Tourism Cluster and the Estonian Health Tourism Cluster on 11 October 2013 aimed at promoting the development and enhancing the global competitiveness of the health tourism sector of the Baltic States;

underlining the potential of the Baltic States and the need for joint action, including regionalised clusterisation initiatives, aimed at increasing the competitiveness of the Baltic States in the global health (medical and wellness) tourism market and increasing the accessibility of health and wellness services, as well as other health tourism services provided in the Baltic States to foreign patients and clients;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to assess the possibility of establishing under the Baltic Council of Ministers a council for coordination of Baltic trilateral foreign economic cooperation policy;
- to take coordinated measures to attract foreign direct investments to the region;
- to assess the possibility of establishing a joint office for lobbying business interests of the Baltic States in the EU and third countries which are strategic partners of the Baltic States;
- to elaborate a joint long-term Baltic tourism strategy for 2014–2020 as a basis for regional profiling and cooperation in the tourism industry;
- to define common interests and joint strategies of the Baltic States in agriculture and rural development, initially with regard to sectors and products;
- to develop a common approach towards joint export of agricultural products to international markets;

regarding cooperation on the *Rail Baltic/Rail Baltica* project:

emphasising the importance of the fast conventional/high-speed railway *Rail Baltic/Rail Baltica* project to the region and to the entire Trans-European Transport Network;

welcoming the progress achieved by the Baltic Council of Ministers in preparatory works for the *Rail Baltic/Rail Baltica* project;

underlining the importance of involving Finland and Poland in the *Rail Baltic/Rail Baltica* project;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to ensure completion of spatial planning, preliminary design and environmental impact assessments pertinent to construction of the new 1435-mm gauge railway line, as well as other preparatory works ensuring equal technical quality by the end of 2015 as agreed by the *Rail Baltic/Rail Baltica* Task Force;
- to foster establishment of the joint venture of the *Rail Baltic/Rail Baltica* project;
- to attract sufficient funding for the *Rail Baltic/Rail Baltica* from the European Union, as well as other public and private sources in order to ensure efficient implementation of the project;

regarding cooperation in education, research, technology transfer and innovation:

underlining that joint and target-oriented investment in research, technology transfer and innovation, which would be coordinated among the Baltic States and focused on areas of excellence or, unique development advantages, will enable creation of a harmonised and complementary research and development infrastructure that can be expected to have a significant economic return;

highlighting the EU aspirations to eliminate fragmentation and ensure sustainable research and innovation development in the Baltic Region;

welcoming the signed Memorandum of Understanding between the Ministry of Education and Science of the Republic of Latvia, the Ministry of Education and Science of the Republic of Lithuania and the Ministry of Education and Research of the Republic of Estonia on Closer Cooperation in Higher Education, Research and Innovation signed in November 2012, as well as the existing cooperation formats of researchers; and **expressing confidence** that the established joint ministerial working group will elaborate an action plan on closer cooperation in higher education, research and innovation of the Baltic States;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to elaborate the Smart Specialization Strategy for the Baltic States in order to facilitate effective use of Baltic infrastructure and scientific potential;

- to support creation of a Baltic Bonus system aimed at increasing the success rate of Baltic projects submitted for the Horizon 2020 (Framework Programme for 2014–2020) and achieving higher excellence in science by exploring cooperation of the Baltic States and relevant national institutions;
- to harmonise interests of the Baltic States and to agree on a joint concept and further development in regard to the research and innovation potential;
- to strengthen and promote cooperation among universities, research institutions, innovative companies and investors in developing research and innovation, as well as to support gender equality policy in the field of science and research;
- to devise joint education and training programmes for persons involved in the agricultural sector;
- to develop a common approach towards introduction of modern technologies and methods in the agricultural sector;

regarding a proactive and integrated approach in regard to the fight against serious and organised crime:

recognising the increasing importance of information technology and cyberspace and related threats, as well as **realising** the need to strengthen Baltic engagement in cyber security issues both regionally and globally;

having considered the Europol's analysis and recommendations formulated in the EU Serious and Organised Crime Threat Assessment 2013;

noting that national competent authorities, including the police, border guard, customs, judicial and administrative authorities, and the EU's institutions and agencies, must cooperate closely in implementing the present priorities and aim at both preventing threats to security posed by serious and organised crime and tackling its consequences;

underlining that the global economic crisis not only created a breeding ground for enhanced illegal activities by certain individuals but also led to more widespread and complex organised criminal activity, such as VAT and social tax fraud, counterfeiting of consumer goods such as foodstuffs and medicines, human trafficking and illegal migration; and **acknowledging** that by infiltrating the legal economy, organised crime, fraud and money laundering have a devastating effect on countries;

emphasising that VAT fraud annually amounts to EUR 200 billion loss in tax revenue to the European Union member states and the fact that the scale of tax fraud and tax evasion undermines the trust and confidence of citizens in fairness and legitimacy of tax collection and the fiscal system as a whole;

calls on the parliaments and governments of Estonia, Latvia and Lithuania, as well as the Baltic Council of Ministers:

- to ensure implementation of the EU's priorities for the fight against serious and organised crime at the national and regional level and allocating appropriate resources if necessary;

- to organise regular mutual consultations on VAT and to facilitate harmonisation of the VAT policy in the Baltic States;
- to consider the possibility of establishing a single centre for preventing and combating cybercrime;
- to improve measures used in the fight against tax frauds, as well as to ensure effective exchange of information and coordination of activities among various law enforcement agencies in order to develop an efficient mechanism to be applied on the European level;
- to elaborate concrete proposals for improving the fight against tax evasion and tax fraud involving third countries as soon as possible;
- to continue looking for the most appropriate ways to combine efforts at the national, European Union and global level in the fight against tax fraud and tax evasion;
- to consider the possibility of implementing the split payment model as a tool to fight against VAT fraud.

Rīga, 29 November 2013