

**RESOLUTION**  
**of the 30<sup>th</sup> Session of the Baltic Assembly**

**The Baltic Assembly,**

**having convened** on 24–25 November 2011 in Tallinn, the Republic of Estonia, for its 30<sup>th</sup> Session,

**having discussed** latest developments in the cooperation of the Baltic States, sustainable energy market in the region, progress of implementation of joint health-care projects, migration tendencies, joint infrastructure projects as well as human security issues;

**emphasising** that the parliaments and governments of the Baltic States should continue to pay particular attention to financial stability, energy security, economic stabilisation and social security by setting specific objectives for medium- and long-term sustainable economic and social development;

**acknowledging** that by joining resources, developing joint projects in various fields and jointly defending national and regional interests, the Baltic States gain more possibilities to solve specific problems more effectively and purposefully, realize long-term social and economic goals as well as increase the role of the region;

**welcoming** the progress of the development of the cooperation of the Baltic States in the field of the joint health-care projects;

**welcoming** the policy papers of the European Council that express the commitment to ensure fair competition within the European Union, as well as the view expressed by the European Commission in its Communication of 18 November 2010 that the direct payments of the Common Agriculture Policy should be equitable and balanced and calculated taking into account economic and environmental criteria;

**stressing** the important role of the EU budget in the achievement of Cohesion Policy goals, notably the growth and development in less developed countries and regions, as well as the need to reflect the principles of solidarity and fairness in the EU budget; the Cohesion Policy has to reflect the solidarity of EU Member States by concentrating the Cohesion Policy financing mainly on the less-developed countries and regions;

**expressing concern** on the latest tendencies in the Baltic States in regard to demographic change as these developments have direct and widespread economic and social implications by increasing public spending, mainly on pension system, health care and other public infrastructure;

**Regarding the Common Agricultural Policy of the European Union:**

**concluding** that the proposed method of calculation of direct payments after 2013 will not guarantee the Baltic farmers fair and equitable competition with farmers from other EU Member States. In case of further substantial differences between Member States with regard to the amount of the direct payments, unjustified low direct payments will negatively affect

practically almost the whole population of Estonia, Latvia and Lithuania – producers and consumers – as well as their national economy in general;

**reminding** that since 2004, the Estonian, Latvian and Lithuanian farmers have been receiving the lowest level of direct payments in the EU in comparison to other Member States, which prevents the Estonian, Latvian and Lithuanian farmers from taking advantage of equitable opportunities within the European Common Market;

**invites** the EU Member States, the European Parliament and the European Commission to:

- establish such a CAP direct payment system that would ensure truly fair and equitable competition conditions for all farmers of the European Union;
- adjust the distribution of direct payments in such a way as to avoid substantial differences between the highest and the lowest level of direct payments in the European Union;
- set the amount of the direct payments for Estonia, Latvia and Lithuania according to the new method of calculation in full use starting from 1 January 2014; by then the transition period for Estonia, Latvia and Lithuania will have been applied from 2004 till the end of 2013;
- provide adequate funding for both direct payments and rural development policy in order to promote sustainable development of agriculture and rural development within the European Union;

#### **Regarding the Cohesion Policy of the European Union:**

**recalling** Title XVIII of the Treaty on the Functioning of the European Union, notably its Article 174 to “aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions”;

**regretting** that the European Commission in its Communication of 29 June 2011 “A Budget for Europe 2020” proposes to cap the Cohesion policy allocation at the level of 2.5% of the Gross National Income (GNI), which will result in a considerable reduction of existing and potential public and private investments in convergence countries;

**invites** the EU Member States, the European Parliament and the European Commission to:

- keep providing adequate financing for development programs and infrastructure in convergence countries so as not to endanger successfully launched and effectively functioning investment programs, which promote growth of these countries and consequent advancement towards the EU average development level;

#### **Regarding economic cooperation:**

**stressing** that short-term and long-term agenda of cooperation of the Baltic States in the area of economy and finance should be elaborated in the nearest future thus defining development directions of practical economic cooperation;

**underlining** that the Baltic States have to collectively mobilise their resources for promotion of innovation, developing a competitive and knowledge-based economy by coordinating investments for research and development as well as developing integrated markets;

**highlighting** that development of joint infrastructure projects – Via Baltica and Rail Baltic – will foster attraction of investments, increase mobility and enhance competitiveness;

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

- follow the experience of Nordic cooperation in the field of research and innovation by establishing a common Baltic platform which would facilitate cooperation in all fields of research and research-driven innovation where this adds value to work being conducted in the Baltic States;
- conduct regular consultations on the tax policy and focus on creating a stable and predictable business environment favourable for Baltic enterprises and foreign investors;
- adopt decisions related to implementation of joint EU energy and transport infrastructure projects;
- elaborate joint approaches and strategies for use of the EU Funds for a new budgetary framework of 2014–2020;
- co-ordinate and actively support common positions in regard to the EU initiatives and legal acts introduced in the field of economy and finances;

**Regarding development of sustainable energy market:**

**emphasising** that although being the Member States of the European Union, the Baltic States are still separated from the European energy systems and energy market, and are directly dependent on the import supply of natural gas, oil and, partly, electricity;

**stressing** that the Baltic States aim to reach strategic goals of the European Union in regard to the sustainable energy market by ensuring the uninterrupted provision of energy and energy services on the market at a price which is affordable for all consumers, while contributing to the wider social and climate goals;

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

- diversify the energy sources by geographical origin and type;
- submit a common long-term Baltic energy strategy that focuses on regional approach and interoperability and to submit it to the national parliaments for approval;
- take measures for speeding up the construction of a LNG terminal provided for in the BEMIP in the Baltic States;
- continue active development of the Visaginas nuclear power plant based on high EU security standards, which is particularly important after the Fukushima nuclear catastrophe;
- initiate joint projects of renewable energy sources knowing that there is considerable potential in the region;
- co-ordinate positions and actively support the interests of the Baltic States in regard to energy on the EU level.

Tallinn, 25 November 2011