

Report of the 26th Session of the Baltic Assembly and the 13th Baltic Council

13th Baltic Council

1. Time and venue of the 13th Baltic Council

23 November 2007, Riga (Latvia)

Welcoming address:

H.E. Mr. Valdis Zatlers, President of the Republic of Latvia, in his address highlighted history of the Baltic States and the significant impact of the Popular Front. Very significant was Popular Front meeting in Tallinn when for the first time there was a need for the Baltic Assembly. The cooperation between the Baltic States is so important and successful because of the common history. At the present time there is a cooperation not only between three Baltic States but there is cooperation also with Nordic and Benelux countries and in all these cooperation models the Baltic Council of Ministers play their own important role. The Baltic States are democratic countries, which successfully used the help of cooperation partners and the Baltic States have achieved stability. Now the Baltic States are considerable partners in European Union and NATO and now it is our obligation to create EU neighbourhood policy, because there are countries around the Baltic States, which have not yet reached the values and success that Baltic States have. The Baltic States can help their neighbours with their experience.

Meeting of the Baltic Assembly and the Baltic Council of Ministers

H.E. Mr. Māris Riekstiņš, Minister of Foreign Affairs of the Republic of Latvia and Chairman of the Cooperation Council of the Baltic Council of Ministers, stressed the significance of the cooperation between the Baltic Assembly and the Baltic Council of Ministers. In the beginning of the Latvian presidency in the Baltic Council of Ministers the main objectives were defined. Within the framework of Latvian presidency the

projects in energy sphere started in 2006 were continued. The energy policy of the Baltic States is not possible in future without regional cooperation. This year experts from all three Baltic States finished work on common energy strategy. This strategy will be adopted by the government representatives of the Baltic States. This strategy will give an opportunity for the Baltic States to coordinate individual energy strategies. During this year active cooperation took place regarding development of nuclear power plant project, which is significant precondition in minimization of energy deficit in the Baltic States. This project in the future should maintain as one of the cooperation priorities between the Baltic States. Regarding domestic sphere H.E. Mr. Māris Riekstiņš stressed the importance of the Schengen agreement. Accession to the Schengen zone was very challenging for the Baltic States. In the sphere of traffic and communications important attention was brought on projects *Rail Baltica* and *Via Baltica*. The Ministries of Transport of the Baltic States have achieved agreement on development of the railway infrastructure of the Baltic States till 2013. There are still unsolved problems regarding border crossing; therefore it is very important to continue activities in the framework of the European Union and in the bilateral dialog between the Baltic States and Russia. The cooperation of the Baltic States in the sphere of defence is very important for all three Baltic States. During this year an agreement on air space was signed among the Baltic States. The Baltic States have successfully organised second annual Baltic Defence conference on issues regarding Afghanistan. Regarding environmental problems agreement on closer cooperation was achieved. The success of cooperation between the parliamentary level and governmental level depend on constructive dialog. The dialog between the Baltic Assembly and the Baltic Council of Ministers has been very successful this year. Evidence of that are two commonly organised conferences. The first conference was organised this May in Sigulda on Development of Human Resources Under Conditions of Labour Force Migration and the second conference on the Baltic States and the EU Neighbourhood Policy will be held today.

Ms. Ērika Zommere, President of the Baltic Assembly, stressed that the Baltic Assembly considers cooperation between parliamentary and governmental level as a tool of promoting regional cooperation. This cooperation adduced positive impulse to other European countries in the sphere of regional cooperation. The cooperation between the Baltic Assembly and the Baltic Council of Ministers was a great success this year. Very successful was commonly organised conference this May on Development of Human

Resources Under Conditions of Labour Force Migration. This cooperation is a key to success in the whole region. During the conference, which was held in May all sides agreed that it is very important to develop education system in the Baltic States. It is also important that the Baltic States promote their democracies. It is the aim of the Baltic States to promote living standards in the Baltic States.

H.E. Mr. Urmas Paet, Minister of Foreign Affairs of the Republic of Estonia and next Chairman of the Cooperation Council of the Baltic Council of Ministers, stressed that the Baltic Council of Ministers has, in the course of its 13 years of activities, been able to convincingly prove its capacity to help promote regional cooperation. And has, at the same time, demonstrated its ability to adjust to changing conditions, and thus, to reorganise its activities accordingly. Regarding activities for 2008 H.E. Mr. Urmas Paet highlighted that one of the Baltic States most successful fields of mutual cooperation is defence and security and the progress that can be made concerning the policing of Baltic States air space after the year 2018 is very essential. Ten years is, of course, a seemingly long time, but the solving of such a complicated matter, which is connected with very large investments, requires serious analysis. The other matter, in the defence and security realm, that needs to be dealt with properly, is the preparing of Baltbat 2 for participation in the NATO Rapid Reaction Force, NRF-14. The Baltic States also have to make joint decisions concerning the future of two cooperative institutions, which have already proven themselves by functioning quite efficiently - namely, BALTDEFCOL, the Baltic Defence College, as well as the Baltic Naval Squadron, BALTRON. It is very important how the Baltic States will be able to solve energy supply problems. In this respect, of primary importance is cooperation in developing a regional energy market, as well as in the sphere of ensuring the security of our energy infrastructure. The ensuring of the reliability and security of both the production and supplying of energy is a domain in which, today, large states also find it hard to cope, as do even unions of nations. Thus, it is more than obvious that, three small states cannot solve all energy problems just on their own. Therefore, it is of primary significance to be able to arrive at a consensus concerning energy policy positions, as well as be able to achieve agreements with neighbouring countries that would enable the affiliating of the Baltic region's energy grids with Europe's power energy system.

In the conclusion H.E. MR. Urmās Paet stressed that it is important to pay attention to two very specific and vital matters that are of concern to not only the Baltic States, but also to the whole of Europe and the world at large. These are:

- A common Baltic energy strategy policy, meaning, the noticeable increasing of the reliability of energy production and supply, energy efficiency, energy saving.
- Cooperation in the fight against cyber crime, and in the securing of the information technology space.

Questions and answers

Mr. Valerius Simulik, Vice president of the Baltic Assembly asked to H.E. Mr. Māris Riekstiņš about the development of links between the Baltic States and other European countries. **H.E. Mr. Māris Riekstiņš**, Minister of Foreign Affairs of the Republic of Latvia and Chairman of the Cooperation Council of the Baltic Council of Ministers, told that the governments of the Baltic States have worked on this issue for many years now and there are number of projects that have been successfully implemented, for example, existing energy bridge between the Estonia and Finland and there are projects that are in the process at the moment on energy bridge between Lithuania and Poland and between the Baltic States and Sweden; therefore these are significant evidences that there are important links in energy network between the Baltic States and other European countries.

Mr. Trivimi Velliste, Vice President of the Baltic Assembly, asked to H.E. Mr. Māris Riekstiņš about the labour market and the main challenges of the labour market. **H.E. Mr. Māris Riekstiņš**, Minister of Foreign Affairs of the Republic of Latvia and Chairman of the Cooperation Council of the Baltic Council of Ministers, agreed to Mr. Trivimi Velliste that there are many challenges in the labour markets of all Baltic States and the main reason is that the labour markets of the Baltic States are small; therefore it is very important that the Baltic States have a very, very close cooperation, because the labour markets of three Baltic States are connected.

The Joint Statement of the Baltic Assembly and the Baltic Council of Ministers was signed. (*Annex No. 1*)

Conference “The Baltic States and the EU Neighbourhood Policy”

Plenary Session “The EU Neighbourhood Policy – Towards Europe with Common Values”

Chaired by: Ērika Zommere, President of the Baltic Assembly

Ms. Ērika Zommere, President of the Baltic Assembly, stressed that the aim of the discussions at the conference is to realize the Baltic States as an important actor in the whole region. It is also important to find the balance between the East and South dimensions of the EU Neighbourhood Policy and to emphasize the role of the Baltic States in implementation of the EU Neighbourhood Policy. In the conditions of globalisation and development in Europe it is impossible to analyze only the Baltic States individually it is important to think about the closest neighbours; therefore it is essential for the Baltic States to deliver their experience to other countries in Europe. The Baltic States should take responsibility for their neighbouring countries as the Nordic Council and the Nordic Council of Ministers took responsibility over the Baltic States.

Opening remarks:

H.E. Mr. Māris Riekstiņš, Minister of Foreign Affairs of the Republic of Latvia, informed that the goal of the European Neighbourhood Policy is to bring closer the vision of stable and prosperous Europe ensured by broad and enhanced cooperation between the EU and its neighbouring countries. The Baltic States are among active supporters of this policy. The Baltic States are focusing their attention and activities particularly towards the Eastern neighbours, and that can easily be explained by geographical closeness and knowledge of this region. The European Neighbourhood Policy is the political framework that was designed specifically for the direct neighbours of the European Union. The role of non-governmental actors, whose knowledge and network of contacts can provide an important and integral supplement to the steps taken by politicians in order to contribute to the implementation of the European Neighbourhood Policy, is very significant. During this conference it is very important to answer following questions:

- Should we expand our cooperation to new sectors apart from traditional ones?
- Should we broaden inter-parliamentary co-operation?
- Is there a possibility to improve the mechanisms of EU financial assistance?

Rapporteurs:

H.E. Mr. Gundars Daudze, Speaker of the Latvian parliament, stressed that the EU Neighbourhood Policy has been discussed sufficiently; however, since the discussions about the guidelines for this policy started in 2003, the developments outside the borders of the European Union have strengthened conviction about the usefulness of efforts. Latvia has been among those countries which have actively supported inclusion of this issue on the agenda of various forums and meetings of heads of state, including also meetings of parliamentarians. Joint efforts regarding the EU Neighbourhood Policy have resulted in significant progress. Currently, it is important to ensure that various decisions with regard to funding mechanisms, visa-related issues, as well as commercial and economic advantages be implemented in practice. Some of these issues can be resolved on the bureaucratic level, and the practical benefit would be invaluable for the inhabitants of many countries. Latvia believes that in future discussions about implementing the EU Neighbourhood Policy it is necessary to more actively involve those countries to which this policy applies. Such discussions will help us to better understand which mechanisms of regional cooperation would be the most effective. It is important that the Baltic States share their experience with other countries because the experience in implementing reforms, in integrating into the EU and in harmonizing national legislation will be very useful for countries, such as Ukraine, Georgia and Moldova. The European Neighbourhood Policy is an open and long-term policy with clearly defined goals. It is very important to find the best possible means for achieving these goals.

H.E. Ms. Ene Ergma, Speaker of the Estonian parliament, stressed that the Neighbourhood Policy is very close to Estonia and occupies a prominent place among the concerns of the European Union. With the increase in the number of countries joining the family of democratic rule of law states based on common values, or cooperating with such states, our shared feeling of safety and security in Europe is also on the rise. Target countries in the framework of the European Union Neighbourhood Policy are those where the people have made an independent choice to build up

democracy and the rule of law. Therefore it is important to define the development cooperation carried out in the framework of the EU Neighbourhood Policy as a reciprocal process. Naturally, democracy and the rule of law do not sprout and take root overnight. The target countries of the Neighbourhood Policy must be the first to express their continuous will to stay on the road of reforms and never shrink away from their homework. It is important to not take the easy road when finding way through the cooperation built on trust – which is basically what the EU Neighbourhood Policy is. Only final position must not be the condemnation of a mistake. Every reform country has its specific background and ongoing processes. The defining factor is the one shared objective: a free, democratic state based on the rule of law.

H.E. Mr. Viktoras Muntianas, Speaker of the Lithuanian parliament, stressed that since its launch in 2002 the European Neighbourhood Policy proved its merits as a comprehensive framework for EU relations with the neighbouring countries to the East and the South. The recent year experience, however, clearly indicates that it is essential to fine-tune the EU policy to the specific needs and problems of both regions. With the appearance of the two Neighbourhood Policy dimensions, the Southern and the Eastern, it became obvious that the development of the latter was lagging behind even though this has not been formally recognised yet. Due to cultural differences, different historic experiences, different paces of the implementation of democratic and market economy reforms, as well as due to different aspirations of these countries to development of relations with the EU, the European Neighbourhood Policy - East and South cannot be homogeneous. The Neighbourhood Policy towards the Eastern *European Neighbours* should firmly rest on the concept of ‘integration’, primarily focusing on economic sector integration and the internal market. Such integration would provide a sufficient framework for both the EU and its East European Neighbours to develop mutual cooperation and to expand the area of stability across the Eastern EU border. The process of EU enlargement has proved to be the most effective tool in transforming the political and economic environment of the neighbouring countries until the time of accession comes. After the last successful enlargement, the new periphery has become increasingly important for the EU’s internal and external security. The European Neighbourhood Policy provides a real opportunity for the EU to redefine its relations with those countries. The overall aim should be to offer to the neighbouring countries closer cooperation in the areas of mutual interest, as well as greater European integration

in return for political and economic reforms. The ENP is conceived to bring the neighbouring countries closer to the EU. The added value of the ENP is to give membership perspective to some Eastern European countries, i.e. proceed from cooperation to gradual integration. The ENP can serve as an instrument for integration only in case the countries make such a choice themselves. The question of new contractual relations between the EU and the neighbouring countries is not urgent and might be dealt with in the future, if those countries make a significant progress in terms of political, economic and administrative reforms.

Ms. Diana Wallis, Vice Speaker of the European Parliament, stressed that the EU Neighbourhood Policy aims to achieve greater economic development, stability and better governance among European Union and ring of neighbours. At this stage there are 12 bilateral action plans plus number of regional projects. The policy is extremely diverse because the Europe is diverse. Ms. Diana Wallis underlined the importance of the common European values. The key value is peace in most basic sense and unfortunately the EU Neighbourhood Policy has not achieved great results in dealing with some conflicts that still remain. The value that most comes through the European Union is respect for international law and it is important in the global context. When it is important to cooperate with close neighbours on issues such as energy, supply stability and climate change. The biggest achievement of the EU has been its economic prosperity generated via internal market by free trade and that would be necessary to extend among neighbours. It is important to respect commitment to human rights, equality and freedom of the press; those rights are being underlined again in the European Parliament. In dealing with rights it is important that all countries do everything in their power to work with neighbours to encourage people to people contact. The European Union would not work if it would be only a dream of politicians it has to be a reality to the people EU represents.

H.E. Mr. Elmar Mammadyarov, Speaker of Foreign Affairs of Azerbaijan, stressed the importance of the nature and character of the EU Neighbourhood Policy. It is now three years since the ENP was launched and a number of fundamental issues appeared on European agenda. Political analysts say that ENP in its final shape is somehow different from the original design. Azerbaijan is following the heated debates between different schools of thoughts with a great interest. The conceptual flow of ENP is strongly related

to its nature and character. In the professional view of analysts the ENP is not a system and does not provide a framework for relations with the EU, which questions its relevance and efficiency. During the 90s the EU negotiated and concluded partnership and cooperation agreement with large number of countries in Central and Eastern Europe. This was an important development which sent a positive message because the document granted the status of partner. Since that time many partners of partnership and cooperation agreement countries successfully passed through application process and joined the EU as full members. At the same time many other countries were included in the EU Neighbourhood Policy. It is important for the ENP to really create a common space for all European countries.

H.E. Mr. Urmas Paet, Minister of Foreign Affairs, Estonia, stressed that since the enlargement of 2004, relations with neighbours have become one of the EU's main foreign policy priorities. How fast and how far the relationship with any individual ENP partner develops, depends on the extent to which these values are shared. For Estonia, the individual approach is a key principle. The ENP countries making more rapid progress should be offered an advanced level of cooperation – the possibility of expanding the four freedoms, deeper economic integration, and visa facilitation. We support the setting up of the neighbourhood investment facility as part of the ENP. Estonia support the idea of developing the Eastern dimension, as there are several topics and questions, which could be discussed most effectively in the format involving the Union and the Eastern Partners. A significant part of the ENP consists of issues concerning energy, and in this sphere it is important to increase cooperation considerably. The proposals for concluding a regional EU-ENP energy agreement deserve close consideration. The expanding of the European Energy Community across South-Eastern Europe, towards Ukraine and Moldova, would also be a major contribution for all concerned. The European Union should also find ways to increase its participation in the resolving of the protracted conflicts in the neighbourhood. The ENP is not the only tool for solving all problems in the area. But this policy is capable of significantly reshaping the social and political landscape – through the promotion of democracy, as well as the development of civil society.

H.E. Mr. Petras Vaitiekūnas, Minister of Foreign Affairs, Lithuania, stressed that being on the border of the European Union Lithuania is exposed to different

opportunities and challenges as well. The opportunities come from the ability to project to the east the values of democracy, free market, rule of law, respect of human rights, freedom of speech, multiculturalism and good governance. The ENP is a young policy and much remain to be done. European Union has to use its transforming power in order to continue to promote stability and security outside the borders. As commission has concluded progress achieved under ENP has showed a great potential of long term policy. The ENP constitutes the main tool in support of economic and politic reforms in neighbouring countries in both the Eastern Europe and around the Mediterranean. Progress is made but European Union still has to go forward. There are several aspects which need to be improved in the ENP neighbouring countries. First, the visa system, for Georgia it is almost impossible to receive a visa and second, development of free trade area, and integration of neighbouring countries to the EU market. The EU also should not exclude the opportunity of using ESDP as very reasonable tool and proposing modification for existing peace keeping formats. Easter Europe plays a strategic role in promoting of security in Europe and they can not be isolated from other parts of Europe.

Mr. Halldór Ásgrímsson, Secretary General of the Nordic Council of Ministers, stressed that cooperation is the most important tool in this world. Regional cooperation will become more important in the future. Cooperation among countries helps to bring stability and security and the European Union is a very good example. Regional cooperation can be used as a tool helping countries to put up with the opportunities and challenges of globalisation and as a result promote economic growth and competitiveness. All previous enlargements of the European Union have increased relative power of small states. The importance of countries working together in regional framework can be used as added value to the membership of the European Union. Cooperation among the members within the EU will be more used today than some years ago. Nordic cooperation with the Baltic States developed as cooperation on equal level based on jointly agreed priorities. Nordic-Baltic cooperation within the framework of the EU gained increased importance in a positive sense. Small countries in the same geographical area will often share common aims. Russia is also very important factor and joint activities are increasing every year. Globalisation has also become a very serious topic in today's world. Globalisation has made good opportunities and also hard

challenges. The challenges can not be solved by single country; these challenges require regional cooperation, understanding and coordinated actions.

Mr. Andrei A. Yeudachenka, Deputy Minister of Foreign Affairs, Belarus, stressed that the Baltic States and Belarus are connected with historical and economical bonds and today there are Estonian, Lithuanian and Latvian people who live in Belarus. And there are also many people from Belarus that live in the Baltic States. Regarding EU Neighbourhood policy Belarus devotes serious attention to trade and economic spheres. The EU at the moment is second largest partner of Belarus after Russia. The Baltic States occupy very special place in Belarus financial relations with the EU. The new conditions in trade and energy sources between Belarus and Russia have not worsened cooperation with the EU and the Baltic States. The main problem at the moment is regarding Belarus integration in the World Trade Organisation. The integration process at the moment is suspended by the European Commission due to political reasons. The Baltic States have shared their experience and have helped Belarus in this integration process. Regarding energy sphere Belarus is ready to find possible alternatives together with the EU and the Baltic States to ensure balance of interest of all players' producers, consumers and transit states. Special emphasis in this regard is brought on Belarus consultations with the European Commission and on continuation of dialog in the energy field with the Baltic States.

Mr. Valeriu Ostalep, Deputy Minister of Foreign Affairs and European Integration, Moldova, informed that Moldova have EU delegation and a special representative in the EU. It is very important that all countries related to the EU Neighbourhood Policy work together. The idea of policy of the EU should target first of all interests of citizens. In the case of Romania it is very complicated and almost impossible for people to receive visa and travel. It is impossible for students to go to study abroad. Romania is EU member country only for one year; therefore, it is possible that the situation will change after some period of time. In case of Moldova the enlargement was not so successful for people of Moldova but in the prospective citizens of Moldova will feel the benefits of the EU enlargement. It is important to discuss the EU Neighbourhood Policy in terms of creation of mechanisms to react on specific need of citizens of neighbour states. The problems in various countries regarding the EU Neighbourhood Policy are mostly the same but the solutions might be different. The common values are also very important

but it is more important to cooperate with the aim of promoting these values. In Moldova two European information centres were launched. The primary goal of the European information centres is to explain what European Union is and what the benefits of joining the EU are. Both centres were opened with financial support from the USA not the EU.

Panel Discussions

Topic I: Balance between the Eastern and Southern Directions in the EU Neighbourhood Policy

Moderator: Mr. Nils Muižnieks, Director of the Advanced Social and Political Research Institute, University of Latvia

Rapporteurs:

Mr. Rutger Wissels, Director of Directorate D: European Neighbourhood Policy Coordination, European Commission, stressed that Balance between Eastern and Southern parts of ENP is essential. There is a need for Latvia and Sweden to be interested and involved in Morocco. There is a need for Portugal and France to be interested and involved in Ukraine. The EU, and its member states, can only be effective if they are together, if they work together and solve problems together. The key is differentiation. Our neighbours are very different, both within the East and within the South; they are different in political or economic situation, in convergence with values, in level of ambition with regards to the EU. In the ENP, it is possible to perfectly accommodate those differences. The offer of much deeper relations is the same for all partners. How they take up this offer depends on them – a sovereign decision. But it is important to encourage all; because their prosperity, stability and security are important to all countries. The need for reform in most of partner countries is huge. That's their job to implement these reforms but neighbouring countries can help with their experience and advises. The EU needs to help more: more trade and economic integration, easier travel for ENP citizens, more EU involvement in conflicts, more human contact.

Mr. Juozas Jaruševičius, Member of the Lithuanian delegation to the Baltic Assembly, highlighted that the European Neighbourhood Policy (ENP) was born on the eve of the largest wave of enlargement in EU history. This wave moved the EU borders far to the

East bringing the EU new neighbours and setting it a difficult task – to give a new definition to the relations with the neighbours and to establish new mutually beneficial forms of cooperation. The two directions of the ENP are related to the regions with essential differences. The Eastern Dimension countries are direct EU neighbours in Europe (countries in the Southern Caucasus border on Turkey, EU candidate country), while the countries of the Southern direction in reality are not only EU but also Europe's neighbours situated on a different continent (Africa) or on the other shore of the Mediterranean Sea and are they not European countries geographically. Eastern Dimension countries (especially Ukraine, Georgia, Moldova, countries of the Southern Caucasus) have clearly expressed their ambition to become EU Member States in future whereas Southern Dimension countries have no practical basis for this. The ENP occurred in order to avoid further EU enlargement to the East and a related risk that the block would become difficult to manage. The ENP uses the mechanism of imposing conditions and applying incentives for our neighbours. The absence of membership in the list of incentives could weaken the motivation of Eastern partners of the policy to carry out political, social, economic, and legal reforms, whose domestic implementation costs are often rather high. Inside the ENP two geographical dimensions have been objectively formed: Eastern and Southern, whose stable balance is prevented by different perspectives of EU membership for the countries, old traditions of cooperation, difference in the positions of EU Member States, and funding allocated by the EU. Cooperation in the energy sector will greatly affect the balance between the directions of the ENP. Based on their special historic relations with Eastern partners of the ENP and the experience of the accession to the EU, the Baltic States play an important role in implementing the ENP.

Mr. Valdis Birkavs, former Minister of Foreign Affairs, Member of the Club de Madrid, Latvia, highlighted that every country bordering with the EU is pretending and willing to have more attention of the EU and more money as well. Between Southern neighbours and Eastern neighbours there are differences but it is necessary to look for balance. Balance of attention, balance of money, balance of activities and maybe balance of problems but it is not clear which balance are countries looking for. It is important to look for different approach towards balance. Firstly, two regions of Neighbourhood Policy are partly excluded, which is understandable why, but the EU has long neglected Black Sea region. The question is why the EU has not serious interest in this region. The

reason why EU has not presented notable interest is that these organisations as GUMA are not seen as providing added value. These are strong words but nevertheless there are also reasons why EU should be involved. The balance should be ensured between short term activities and long term goals. Short term activities are very much linked with hot issues of today and use to be more interest of the EU not neighbours. Long term goals are vision of shared society to have security based on stability and economic prosperity all around the EU. There are also mid term activities and mostly these activities are activities of action plans to guide neighbours towards democracy, market economy and rule of law. The EU is interested in first place to examine and to implement various aspects of the European Neighbourhood Policy: illegal migration, readmission agreements and cooperation in the field of international security – particularly terrorism. The EU has a duty towards its present and future neighbours to ensure continuation of economic dynamism.

Mr. Kees van Rij, Director of European Integration Department of the Ministry of Foreign Affairs, the Netherlands, agreed to Mr. Birkavs that the EU has a duty towards the neighbouring countries, not only duty but interest and it is formulated in the EU Security strategy. The EU Neighbourhood Policy gives number of opportunities, it has big possibilities economically, for political cooperation, for dialog on migration and it has huge budget. It is important to use the tools that are available and only after that it is possible to look what needs to be done additionally. The ENP is still very young, it exists only for three years and it serves as instrument, as financial instrument. The number of conferences and seminars on the EU Neighbourhood Policy clearly show how important this issue is. The ENP is a long term process and it deals with long term relationships, and it is two ways road. The ENP economically have many advantages. Through reform programs, which are taking place in each individual country, it is important to create and stimulate progress and balance. It is important not to consider ENP jointly with membership of the EU because these are two different roads. The force of the ENP is located in its bilateral character. This is a big advantage because the ENP can work with each country individually and to examine their main needs through action plans but the ENP is still the policy of whole European Union. It is important to think about the ENP as about united policy. It is not a policy only for some countries of the union it is a policy for all countries. The Neighbourhood Policy is a policy which advantages should feel all

involved countries. For Eastern neighbourhood countries Russia is an important factor that should be taking into account. The EU needs good, long term relations with Russia.

Mr. Miguel Ángel Navarro, Secretary General for the European Union, Ministry of Foreign Affairs, Spain, stressed that Spain see the ENP as a policy which is suffering from some confusion and misunderstanding and it is time to clear up all the problem issues. The ENP is also an ambitious project, which principles are well understood. In Spain's view the ENP must cover two different areas and therefore it is hard to see the policy as two neighbourhoods, as two dimensions of a single area and with equal principles and conditions. The equal principles and conditions are very important because partners should be judged taking into consideration their concrete achievements and implementation of their action plans. The ENP works on national not regional bases and this fact needs to be taking into account. The differentiation is also one very serious issue that needs to be considered. The achievements of Spain are also very important. During the three years of the ENP Spain has signed 12 different action plans. For the Eastern neighbours ENP was particularly promising policy. It created new ambition framework in which to develop future aspiration. For Southern neighbours there was no considerable improvement to bilateral and multilateral skills. Spain considers ENP as a win-win bet both for the EU and its partners. Global challenges show how crucial is the consolidation of neighbourhood.

Co-rapporteurs:

Mr. Andrei Popov, Executive Director of the Foreign Policy Association, Moldova, highlighted that it is necessary to think about creating a consensus view of the European Union. Since the Barcelona process was launched in 1995 this process developed strong institutions, different networks, conferences, ministerial meetings, even parliamentary assembly. Nothing like this exist in East; therefore, Eastern dimension deserves to equip it self with similar frameworks of cooperation. The issue of differentiation is also very important and it is also important to think about focusing more on ensuring that this framework allows the capacity for self differentiation for the countries by the quality of reforms. The ENP and enlargement of the EU are two different processes but it would be very important to stress the article 49 not the fact that these are two different processes. Over the last two years there are improvements in this message and signals. Now there are signals that this is open door policy and development depends on the

concrete reforms that countries are implementing. It is very important to talk about linkage between the quality of reforms, performance and use. Action plans are also very significant tool, which includes discipline in the work of the government. It is important to find balance between the Southern and Eastern neighbours as well as to find the balance between bilateral and multilateral framework.

Mr. Abdeal Raouf El Reedy, Chairman of the Council on Foreign Affairs, Egypt, stressed that when the idea about the ENP rose it was unclear what benefits it will bring. Multilateralism is very important aspect of the ENP but it is necessary to provide people with more information about this French idea of multilateral framework. For Southern Europe it is very important to preserve their cultural values and it must be taking into account. The most important issue is to have enough explanation about the ENP and the processes it provides.

Discussions

Mr. Gerhard Almer, Head of the European Affairs, Federal Foreign Office of the Federal Republic of Germany, stressed that the EU Neighbourhood Policy was one of the top priorities during the German presidency. During this presidency progress reports on strengthening of the ENP were prepared jointly with European Commission. Differentiation issue is very important because every country has its need, which must be taking into account in the negotiation process. For example Ukraine's policy and values differs from policy and values that represent Moldova. The EU should do more because it has financial instruments. Another important aspect is partnership, which means that contribution should come from two sides not only from the EU. It is now time for the implementation process and Germany will contribute in every possible way to foster the ENP. **Ms. Vivien Life**, Head of External Relations Department, EU Directorate, Foreign and Commonwealth Office, United Kingdom, stressed that the ENP is a single policy and it is a great advantage of the policy and the differentiation is the way to make that single policy work. The EU enlargement and the ENP are different policies. Enlargement has its own criteria and it would be necessary to express more that these two policies are different. On the other hand it is important to understand that the ENP help countries to prepare, to develop with the aim to achieve Copenhagen criteria. Ms. Vivien Life asked to panel rapporteurs about their vision how will the ENP look like after 20 – 30 years. **Mr. Kees van Rij**, Director of European Integration Department of

the Ministry of Foreign Affairs, the Netherlands, answered that the ENP makes it possible for neighbourhood partners to take stakes in the internal market and when ENP members became WTO members then it is possible to start talking about free trade agreements and it could lead to a multilateral free trade zone surrounding the EU. The future of the ENP very much depends on the reforms that are implemented and will be implemented. **Mr. Valdis Birkavs**, former Minister of Foreign Affairs, Member of the Club de Madrid, Latvia, stressed that common approaches have shared values and differentiation. In development of the ENP four approaches should be taking into account: firstly, stronger criticism of political repressions all around the Europe; secondly, proper strategies supporting reform process; thirdly, proper incentives, fourthly, change of funding rules to make it easier to help society organisations. **Mr. Dimitrios Katsoudas**, General Secretary of European Affairs, Ministry of Foreign Affairs of Greece, stressed that it is important to understand why there is so minimal institutional development in the Southern dimension. The Eastern states have more or less European perspective and there are huge differences between the Southern states because they don't have such European perspective; therefore, it is essential to institutionalise the relationship from the start. The ENP should be independent of the prospect of membership; if these two prospects will be mixed serious institutional problems will appear. **Mr. João Luís Niza Pinheiro**, Ambassador Extraordinary and Plenipotentiary of the Portuguese Republic, noted that during the discussions participants expressed fear that in the framework of French presidency tendency rose to develop more Mediterranean side of the ENP. There is no way of fearing that, that is not the case. In the presidency of Germany, Portugal and Slovenia clearly stated regarding this area that the three presidencies aim to reinforce and consolidate the ENP concerns about their Eastern neighbours as well as the Mediterranean needs as an instrument to support political and economical reforms. There is no real reason to seek a balance between the two sides because Portugal sees this policy in the global context. Actions or trying to put accents in regions rather than in countries Portugal side would not favour this; there is no need for Europe because of neighbours, because of own reasons. It is necessary to think about countries and differentiation is for that. Each neighbour country by its own ambitions, by its own reforms will determine the balance. It is not possible to set standards for countries. **Mr. Kees van Rij**, Director of European Integration Department of the Ministry of Foreign Affairs, the Netherlands, stressed that it is important to use all the possibilities and instruments that are available. The ENP is

young and the goals are long term and no new goals and targets are needed to be settled. **Mr. Nils Muižnieks**, Director of the Advanced Social and Political Research Institute, University of Latvia, noted that there are resources but the question is whether there is a political will. There are certain questions and certain issues, for example, Europe and conflict resolution, that kind of issue requires political will.

Topic II: Political Dialogue at the Parliamentary Level – Instrument in the EU Neighbourhood Policy

Moderator: Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia

Rapporteurs:

Mr. Jean-Dominique Giuliani, Chairman of Board of the Robert Schuman Foundation, France, stressed that it is necessary to have more political European Union to have new fine foreign policy and new European security policy. The ENP will become the tool for good policy. Until now there was good external policy – enlargement policy but now something else is required. This is the question that the EU will have to face in the near future and to give a good answer as well. If people are looking for more political union there is a need to involve members of the national parliaments to discuss this new foreign policy. For the future of the ENP it is important to develop dialog between the members of national parliaments and it is also important to develop dialog between partners asking Moldova, Ukraine, Caucasus and Turkey for entering the EU. And it is necessary to develop relationship between the politicians to deal in the political way and on political basis facing the huge question on enlargement. Regarding societies it is essential to increase the feeling of belonging among citizens and this is the reason why members of the parliament are so useful.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, told that right now Latvia can not agree more on the points that expressed Mr. Giuliani because all the topics raised by Mr. Giuliani regarding the ENP are very important and that it is not just ownership of the countries on the borders. The question about the political union is also very important. Without political union it is not possible to imagine really functioning foreign and security policy.

Mr. Iurie Roșca, Deputy Speaker of the Moldavian Parliament. Moldova, stressed that Moldova at the moment is not EU and NATO member state but it is not because Moldova don't have political will and it is not because of the mistakes that government representatives made. First of all this situation was because of the geographical games in the post soviet area. With the support of the EU member states the strategic goals of Moldova will be achieved in the near future. Moldova has strong political will to realize the European dream of nation. All parliamentarian groups despite of all differences are motivated to maintain the common platform and solidarity regarding European integration and regarding the continuation of the reform process. In the last two years the parliament of Moldova was concentrated on the process of implementation of so called EU-Moldova action plan and a package of new laws were adopted in order to harmonize Moldova' s national legislation with European standards and norms. It is easier to change laws than to change the mentalities in the post soviet area. Republic of Moldova highly appreciates the position of EU concerning the necessity to eliminate Russian presents and to identify peaceful solution of the conflict. During the recent meeting between the representatives of Moldova and the EU the idea that Moldova should implement new legal framework with its relations with the EU as well as the idea of EU-Moldova action plan 2008 was discussed. The European Neighbourhood policy has positively influenced the implementation of domestic reforms. The European integration process is internal modernization task. At the same time ENP needs to comprise the European perspective and the monitoring mechanism for fulfilment of commitments assumed by both sides. The cooperation between Moldova and EU cooperation is fruitful for Moldova. At the same time parliament of Moldova asks for direct engagement of the European parliament in management of the ENP and immediate implementation of EU-Moldova action plan by following methods: encouraging the use of differentiation principle based on individual performance and by joint cooperation format between the EU and Moldova. Moldova is ready to implement necessary domestic reforms to be able to join the European Union.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, highlighted that Moldova can be treated as one of the success stories of the ENP and Moldova is being one of the priority countries of the Baltic States of implementation of the ENP.

Co-rapporteurs:

Mr. Trivimi Velliste, Vice President of the Baltic Assembly, Estonia, stressed that some years ago the Baltic Assembly concluded a reform process. One of the aims of the reforms was to have a mechanism similar to the mechanism of the Nordic Countries and Benelux parliament and as to priorities of the Benelux parliament, Nordic Council and the Baltic Assembly issues discussed are of great importance. This is a good example how it is possible to cooperate in parliament level to solve many politically vital issues. The policy should include long term energy strategies and fight against cyber crimes, which will be top priorities for the Baltic Assembly in 2008. Cyber attacks are major challenge for years to come not only for the Baltic States but for the entire Europe and world. Some weeks ago in Vilnius very successful seminar on Belarus was held. It was organized by the Nordic Council and the format was excellent. Number of guest from Belarus opposition and position participated at the seminar. The dialog was surprisingly open and it was very interesting and this format of seminar will be held again. Regarding visa space it is essential to note that the Baltic States will join the Schengen visa space very soon. This will create new situations on Eastern borders of Estonia, Latvia and Lithuania. It will have an impact on not only illegal labour migration but only on organized crime. The most important issue is homework for EU aspirants and aspirant countries should concentrate on homework's and every day work.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, thanked Mr. Velliste for mentioning Belarus because European Neighbourhood Policy is addressing very wide range of countries and in certain period of time some of those countries need probably more assistance then others and its also incapacity and an obligation of parliamentarians to keep eyes open on events taking place in ENP countries in order to provide assistance when it is needed the most.

Lord Russell-Johnston, Chairman of the Committee for Parliamentary and Public Relations of the WEU Assembly, informed that after one week the Baltic States will become full members of the WEU and that is very important because full membership in the WEU shows the institutional development of the Baltic States. When discussing the ENP it is important to discuss about the historical perspective in which it is set. It is

essential to have a democratic body, which can monitor the increasing number of joint military exercises in which the EU is involved. It is also important to discuss effectiveness. Regarding effectiveness the WEU Assembly has recognized there are four very serious problems: firstly, lack of effectiveness among senior and sparing politicians to become too involved in time consuming international bodies; secondly, the link between domestic defence committees within countries and the actual representatives who came to the WEU Assembly very variable among the countries. This is a difficult question because to establish reputation to build up knowledge and expertise within the international body it is important to spend considerable time in it to understand it, to get to know various people and to know officials that make the system function; thirdly, the WEU Assembly has realized that in the WEU there is lack of coordination between authorities and the defence committees and committees almost became as private seminars where people concentrate only on issue not on the situation what political response could be; fourthly, the WEU Assembly realized that media is totally uninterested. The WEU Assembly has not been on the covers of the journals because people don't want agreements, people want disagreement. The final and the most important issue is that the European countries must construct a political Europe.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, agreed to Lord Russell-Johnston that effectiveness is very important issues and more lessons need to be learned about consensus. Now it is the duty of participants of the conference to come to an agreement on the role of politicians in the ENP that the information definitely will go to media.

Discussions

Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, stressed that within the EU there are discussions in different levels about the ENP. How it should be made more effective, about action plans and programs. Ms. Ozoliņa asked to Mr. Iurie Roșca about the recipient countries. How is the cooperation developing among the parliament of Moldova and parliament of Ukraine? **Mr. Iurie Roșca**, Deputy Speaker of the Moldavian Parliament. Moldova, told that Ukraine has a special role in development of Moldova. Parliament of Moldova is in contact with parliament of

Ukraine and there is strong concentration on political evolution in Ukraine and Moldova. Ukraine and Moldova will keep developing its politics as EU oriented.

Mr. Jānis Eglītis, Chairman of the Education, Science and Culture Committee of the Baltic Assembly, Latvia, asked to Mr. Giuliani and Lord Russell-Johnston about preferential visa regime with Moldova and Georgia. Among the Baltic States there is understanding about the preferential visa regime with Moldova and Georgia but this question is being stopped by the EU. The attitude of the EU towards these countries is not fair because these countries have proven themselves in readiness to create a dialog with the EU. **Lord Russell-Johnston**, Chairman of the Committee for Parliamentary and Public Relations of the WEU Assembly, told that it is not easy to answer this question and to find most proper solutions to deal with the situation. Parliamentarians coming to the Council of Europe or to the WEU Assembly from mentioned countries require having visas. It probably sounds strange because it is possible that those people which need visa are already part of the international body but still they have to cope with this bureaucracy. Numbers of countries are very resistant to relaxing their visa control. **Mr. Jean-Dominique Giuliani**, Chairman of Board of the Robert Schuman Foundation, France, agreed to Lord Russell-Johnston and added that the possible way how to relax visa control is to have closer cooperation between the parliamentarians. When you know your neighbours then it is easier to relax the visa regime.

Ms. Sinikka Bohlin, MP, Chairperson of the Standing Committee of the Baltic Sea Parliamentary Conference, Sweden, asked about the regional parliamentary cooperation. The EU is a big family and there are many new neighbours. In the situation of globalisation it is important to find regional solutions in social and ecological welfare. Ms. Bohlin asked to rapporteurs could it be possible that the regional parliamentary cooperation can be so strong that the EU parliament in the future will be too weak. **Mr. Trivimi Velliste**, Vice President of the Baltic Assembly, Estonia, told that the real value of the parliamentary cooperation is just the very feeling of being shoulder to shoulder. Seven years ago the political culture of the Baltic Assembly was something different then it is today. It is possible to notice considerable evolution in the regional parliamentary cooperation and improvement of political culture. The real value of the Baltic Assembly, the Nordic Council and the Benelux Interparliamentary Consultative Council is the continual contact of parliamentarians. **Mr. Árni Páll Árnason**, MP, Chairman of the

Icelandic delegation to the Nordic Council, Iceland, stressed the importance of the ENP being universal and being left to the border countries. All the countries need to cooperate and they should be involved in all the projects regarding the ENP. Mr. Árnason asked to rapporteurs how to make the issues of ENP relevant for parliamentarians to use in the domestic market. **Lord Russell-Johnston**, Chairman of the Committee for Parliamentary and Public Relations of the WEU Assembly, told that there are number of people both in the WEU Assembly and in the European Council who almost keep it as a secret that they are members when they go back to their countries. On the other hand there are others who go back to their countries telling about the membership and those people have never lost the support. It is important to be direct to the public and they will respond to that and that is the best way when dealing with a problem.

Rapporteurs:

Ms. Heli Tiirmaa-Klaar, Head of the International Relations Department, Institute of International and Social Studies, Estonia, stressed, that since launching the ENP the central question looming over this policy has been: how to make ENP an efficient policy instrument for the promotion of democracy and good governance in the EU's neighbourhood? Are the incentives, primarily deeper economic integration and assistance, sufficient tools for bringing change into the neighbourhood? How to achieve the ambitious goals spelled out in the Neighbourhood Strategy Paper? How can the EU really change the domestic norms and values of other countries? During political reconfiguration of European order, the EU is defining its new role by extending and maintaining its four types of boundaries: geopolitical, institutional, cultural, and transactional. The geopolitical boundary contains the meanings characteristic to the realist IR tradition, where EU is seen as an island of security and stability opposing to disorderly outside world. Institutional or legal boundary marks the real border of the EU, i.e. the territory governed by the community law and institutional engagement. Cultural boundary refers to common practices of EU, or "European exceptionalism", like norms and values, and practice of good governance.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of `Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, highlighted most important concluding remarks of the discussed topics. Firstly,

cooperation is needed not only on parliamentary level but on practically all levels or otherwise the ENP will still be strategy only on the paper but implementation will be lagging behind; secondly, it is very important to cooperate not only with countries within the EU but with those who are outside the EU because they need help in implementation of the reforms.

Topic III: The Baltic States and the Eastern Dimension of the European Neighbourhood Policy

Moderator: Mr. Nils Muižnieks, Director of the Advanced Social and Political Research Institute, University of Latvia

Rapporteurs:

Ms. Vaira Paegle, Chairperson of the Saeima European Affairs Committee, Latvia, stressed that whatever dimension that is: North, East, South or West the ENP is a modelled concept, which even has a work in progress satisfies neither the giver nor the receiver. The ENP is actually a mission that for now the EU has reached the limits of expansion. The ENP is neither equal tool nor a substitute for EU membership nor does it really answer the very complex question as what constitutes Europe and its borders. If the EU is available to every democratic European country with functioning market economy, respect for human rights and ability to implement EU laws, potential candidates must include every European country that fits to the mentioned definition. Instead the ENP logically groups together six European countries on its Eastern border that eventually may become EU members with ten that will never become such. This is an easy way for enlargement confuse the question of membership by mixing countries of different continents, cultures, political institutions, problems and aspiration regarding EU. The ENP shortcomings however have not prevented the Baltic States for actively engaging their Eastern neighbours in effort to keep the perspective of eventual EU membership alive. Cooperation with Ukraine, Georgia and Moldova has become part of the Latvian foreign policy initiatives in that region. The Baltic States can deliver their experience to countries that are not EU members at the moment. In Latvia cooperation with its Eastern neighbours manifests itself through by bilateral projects with Georgia and Moldova. The Baltic States can also share their experience in solving complex political problems. The Baltic States have particular interest in supporting democratic

transformation on the borders. Closer integration of Eastern neighbours within the EU can help mitigate their relations with Russia. Closer cooperation between the Eastern neighbours and the EU is needed to keep the started democratic reforms on the track.

Mr. Peter Semneby, EU Special Representative for the South Caucasus, Council of the European Union, stressed that there are two aspects of how the Baltic States can interact and help the Eastern neighbours. The first is the aspect of how the Baltic States can give advise to the Eastern neighbours and this issues is more then technical because this issue is engaging in long term relationship built on confidence, adding security and insurance. In this way making sure that decision making and policy perspectives in the East are not so much focused on the short term period. The second aspect is that countries as members of the EU can change and influence the approach of the EU as such of other partners and member states of the EU to enhance their knowledge and engagement in the Eastern neighbourhood. The individual approach and what that individual approach mean in terms of engaging intensively with individual countries should been seen as the most effective way of pursuing regional interests. It is clear that the EU needs relationship with both the East and the Mediterranean dimension and this is not a question of which one of these dimensions is more important. The reform process started in the 1989 is still in progress and the East European countries are good example of that. There is still need for contacts at all levels between people to people contacts, business contacts and contacts on the governmental level. There is also a need to be prepared to adapt to changes in the environment. The policy of Nordic countries is highlighting the need to reduce uncertainty and so called grey zones. There is a need for close relationships which are based on confidence because many serious decisions are being made.

Co-rapporteurs:

Mr. Tigran Mkrtchyan, Executive Director of the Armenian International Policy Research Group, Armenia, told about the disadvantages that appear in Armenia because of the fact that Armenia is not the EU member country. It is very complicated to travel because visas are required. Mr. Mkrtchyan emphasized six points regarding the ENP. The first issue, which has been broadly discussed, is the issue of conflict resolution. The EU need to address more this problem because this is a priority issue for development of entire region. In the ENP Armenian action plan among the EU priority areas of

cooperation between the EU and Armenia conflict resolution is the seven of eight areas. It is agreed that the conflict between Azerbaijan and Armenia is the most significant obstacle to peace and stability in south Caucasus. The EU should not avoid addressing this issue because the ENP and the EU can help solving problems in the south Caucasus. The second issue, which is related to the first point, is the issue of conflict prevention strategy, which is missing in the ENP action plan. One of the unaddressed problems in the south Caucasus remain unrestrained arms reins in the region. The third issue, which is related to already mention points is that the three republic of south Caucasus they are three unrecognized entities. Their existence in the short term must be regularized and their governance should be introduced to the international system. The EU should support democratization process and reforms taking place in the south Caucasus. The fourth point is the conditionality of the ENP. The EU must condition the ENP aid to south Caucasus countries on the progress of democratization, human rights and rule of law. The fifth issue is that the ENP is focusing mostly on solving already existing problems in the region and avoiding EU membership related references. The last point is related to Armenia and it is that the EU could put some pressure on Turkey to open borders with Armenia. The US government has done some work in this regard but EU should use its leverage in effectively and positively influencing Turkey to open the last closed borders.

Discussions

Ms. Constanze Stelzenmüller, Germany Marshall Fund of the United States, Germany, asked to Ms. Vaira Paegle which countries exactly is Ms. Paegle advocating. **Ms. Vaira Paegle**, Chairperson of the Saeima European Affairs Committee, Latvia, stressed that the foreign policy of Latvia is in support of enlargement. Latvia also advocates for including Turkey in the EU. The ENP does not answer basic question of what is Europe, what are the borders of Europe. It is important to discuss these questions in order to achieve consensus. People don't know what is included in the ENP and that is a serious problem. **Ms. Constanze Stelzenmüller**, Germany Marshall Fund of the United States, Germany, asked to Ms. Paegle what specific changes that need to be done in order to answer these basic questions and solve previously mentioned problems. What is the position of Latvia in regard to Turkey's accession to the EU? **Ms. Vaira Paegle**, Chairperson of the Saeima European Affairs Committee, Latvia, told that the EU should also address the six countries of the ENP; namely, Ukraine, Moldova, Belarus, Georgia,

Armenia and Azerbaijan. There is a need for a specific plan how to include these countries. Latvia is working with Georgia, Moldova and Ukraine very directly. Latvia has helped to open EU information centres in those countries. **Mr. Ognyan Champoev**, Head of Coordination and Planning Sector, Ministry of Foreign Affairs of the Republic of Bulgaria, proposed participants to discuss future of the Black Sea region. **Mr. Nils Muižnieks**, Director of the Advanced Social and Political Research Institute, University of Latvia, asked to panel rapporteurs what is the EU doing at the moment to solve all the problems and conflicts mentioned during the discussion and what the EU should do better. **Mr. Peter Semneby**, EU Special Representative for the South Caucasus, Council of the European Union, told that the EU has not been involved in the conflict between Armenia and Azerbaijan for various reasons. Through various activities the EU is trying to prevent further conflicts and to transform these conflicts. The EU has worked out measures, which are based on a number of assumptions: firstly, it is possible to transform conflicts by creating elements of shared vision between Georgia and conflict regions; secondly, it would be necessary to open programs available to Georgia regarding the ENP for people living in the conflict regions. It is also possible for the EU to be involved through the Security and Defence Policy instruments. **Mr. Pēteris Tabūns**, Member of the Latvian delegation to the Baltic Assembly, asked to Mr. Semneby about the national identities and integration. These two aspects have not been discussed during this topic. **Mr. Peter Semneby**, EU Special Representative for the South Caucasus, Council of the European Union, told that these issues were addressed during the discussion about Georgia in terms of trying to condition Georgian society for dealing with conflict areas also creating policies regarding integration and minority rights. National identity and integration are highly significant aspects.

Topic IV: A Common Approach of the Baltic and Nordic States to the Implementation of the European Neighbourhood Policy

Moderator: Ms. Žaneta Ozoliņa, Chairperson of the Commission of Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia

Rapporteurs:

Mr. Kari Liuhto, Director of the Pan-European Institute, Finland, stressed that under the rather tense relations between the EU and Russia, it is not very easy to be constructive. The concept of reciprocity is a good starting point to treat neighbours

regardless of their size or political power. Now, the EU and Russia are on the edge of a new era of reciprocity, which can be called the reciprocity of restrictions. Instead of being afraid that the EU starts to exercise protectionism in order to slow down the expansion of Gazprom in the Single market, Russian investment environment turns more restrictive towards foreign firms already in the near future. National Champions Policy is more damaging to the Russian investment climate than even their restrictive legislation is and both the EU and Russia should keep their investment milieu as liberal as possible, and even more importantly, as predictable as possible, since that same predictability is one of the key determinants driving investments both domestically and internationally. Mr. Liuhto underlined the importance of competitiveness in attracting foreign investments and modernising economic structures. However, one cannot achieve better competitiveness without intensive competition, and therefore, a National Champion Policy fostering oligopolisation and legislation restricting foreign competition does not help Russia become more competitive. Furthermore, effective innovation systems are needed to build future competitiveness. Foreign investments are not only the cheapest way to obtain capital, modern technology and advanced management techniques, but the foreign enterprises per se are valuable since their business contacts build additional bridges between the EU and Russia, and hence, support European integration continent-wide. To solve all the mentioned problems; firstly, it is important to create an independent expert team of policy-makers, businessmen and researchers to analyse how to create a free and predictable investment environment in the EU-Russia context. Secondly, transit of conventional goods and energy in particular gives unnecessary headache. Thirdly, it is important to think about the great power of people-to-people contacts.

Mr. Toms Rostoks, Researcher at the Latvian Institute of International Affairs, Latvia, stressed that there are various issues that are very important. First is the issue of motivation. It has frequently been argued that cooperation between countries in the Baltic Sea region has stagnated in recent years. Common approach to the European neighbourhood may become an instrument that would provide a new impetus for regional cooperation. Of course, developing a common approach may turn out to be a very difficult task, especially if Russia and Germany are also to be taken on board, but at least constructing a common Nordic-Baltic approach should be possible. Second is the issue of process. Through the process of the Baltic Sea region becoming more intensively

used as a tool for helping our eastern neighbours such as Moldova, Ukraine, Georgia and Belarus NGOs, private and state organizations in Baltic and Nordic countries are to benefit from closer cooperation. The third issue is one of results. Countries in eastern neighbourhood are not the poorest of the poor. Statistically, they belong to the group of middle income countries. What are the implications of this classification? This dimension of the neighbourhood policy should be paid more attention to, and it is important to acknowledge that the best Baltic States can do for neighbours is to facilitate their development. EU membership may become an option during the process, but development should be given the priority. Development cooperation dimension has not been visible enough in the EU neighbourhood policy because the countries in question are transition economies, are middle income countries and are too close to the borders of the EU to be seen as developing countries. But the vision of these countries is nevertheless one of development. And it should be mentioned that helping middle income countries makes a lot of sense because it may yield results very quickly. Baltic and Nordic states should take that into account and work together on helping eastern neighbours to develop.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of `Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, stressed that Mr. Rostoks added one more perspective on the ENP; namely, development of cooperation.

Mr. Mart Laar, MP, former Prime Minister of Estonia, stressed the necessity of cooperation with Georgia. This cooperation is needed for both the Nordic and the Baltic countries. If the Baltic States want developed neighbouring countries then it is important to assist and participate. The Baltic and the Nordic countries have given their political support to reforms taking place in Georgia and supported Georgia's integration into international structures. International organisation have failed in efforts to solve critical situation on the borders of Georgia but the Baltic and the Nordic countries have been very active and have participated in different investigation situations. There is Nordic initiative to build investigation team as a part of European institutions to react fast on provocations to reduce incidents. The next are in which the Baltic States can deliver their support in shared experience in all fields. There are experts from the Baltic and the Nordic countries who share the experience of transition – training and teaching public

servants. Another area is economical support; namely, investments in Georgia. The Baltic and the Nordic countries were coordinating their activities in order to minimize this critical situation in Georgia through reforms. The Baltic presidents were among those who contacted with Georgian partners in the parliament. Effective instruments of the ENP should be applied and there is no time for long discussions in order to come up to one joint position.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of `Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, highlighted that Mr. Laar addressed another very important issues; namely, the critical situation in Georgia and how to use the ENP instruments in order to help solving this critical situation. Effective instruments really should be applied and there is no time for long discussions in order to come up to one joint position but sometimes it is not the position which is needed but policy.

Mr. Asmund Kristoffersen, Chairman of the Environment and Natural Resources Committee of the Nordic Council, stressed that this conference is a clear signal of the importance the Baltic Assembly attaches to promoting democracy, good governance and human rights in the neighbourhood area. This conference provides exchange of ideas and together it is possible to look at the rapid development of the ENP and to propose ideas how to make it better. For the Nordic Countries and the Baltic States future of the neighbours is very important. The ENP is crucial policies that attach great attention to neighbour countries. For Nordic and Baltic countries the question is how to make it even more efficient and how to develop ENP further. Situation in the neighbouring countries effect Nordic and Baltic States directly and indirectly. The Ukraine is on the right way however many issues still need to be done. The ENP can play an important role not only for the Ukraine but also for Moldova because ENP provides opportunity for closer cooperation. In the case of Belarus the ENP is not very activated. Since the ENP is build on existing agreements between the EU and its partner it gives rather clear picture of the relations with the EU that Belarus can rely on. The EU has clearly stated that Belarus and the EU will be able to develop regulations when the country will establish democratic form of governance following free and fair elections. Nordic and Baltic States have contacts with organisations and these organisations give an opportunity to children from Belarus to study in other countries. Russia is also important actor in all process;

therefore, Nordic countries welcome Russia to join the ENP. Regarding the ENP and neighbouring countries it is important to take also practical steps. It is very important to have closer cooperation with GUAM.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of `Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, stressed that practical steps indeed are important and should be taking in to account and hopefully this conference will contribute cooperation with GUAM organisation.

Co-rapporteurs:

Mr. Alyaksandr Milinkevich, Leader of the United Democratic Forces, Belarus, told that other European countries have often asked how to held Belarus to became democratic because all the instruments used previously have not been effective. Regarding this it is very important to work not only with government of Belarus but with society as well because society in Belarus is also divided in two parts. One part of Belarus is democratic and it is very important when discussing directions to work with government and with this active part of the society. Very often after elections when democratic forces have lost then all the attention is on government. Government wants to cooperate with the EU but only on issues regarding economic but they don't want to cooperate on issues regarding human rights. The situation in Belarus is critical; people are in prison for organising meetings and spreading democratic ideas, which are a signal in fight for freedom. Here the support from the Baltic States and the EU is much needed. It is very important that the democratic initiatives of the society remain.

Mr. Julian Chifu, Director of the Centre for Conflict Prevention and Early Warning, Romania, stressed that there are three main points that need to be discussed. The first point is related to very bright issue regarding borders of Europe on the ENP being different from enlargement policies. The ENP is not the first step to make for membership. Open door policy that everybody is stating should also be found in the ENP. Everybody is looking forward to regional grouping of nations. At the same time there were some difficulties in relations between the Ukraine and Moldova. Second point is regarding the strong forces not the soft power of the EU. The EU has a transformation and integration power. Possible member countries of the EU now are

witnessing lost of attraction from the EU. The third point is on the side effects of the criticism of the ENP. Many countries are criticizing the ENP and the side effects of this criticism was that many countries addressed by the ENP gave little attention to the ENP and action plans were not important because there were this criticism. Countries started to ignore the tools and instruments of the ENP.

Discussions

Mr. Jānis Reirs, Members of the Presidium of the Baltic Assembly, Latvia, asked to Mr. Liuhto about Russia's concerns regarding human rights violations against Russian speaking persons in the Baltic States. Mr. Liuhto during his presentation stressed that there is a need to investigate human rights violations in the Baltic States. What are the human rights violations in the Baltic States and how could be they examined? The second question is regarding the ENP and its very important aspect economical development. It is important to model foreign conception and to put more attention on economical development, economic contacts and cooperation. **Mr. Kari Liuhto**, Director of the Pan-European Institute, Finland, stressed that the idea was to have independent group of people who could investigate and show that there is no violations to talk about. **Mr. Andris Sprūds**, Research Fellow of the Latvian Institute of International Affairs, Latvia, stressed that during the presentations serious attention was brought on lack of efficiency of the ENP. Greater attention should be brought on issues regarding why the ENP is efficient? There are several explanations of this inefficiency. There are many talks that there is no EU Neighbourhood Policy but there is Latvian neighbourhood policy, Lithuanian and Estonian etc. It seems that the EU is not very interested in the progress of the ENP countries. Why the ENP is inefficient? **Mr. Julian Chifu**, Director of the Centre for Conflict Prevention and Early Warning, Romania, stressed that it is not a bad policy. Inefficiency comes from the fact that it is about partnerships and it is about commitments taken by some country. There is no tool to tackle this. That's why minimal commitments are proposed. There is no tool for the situation if one country does not observe the commitments. **Mr. Alyaksandr Milinkevich**, Leader of the United Democratic Forces, Belarus, also stressed that the ENP is not bad towards Belarus. This policy is often inefficient because it is a partnership and in every individual country situation is different and different tools are required.

Concluding Remarks

Moderators: Ms. Žaneta Ozoliņa and Mr. Nils Muižnieks

Mr. Nils Muižnieks, Director of the Advanced Social and Political Research Institute, University of Latvia, highlighted the key points of the panels. Firstly, the ENP has witnessed very fast progress but it was noted that the ENP satisfies neither European countries nor partner countries. But those who are not satisfied in the European side can do more on their own side creating additional money and additional resources; therefore activating the ENP in individual, national level. This was the first time when the southern side of the ENP was discussed what was noted by Moldavian colleagues. The ENP in the south comes over other EU initiatives and there is a need for clarity in the EU Policy towards south because the ENP comes on the top of processes that are going on for many years and has generated some confusion. Very important aspect discussed during the panel discussions was conflict resolutions. The EU has soft power and it is not enough to engage in conflict resolution. The EU should prevent the situation that conflicts continue in the future generation. Transformation of the neighbouring countries is also a key to success. The European identity is also a very important aspect, which help the Baltic States to develop.

Ms. Žaneta Ozoliņa, Chairperson of the Commission of `Strategic Analysis under the auspices of the President of the Republic of Latvia, Professor at the University of Latvia, stressed the most important point discussed during the panels. One of the most important ideas addressed during the panels was the idea that the ENP is very much a monopoly of people living in the bordering countries. It is important to consider more in European terms which go very much with the European identity issue that European Policy needs more European perspective not neighbourhood perspective. Another important point which was mentioned is the importance to stress the necessity of political union. Sometimes the agenda of the European Union is so heavy and so many issues are overlapping each other that political unity, which is needed for effective policy implementation, is lagging behind; therefore, it is a good chance to discuss reform treaty and political unity issue. Another issue, which was addressed, was the issue of responsibility of parliamentarians. Parliaments in different countries have their own traditions and their own ups and downs but in total all parliaments can play very

substantial role in ENP with different functions like defining directions for this policy. Monitoring policy implementations is also a very important task for the parliamentarians. Another issues addressed was related to general character of the ENP. There are so many countries from so different regional areas covered by one policy that sometimes countries which are a part of the ENP are not really satisfied with outcome how this policy is implemented. Therefore one of the suggestions was that probably it would be worth to single out to group of countries which would like to become members of the EU because with such grouping it would be possible to focus policy, to concentrate attention and political efforts of politicians. Sometimes it is necessary to think about new elements of ENP and energy issues as well as cyber attacks should be more emphasized.

26th Session of the Baltic Assembly

1. Time and venue of the Session

22 – 24 November 2007, Riga (Latvia)

2. Names of the presiding officers and participants of the Session

Presiding officers of the Session:

- **Mrs. Ērika Zommere**, President of the Baltic Assembly, Chairwoman of the Latvian delegation to the Baltic Assembly
- **Mr. Trivimi Velliste**, Vice President of the Baltic Assembly, Head of the Estonian delegation to the Baltic Assembly
- **Mr. Valerijus Simulik**, Vice president of the Baltic Assembly, Head of the Lithuanian delegation to the Baltic Assembly

3. Agenda of the Session

- Common energy policy of the Baltic States (strengthening security power supply)
- Protection of the environment of the Baltic Sea and preservation of cultural heritage
- Labour market policy and migration.

4. Speakers and the essence of their speeches

Ms. Ērika Zommere, President of the Baltic Assembly, Latvia, stressed the significance of the conference on European Neighbourhood Policy. This conference proved that the Baltic region is ready not only for further cooperation but also to help neighbours. During the 26th Session of the Baltic Assembly set priorities of the Baltic Assembly will be reviewed; namely, common Baltic States energy policy, protection of the Baltic Sea, preservation of culture heritage, migration policy and migration issues.

Greetings by guests:

H.E. Mr. Gundars Daudze, Speaker of the Latvian parliament, confirmed his support of cooperation between the Baltic States. As it sometimes happens among neighbours, mutual competition tempers and impels forward; however, in decisive moments the Baltic States have always been able to unite. First of all, proof of such cooperation is this year's priorities set by the Baltic Assembly – energy, migration and the labour force, environmental protection and the parliamentary contribution in implementing the European Union's Neighbourhood Policy. In compliance with these priorities, two high-level conferences were organized this year. The first conference on labour market issues took place this summer in Sigulda, and yesterday here in Riga we discussed the EU Neighbourhood Policy. Both conferences were the result of cooperation between the Baltic Assembly and the Baltic Council of Ministers. This year, cooperation with the closest neighbours of the Baltic States – the Nordic countries and the Nordic Council – has been equally successful.

Ms. Maya Detiége, Chairperson of the BICC Culture, Education and Public Health Committee, Belgium, stressed that cooperation between the Baltic Assembly and the Benelux parliament is a long story and will go on even if there will be some political problems. The BA Committees and the BICC Committees are cooperating intensively and various joint events of the committees are planned in 2008. Trilateral format BA-NC-BICC is also very significant and trilateral conference will be held in April 2008 in Latvia. The theme of the conference will be trafficking of human beings. The 26th Session of the Baltic Assembly is very significant because various political levels are represented.

Ms. Sinikka Bohlin, MP, Chairperson of the Standing Committee of the Baltic Sea Parliamentary Conference, Sweden, thanked members of the Baltic Assembly for participation at the Nordic Council session in Oslo. The discussions on BA-NC joint

Action Plan 2008 during the NC session were very fruitful and significant. The joint Action Plan 2008 will be adopted during the BA-NC Annual Summit which will be held in 4 December 2007. Trilateral cooperation is also for great importance and the next trilateral BA-NC-BICC conference will be held in 2008 in Latvia. The theme of the trilateral conference will be trafficking in human beings. The issue of trafficking of human beings has been an issue for the Baltic and the Nordic countries. The Nordic Council and the Baltic Assembly can serve as a bridge to national governments. Regarding the European Neighbourhood Policy it is important that the Baltic and the Nordic countries support neighbouring countries on their way to democracy.

Lord Russell-Johnston, Chairman of the Committee for Parliamentary and Public Relations of the WEU Assembly, stressed that after one week the Baltic States will become full members of the WEU. It means that the Baltic States are looking forward, looking in to future not back. It means that the Baltic States really are democratic and independent. The 1949 is not do far back when numbers of people from Latvia were brought to Siberia and whole world watched; therefore results achieved by the Baltic States are significant.

Report of the Presidium of the Baltic Assembly

Ms. Ērika Zommere, President of the Baltic Assembly, Latvia, highlighted the significance of the Baltic Assembly. No one will dispute its enormous contribution in regaining and strengthening the independence of Estonia, Latvia and Lithuania; in facilitating the return of the Baltic States to the international arena; in accelerating the withdrawal of the Russian troops; and in expediting the integration of the Baltic States into the EU and NATO. The Baltic Assembly is a forum for exchanging of viewpoints and coordinating positions, a mechanism for representing common interests and an essential engine for achieving most meaningful domestic policy and foreign policy goals. Baltic cooperation on the parliamentary and executive levels is very important because small countries are unable to withstand globalization processes on their own. Small countries have to find and choose for their selves the most suitable strategic partners, and these issues have to be discussed within smaller cooperation formats, such as the Baltic Assembly, the Nordic Council and the Benelux parliament. One of the greatest problems is the lack of unified political support for this cooperation. Adapting the Baltic

Assembly to new conditions and increasing its efficiency depend on the political interest of all stakeholders in their future joint projects. The lack of a common political will is keeping from developing a long-term strategy for Baltic States' parliamentary cooperation, from projecting a loud and respected voice of the Baltic Assembly, as well as from carefully monitoring the implementation of adopted resolutions. In order for a parliamentary cooperation organization to be effective, it has to clearly define its goals. Every year the Baltic Assembly assumes new tasks, every year the Baltic Assembly is approached by new regional partners, and every year the scope of its priorities expands. But at the same time, it is essential to ensure the support of national parliaments and to ensure that the Baltic Assembly's decisions reach the standing committees of the national parliaments. Very important partner of the Baltic Assembly is the Baltic Council of Ministers which almost twenty years ago assumed responsibility for the Baltic States by making an essential contribution to the development of democracy, the economy, education and science, foreign affairs and regional cooperation.

Common energy policy of the Baltic States (strengthening security power supply)

Mr. Nils Freivalds, Deputy Director of the Energy Department of the Ministry of Economics, Latvia, outlined the development of the Baltic States in the sphere of energy supply. The Baltic States have been focusing on five main issues regarding energy and safety of supply. First issue is related to common Baltic energy strategy. Secondly, it is important to ensure further development of construction of new nuclear power plan. Thirdly, it is important to cooperate in sphere of security of energy supply. Fourthly, it is important to cooperate and exchange information on topical EU issues. Fifthly, it is important to develop Baltic Sea regional cooperation. Currently the Baltic States have diverse energy mix, which is mainly based on contribution from oil in Estonia, gas resources in Latvia and nuclear energy in Lithuania. Existing of underground gas storage in Latvia and oil refinery in Mažeikių is important facilities with contribute to energy security of the Baltic States. The Baltic States have comparably well developed power natural gas supply and heating systems. The power and natural gas system are well connected; however, connections outside the region are weak. At the moment the Baltic

States don't have any power connections with central Europe. The dependence of gas supply from single source is the major concern for the Baltic States.

Discussions

Mr. Jānis Eglītis, Chairman of the Education, Science and Culture Committee of the Baltic Assembly, Latvia, asked to Mr. Freivalds about the nuclear power station in Lithuania and about Estonian not participating at the project? **Mr. Nils Freivalds**, Deputy Director of the Energy Department of the Ministry of Economics, Latvia, stressed that the governments of the Baltic States supported the project; therefore, delegated energy companies. This nuclear power plant project is commercial project and in case if some partners make a decision to quit this project it still remains under the question whether it is economically feasible. **Ms. Sarmīte Ķikuste**, Chairperson of the Environmental Protection and Energy Committee of the Baltic Assembly, Latvia, thanked Mr. Freivalds for the presentation and stressed that issues mentioned by Mr. Freivalds were the same issues examined in the Baltic Assembly's Environment Protection and Energy Committee in 2007. Ms. Ķikuste asked to Mr. Freivalds about the political aspect of the Nord Stream. Latvia has taken this political step at the moment when the border agreement between Latvia and Russia was signed but what concrete steps the Ministry of Economics have taken to achieve links to Latvia in the Nord Stream project? **Mr. Nils Freivalds**, Deputy Director of the Energy Department of the Ministry of Economics, Latvia, highlighted the main steps that Latvia and Ministry of Economics have taken to establish links to Latvia in the Nord Stream Project. The Ministry of Economics already started research project to investigate whether there is geological potential, total capacity and economical feasibility.

Protection of the environment of the Baltic Sea and preservation of cultural heritage

Mr. Raimonds Vējonis, Minister of Environment, Latvia, stressed that the Baltic Sea is sensitive by its nature. Even if pollution has been dramatically reduced still the Baltic Sea environment continues to worsen drastically under increasing human pressure to marine ecosystem. Eutrophication is a huge problem in the Baltic Sea since the 19th century. The Baltic Sea has changed from clear water sea in to eutrophic marine environment. This mainly is human impact as comparing to 19th century. Nitrogen impact to the Baltic Sea

has increased. As it has been examined agriculture is the biggest polluter. Shipping contributes to eutrophication by its nutrient inputs. Significant share of transborder pollution is coming from non HELCOM countries like Belarus and Russia. The Baltic Sea is one of the most intensively trafficked marine areas in the world. Numbers and sizes of ships are growing permanently. A combination of heavy shipping traffic makes these pollution threats more dangerous with increasing risks of shipping accidents as well. The number of ship accidents has almost doubled in the Baltic Sea marine area since 2002. Fortunately these ship accidents till now have not created very big pollution in the Baltic Sea but even only one big accident can cause irreversible marine damage. In Latvia on January 2007 “Golden Sky” case can serve as an example how dangerous ship accidents can be. Clearly realizing the situation the Baltic States have developed recovery strategy setting joint strategic goals and committing to achieve these goals via specific actions to combat all major negative effects. In order to achieve clear water, which is the main objective of HELCOM Baltic Sea action plan, phosphor and nitrogen must be cut by 42%. The Baltic Sea action plan sets four strategic goals: 1) Baltic Sea unaffected by eutrophication, 2) Baltic Sea without pollution substances, 3) favorable Baltic Sea status by diversity, 4) maritime activities carried out in environmentally friendly way.

Discussions

Mr. Jānis Reirs, Member of the Presidium of the Baltic Assembly, Latvia, asked to Mr. Vējonis about eutrophication. Is there any data of which country has contributed the most and which country has contributes less fight against eutrophication in the Baltic Sea

Mr. Raimonds Vējonis, Minister of Environment, Latvia, pointed out that every country has contributed fight against eutrophication and it is hard to divide which country has contributed the most and which less. **Mr. Jānis Eglītis**, Chairman of the Education, Science and Culture Committee of the Baltic Assembly, Latvia, informed that within the Education, Science and Culture Committee of the Baltic Assembly very intensive discussions are taking place regarding preservation of cultural heritage and in many countries there are laws which forbid building by the sea. On the other hand these laws preclude development of tourism industry. Mr. Eglītis asked opinion of Mr. Vējonis about the policy in Latvia regarding building by the sea and what are the positive and negative aspects. **Mr. Raimonds Vējonis**, Minister of Environment, Latvia, stressed that this policy in Latvia is very strict but on the other hand it still does not implement the

goals and it is related to planning process. When talking about protection of environment and protection of nature then of course the protection of environment is not a tool to harm economical development and development of tourism as well but these spheres need to be balanced. **Ms. Sarmīte Ķikuste**, Chairperson of the Environmental Protection and Energy Committee of the Baltic Assembly, Latvia, stressed that the Environment Protection and Energy Committee of the Baltic Assembly has adopted resolution on fight against eutrophication in the Baltic Sea. This resolution highlights the problem concerning waste waters on national and local level as well. Ministry of Environment of the Republic of Latvia has supported water treatment equipment and other projects. Ms. Ķikuste asked to Mr. Vējonis to name some numbers that illustrate how big is the support of the Ministry of Environment in fight against pollution. **Mr. Raimonds Vējonis**, Minister of Environment, Latvia, informed that in all regions of Latvia intensive building of water treatment plants is being implemented using resources of the budget of Latvia as well as resources from Environment Protection Fund and resources from the EU Funds. In all the biggest cities of Latvia the building process of water treatment plants is almost finished. **Mr. Ingmārs Līdaka**, Member of the Latvian delegation to the Baltic Assembly, stressed that in 2007 Latvia witnessed several ecological accidents. Mr. Līdaka asked to Mr. Vējonis how he would characterize situation in Latvia regarding prevention of ecologic accident consequence and how close cooperation is between the Baltic States and its neighbours regarding environment protection issues. **Mr. Raimonds Vējonis**, Minister of Environment, Latvia, stressed that the strategy of prevention of ecological accident consequences is very good because in Latvia responsible services are ready for such accidents. The readiness of Latvia was possible to see during all the accidents that happened in 2007. Regarding cooperation with other neighbours it is important to develop this cooperation more because every year there could be new situations that require support and different approach. Regarding cooperation with Russia and Belarus this cooperation in the framework of environment protection is normal and is taking place in various levels. Maybe less active in the political level but in the level of experts this cooperation is active.

Ms. Solvita Zvidriņa, State Secretary of the Ministry of Culture, Latvia, stressed that in Latvia the understanding of cultural heritage is changed. In 2000 Latvian Cultural Planning document 2002-2010 was adopted. In this document cultural heritage was understood that the biggest parts of the cultural heritage are culture monuments. In

Culture Policy guidelines 2006-2015 which were adopted last year cultural heritage is viewed widely from many perspectives. Last year the cabinet of ministers adopted guidelines which forecast further development. Heritage it is every states history and value; therefore, if it is not preserved it can disappear forever. Cultural heritage is heart of identity. The cultural heritage of Latvia is made from following aspects: 1) national museum collection; 2) government and local government museum collection; 3) documentary collection – archives; 4) state protected cultural monuments - more than 8500 objects. It is important to remember that not only material cultural heritage is important but also nonmaterial. Nonmaterial cultural heritage includes – national games, social skills, celebrations and rituals. Nonmaterial cultural values are very highly developed in the Baltic States. This fact was recognized by UNESCO. There are five cultural sub-sectors related to cultural heritage which are in the competence of the Ministry of Culture of the Republic of Latvia: 1) museums; 2) libraries; 3) archives; 4) cultural monuments; 5) folk art sector.

Discussions

Mr. Valerius Simulik, Vice President of the Baltic Assembly, asked to Ms. Zvidriņa her opinion about the resolution drafted by the Presidium of the Baltic Assembly on the Baltic States' Culture Day. **Ms. Solvita Zvidriņa**, State Secretary of the Ministry of Culture, Latvia, stressed that in the level of idea Ministry of Culture support the idea to announce April 15 as a Baltic Culture Day but to answer is the Ministry of Culture ready to undertake obligations first of all there should be discussions on the ministry level what this step would mean. There are many issues which need consideration.

Labour market policy and migration

Ms. Iveta Purne, Minister of Welfare, Latvia, stressed that the labour market and migration is an important issue for the Baltic States after accessing to the EU. Migration is also on of the top priorities of Latvian government. In the last years in all three Baltic States employment indicators have improved. In 2006 employment level was 66, 3% in Latvia, 68, 1% in Estonia and 63, 6% in Lithuania. The EU average in 2006 was 63, 4%. The level of unemployment is also very important indicator and in 2006 in Latvia this indicator was dropt to 6, 8%, in Estonia to 5, 9% and in Lithuania to 5, 6% while the average in the EU was 8, 2%. These positive indicators of employment can be explained

because the Baltic States in 2006 experienced the most rapid economic development in the EU. This fact can not cradle in sleep because even in such good conditions states implemented employment policy is important and gives its contribution to economic development. The Latvian labour market policy basic principle is to promote inclusion oriented labour market, enlarging education and training possibilities especial to minimize the risk of social rejection. Latvia is also using the financial support from the EU Funds to involve people in the labour market policy activities. Free movement of persons in the EU is on of the EU common freedom, which characterizes the essence of the EU. After the enlargement in 2004 only part of the old member countries (Great Britain, Ireland) opened their labour markets for labour forces from new member countries. In the result extent of the migration from new to old member countries overachieve predictions of the EU Commission. It is important to improve working conditions that people don't choose to go abroad. Improvement of the migration system with the aim to provide long term economic development and evaluation of social consequences is one of the main priorities of Latvian employment policy.

Discussions

Ms. Silva Bendrāte, Chairperson of the Social Affairs Committee of the Baltic Assembly, Latvia, asked to Ms. Purne about the return migration and which ideas of return migration examined on the theme conference of the Baltic Assembly in May 2007 are implemented at this point. **Mr. Imants Lipskis**, Labour market monitoring department director, Ministry of Welfare, Latvia, stressed that regarding promoting of return migration Ministry of Welfare has started work on regulations issued by the Cabinet of Ministers to involve funds from the EU. The most important activity to promote return migration is work on regulations on promoting self-employment.

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Reports by Chairpersons of the BA Committees

Ms. Silva Bendrāte, Chairperson of the Social Affairs Committee, Latvia, informed about the main activities of the committee in 2007. In 2007 committee mainly considered two significant issues: 1) domestic violence; 2) development of human resources under conditions of labour force migration. Together with colleagues from the Nordic

countries fruitful discussions were held on issues regarding domestic violence. These discussions were very important because domestic violence is a serious problem not only in the Europe but in the whole world. Domestic violence is the most widespread human rights violation in the world. During the discussions great attention was brought on campaign “Stop the violence against women” organised by the Council of Europe. The aim of the campaign is to inform the society about this problem and to encourage politicians for new laws and regulations. Latvia also takes part in this campaign but the biggest problem in Latvia is that there is legislation on what is domestic violence. During the discussions it was agreed that stronger legislation is required to stop domestic violence. One of the significant events this year was the theme conference on “Development of Human Resources under Conditions of Labour Migration” organised by the Social Affairs Committee of the Baltic Assembly. During the theme conference two very important topics were discussed: 1) facilitating return; 2) increasing labour force effectiveness. This conference was very important because since Latvia joined the EU approximately 86 000 of people have left Latvia and statistics are similar in all three Baltic States. The main suggestion from Nordic colleagues was implementation of economic support programs for those who wish to return. The main problem regarding labour force effectiveness is that the increase of productivity in economics is unsatisfactory. For example in Latvia level of productivity is two times lower than in the EU. During the discussions it was agreed that the main aim is to define economic reorientation to innovation. The Baltic States can not be lands of cheap labour force; therefore, it is important to invest in human resources, science and new technologies.

Next year committee will consider following issues: 1) medical care; 2) prevention of labour force emigration; 3) people with special needs.

Mr. Jānis Eglītis, Chairman of the Education, Science and Culture Committee, Latvia, informed about the main activities of the committee in 2007. In 2007 committee has mainly concentrated on two very significant issues: 1) preservation of cultural heritage and its inclusion in the modern architecture; 2) higher education and Lisbon Strategy.

In the middle of September committee had a great opportunity to exchange experience with Nordic and Benelux colleagues on issues regarding preservation of cultural heritage and its inclusion in the modern architecture. During the seminar the main problems regarding cultural heritage were emphasized. One of the most important problems is that there is a lack of resources for different cultural heritage preservation programs. Another

problem is preservation of cultural heritage in old towns because many new buildings are being built and the activities of constructors can not be controlled. It is very important to protect cultural heritage because if the cultural heritage is lost it can never be restored. Nordic colleagues also shared their experience in preservation of cultural heritage. Very significant and interesting event this year was round table discussion on issues regarding higher education and Lisbon strategy. The aim of the round table discussion was to examine three main very important issues: 1) reforms in the sphere of higher education in the Baltic States; 2) contacts between higher education and industry; 3) impact of globalisation on the higher education system. The aim of the reforms in the higher education system is to achieve that the higher education system correspond to states economic needs as well as to needs of society. It is very important to promote quality of study process. The Baltic States should actively cooperate in the sphere of higher education creating exchange programs for students from Baltic States and creating common data base as common academic network for experts. Another significant problem which should be taking in to account is that the number of students is reducing every year; therefore, it is important to establish life long learning programs. Next year committee will work with three main issues: 1) preservation of cultural heritage; 2) development of creative industries; 3) issues related to higher education and professional education.

Mr. Dzintars Jaundžeikars, Chairman of the Legal Affairs and Security Committee, informed about the main activities of the committee in 2007. During 2007 committee mainly discussed three significant issues: 1) energy issues; 2) protection of the airspace of the Baltic States; 3) legal and illegal migration. In the beginning of the year committee held a joint round table discussion together with Environment Protection and Energy Committee of the Baltic Assembly on energy issues. Various energy issues were discussed commonly with Nordic and Benelux colleagues. During the discussion serious attention was brought on the goals of the energy policy; namely, safety of energy supply, environment protection and competitiveness. The energy system of the Baltic States is closely linked to the energy system of Russia. Energy capacity of the Baltic States is very high; therefore, during the round table discussions participants tried to find solutions how to balance the capacity of the Baltic States. Different scenarios were presented during the discussions. These scenarios need to be considered from economical, environment and social aspect. Nordic colleagues outlined that the energy problems of

the Baltic States are similar to those which are in whole Europe; namely, high energy prize, new energy products and climate changes. Very interesting event this year was the joint meeting with the presidium of the Baltic Assembly. During the meeting participants discussed issues related to security of the Baltic States and security of the air space of the Baltic States. These discussions were very essential because the forms of threats are changing and these threats are getting more intensive every day. It was agreed that it is very important to continue to develop control mechanisms of the air space as well as to modernize armed forces. In the end of September committee held a joint meeting with colleagues from the Nordic Council. During the meeting several significant issues were discussed; namely, legal migration and illegal migration. During the discussions main instruments and activities to improve migration situation were identified: 1) it is important to cooperate with third countries; 2) it is important to prevent trafficking of people; 3) it is important to fight against illegal employment. Next year committee will mostly work with three main issues: 1) common defense forces; 2) transport; 3) trafficking of human beings.

Ms. Sarmīte Ķikuste, Chairperson of the Environment Protection and Energy Committee, stressed that this year committee have had four meetings during which discussed mainly two themes: firstly, environment problems of the Baltic Sea; secondly, energy problems. Safe and sustainable energy network is a European priority. By reinforcing mutual co-operation among nations it will be possible to create a basis and opportunities for initiatives. Parliamentarians have to ask the governments to show ambition and to implement safe and sustainable energy policy. A construction of new nuclear power plant in the Baltic States would be a solution of energy problems for the Baltic States. Members of the Committee have identified the following development problems in the energy sector: 1) firstly, energy legislation needs to be streamlined; 2) secondly, energy deliveries need to be more reliable; 3) thirdly, energy efficiency must be increased. As result of discussions we have elaborated draft resolution in which we urge the governments of the Baltic States to solve problems related to energy efficiency, use of local resources and renewable energy sources, to prepare a common energy strategy of the Baltic States and call on the European Commission with a proposal to as soon as possible prepare a plan of urgent measures, aimed at improving energy security of the European Union. Within the Baltic Sea Parliamentary Conference we took part in the work of the parliamentary working group on eutrophication of the Baltic Sea which was

established in January 2006 based on the decision of the BSPC Standing Committee and was given the mandate to raise political and public awareness on Baltic Sea eutrophication issues. The main goal of the Working Group is to address the eutrophication, its caused consequences and effective means of combating eutrophication in the Baltic Sea. Eutrophication is a serious threat to the environment, biodiversity, and outdoor recreation of the Baltic Sea which is of great importance for all the countries bordering the sea. Next year committee will continue the work on eutrophication issues within the BSPC working group. Main emphasis of committee will be put on the energy issues, energy independence and energy safety.

Mr. Vents Armands Krauklis, Chairman of the Economic Affairs, Communications and Informatics Committee informed about the main activities of the committee in 2007. In 2007 committee mainly worked with two very important issues: 1) rural tourism and 2) project VIA Hansaetica. At the beginning of the year committee participated in the BICC conference on rural tourism. Joint discussions with the BICC are very useful to find solutions for existing problems in the sphere of rural tourism. During the conference several point were made on what needs to be done to develop rural tourism: firstly, it is important to invest in the development of information technologies. Developing information technology network this sector will became more accessible and understandable for tourists. Secondly, it is important that tourist agencies improve professionalism and quality of service. The quality of service is necessary to ensure regular investments. Very important aspect of rural tourism is agriculture sector. Rural tourism is one of the options how harmers can adopt to the new situation in Europe. One of the most significant events this year was the committee meeting on rural tourism and project VIA Hanseatica. During this meeting committee had a great opportunity to share the experience with Nordic and Benelux colleagues. Project VIA Hanseatica is very important in Baltic and European level. VIA Hanseatica is a road, which can have very positive influence on regional development. VIA Hanseatica project can became multifunctional in the future and it can promote development of tourism and infrastructure. It is important for the Baltic States to gain experience from Nordic and Benelux colleagues. Next year committee will work with three main issues: 1) creative industries; 2) fight against cyber crimes and security of the information technology space in the Baltic States; 3) business development.

Mr. Vents Armands Krauklis, Chairman of the Budget and Audit Committee, Latvia, stressed that the work of the committee this year reflects in three basic documents: 1) report on Baltic Assembly budget expenditure 2006; 2) the Baltic Assembly budget for 2008; 3) changes in *Regulations on the expenditure of the Baltic Assembly finance resources*.

Adoption of the final documents (See *Annex No.2*)

Address by Mr. Trivimi Velliste, newly elected President of the Baltic Assembly, stressed that nowadays regional cooperation is not only confirmation of good will but a process which is motivated by rational reasons of survival. On the agenda of regional cooperation more and more issues appear that transcend national boundaries and whose resolution requires regional approach. Being the EU members the Baltic States have clearly realised that many everyday issues will be not solved at the Brussels table but have to be solved at home. For solving many issues there is a need to have close cooperation with Nordic friends and with Benelux friends. Mr. Velliste introduced with the Baltic Assembly priorities for 2008. Top priority for the work of the Baltic Assembly will be common Baltic energy strategy. Energy issue has become not only an issue of national or regional importance but an issue of international importance. Various issues related to the development of the energy sector have become very important and crucial not only in the Baltic States but also in the whole European Union. Cooperation of fight against cyber crimes will be another important priority of the Baltic Assembly in 2008. In April and May of this year Estonia has experienced an extensive cyber attacks. And this was very clear example that cyber attacks are contemporary asymmetrical threats to the international security. The European Neighbourhood Policy is a good instrument for creating stability around the European Union. Parliamentary contribution to forming democratic relations with the European Union neighbours has been defined as the third top priority on the Baltic Assembly agenda for 2008. Within the Baltic Assembly Presidium it is agreed to develop network of contacts with the Parliamentary Assembly of the GUAM. The Baltic Assembly places great emphasis on the cooperation with the Nordic Council and Baltic – Benelux parliamentary cooperation is also very important for the Baltic Assembly.

Ms. Ērika Zommere, President of the Baltic Assembly, Latvia, thanked participants at the 26th Session of the Baltic Assembly for their contribution and active participation. It is very important that during the session the main aims for 2008 were set. The key of

future cooperation between the Baltic States is in the ability to identify common problems, common development programs for common problem solving.

President of the Baltic
Assembly

Vice President of the Baltic
Assembly

Vice President of the Baltic
Assembly

Ērika ZOMMERE
Republic of Latvia

Trivimi VELLISTE
Republic of Estonia

Valerijus SIMULIK
Republic of Lithuania

Prepared by **Anete Ozoliņa**
Consultant of the BA Secretariat

JOINT STATEMENT OF THE 13TH BALTIC COUNCIL

The Baltic Assembly and the Baltic Council of Ministers convened for the 13th Baltic Council to exchange views between parliamentarians and governmental representatives on issues of mutual importance to the Baltic States, as well as to evaluate progress on joint priorities of co-operation for 2007 and to set cooperation priorities for 2008. The contribution of the Baltic States to the European Neighborhood Policy was also discussed.

Baltic Assembly and Baltic Council of Ministers agreed to:

- 1) expand and reinforce thorough cooperation and solidarity of the Baltic States in order to increase the competitiveness of Estonia, Latvia and Lithuania both within the EU and in the whole world;
- 2) encourage appropriate agencies of the Baltic States to further develop and adopt national programmes with the aim to slow the emigration of the labour force as well as attracting people to return, while paying particular attention to youth and highly skilled workers;
- 3) enhance and deepen energy cooperation of the Baltic States, especially by participating in common projects, implementing the principle of solidarity in energy policy and coordinating common positions in the EU, which would solve the Baltic States' isolation from EU energy market, strengthen the energy security in the region and reduce dependence from the single external energy supplier;
- 4) insist on further implementation of international standards of maritime safety in the Baltic Sea;
- 5) develop compatibility of national services of emergency assistance;
- 6) pay due attention to the environmental threats to the Baltic Sea, which may be caused by intensified traffic, implementation of energy projects by third countries, requesting independent impact assessment;
- 7) start taking preparatory steps possible in devising the best possible and most cost-effective solution for air policing of the Estonian, Latvian and Lithuanian air space in 2018 and beyond;
- 8) actively contribute to the development of the European Neighborhood Policy.

The Baltic Assembly and the Baltic Council of Ministers defined the following priorities for co-operation in 2008:

- 1) Common Baltic energy strategy; strengthening the reliability of energy production and supply, energy efficiency;
- 2) Cooperation in fighting cyber crime; security of the cyber-space.

The 14th Baltic Council will be held on 5 December 2008 in Viljandi, Estonia.

Ērika ZOMMERE
President of the Baltic Assembly

Māris Riekstiņš
Chairman of the Cooperation Council of
the Baltic Council of Ministers

Rīga, 23 November 2007

FINAL DOCUMENT

of the 26th Session of the Baltic Assembly

The Baltic Assembly,

having convened on 23 – 24 November 2007 in Riga, the Republic of Latvia, for its 26th Session;

having discussed the Baltic States' contribution to the EU New Neighbourhood Policy and the common Baltic States' energy policy, as well issues related to the protection of the Baltic Sea, the labour market and labour force migration,

adopted the following documents:

Resolution on the Development of Human Resources under Conditions of Labour Migration;

Resolution on a Uniform Higher Education Policy in the Baltic States;

Resolution on Joint Air Policing of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania;

Resolution on Combating Eutrophication of the Baltic Sea;

Resolution on Combating Domestic Violence;

Resolution on the Baltic States' Culture Day;

Appeal Regarding the Development of *Via Hanseatica*;

Statement on Commemorating the Victims of Political Repressions and Genocide Committed in Ukraine in 1932 and 1933;

Decision on Making Amendments to the Regulations on the Use of Baltic Assembly Funds,

approved the Baltic Assembly Budget Report for 2006, the Baltic Assembly Budget for 2008 and the Overview of the BA Environmental Protection and Energy Committee's Contribution to Developing Baltic Energy Strategy,

defined the following priorities of the Baltic Assembly for 2008:

1. A common Baltic energy strategy (strengthening the reliability of energy production and supply, energy efficiency, energy saving);
2. Parliamentary contribution to forming democratic relations with European Union neighbours;
3. Cooperation in fighting cybercrimes; security of information space,

defined the following priorities for co-operation between the Baltic Assembly and the Baltic Council of Ministers in 2008:

1. A common Baltic energy strategy; strengthening the reliability of energy production and supply, energy efficiency;
2. Cooperation in fighting cybercrimes; security of cyberspace,

and **decided** that the 27th Session of the Baltic Assembly will take place on 4 – 6 December 2008 in Viljandi, the Republic of Estonia.

RESOLUTION

On the Development of Human Resources under Conditions of Labour Migration

The Baltic Assembly,

taking into consideration **the fact that Europe's population is aging and the number of working-age people is decreasing;**

noting **that investment in human resources and technologies is the cornerstone of competitiveness in all EU member states and that it is one of our main long-term tasks;**

with regard to labour force migration

acknowledges that free flow of the labour force from the new EU member states, including the Baltic States, is an important issue related to EU's basic freedoms and also a social, economic and political challenge because it creates changes in the structure of the Baltic States' labour force;

emphasizes that, first of all, it is particularly essential for each country to work out timely and sustainable solutions in forming a national migration policy and to coordinate cooperation of institutions responsible for migration-related issues;

calls on the Baltic States' governments and the Baltic Council of Ministers

- to strengthen interstate cooperation in dealing with migration issues in order to more effectively take advantage of the benefits offered by free movement of the labour force;
- to ensure sustainable development of the region by involving its cooperation partners – the Nordic Council and the Benelux Interparliamentary Consultative Council – in exchanging information and carrying out specific tasks;

with regard to return of the labour force

stresses that it is particularly essential for the Baltic States to implement a balanced regional development policy aimed at developing entrepreneurship, infrastructure and the transportation system, as well as to promote labour force mobility within the country;

notes that a more flexible education system would make it possible to respond more adequately to the increasing needs and demands of the labour market;

calls on the Baltic States' governments and the Baltic Council of Ministers:

- to develop and implement initiatives aimed at promoting the return of people to their native country and their reintegration into the local labour market;
- to maintain and strengthen relations with diasporas in their host countries in order to retain ties with potential reemigrants;

with regard to increasing the efficiency of human capital

acknowledges that increasing labour productivity is one of the main guarantors of balanced development and a rapid increase of the welfare level in any country;

particularly emphasizes that growing opportunities offered by the Internet, a rapid increase of available information and other conditions characteristic of the modern era obligate countries to continuously increase the capabilities of human potential, as well as to diversify people's skills and abilities by studying and improving themselves throughout their active lives, i.e., to ensure lifelong learning;

calls on the Baltic States' governments and the Baltic Council of Ministers:

- to determine which changes are necessary for dynamic transformation of the education system in order to meet labour market needs;
- to develop and implement the most appropriate models for the use of human resources;
- to promote businesses which offer new products and services with high added value;
- to purposefully invest EU funds in developing human resources and increasing their efficiency;
- to more fully take advantage of the human potential of specific groups of inhabitants – young and pre-pension age persons.

Riga, 24 November 2007

RESOLUTION

On a Uniform Higher Education Policy in the Baltic States

The Baltic Assembly,

noting that investment in human resources and technologies is the basis for the EU member states' competitiveness;

taking into consideration the goals of the Lisbon Strategy and the tendency of the number of students to fluctuate,

calls on the Baltic States' governments and the Baltic Council of Ministers:

- to strengthen interstate cooperation in developing a common higher education area in the Baltic States by harmonizing normative acts and by creating common or competing institutions with equal legal power for assessing the quality of higher education;
- to make higher education more competitive and accessible to citizens of other countries because it is a service with a high added value and might be a partial solution to the problem of the deficit of a highly qualified labour force;
- to coordinate and target the use of EU funds in order to avoid duplication in the Baltic States;
- to take into consideration the need for balanced growth of our states by ensuring development of study programmes in the regions;
- to coordinate, insofar as possible, the number and location of specific study programmes requiring substantial funding and to create a uniform system for conferring academic degrees;
- to support the connection of all Baltic States' higher education institutions to the global network for transmitting academic data;
- to motivate graduates from institutions of higher education to be more actively involved in innovations and the labour market.

Riga, 24 November 2007

RESOLUTION

On Joint Air Policing of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania

The Baltic Assembly has always paid enormous attention to the issues of international security and the sovereignty of Estonia, Latvia and Lithuania. The Baltic Assembly was a crucial political forum insisting on withdrawal of Russian troops from the Baltic States as soon as possible and was instrumental in paving the three nations' path towards NATO membership.

The history of Estonia, Latvia and Lithuania has proved the obvious advantages of jointly securing the Baltic States' national defence. One of the most challenging spheres of the defence sector is the protection of Estonian, Latvian and Lithuanian air space, including air policing. NATO allies guarantee that they will provide our air space surveillance until the year 2018; thereafter, the Baltic States themselves will have to ensure their air space security.

The Baltic Assembly,

in view of the crucial strategic importance of protecting the airspace and of the enormous expenditure involved, as well as taking into consideration the fruitful experience of past military cooperation and the time needed to train military aviation specialists,

calls on the governments of Estonia, Latvia and Lithuania:

- to continue intensive trilateral consultations in order to seek the best possible economic, political and military solutions for ensuring Baltic air space security after 2018;
- to set a concrete time-table for meeting the challenge so that the final decision on the solution is taken by the end of 2010 at the latest.

Riga, 24 November 2007

RESOLUTION

On Combating Eutrophication of the Baltic Sea

The Baltic Assembly,

noting the problems and challenges related to the Baltic Sea ecosystem which have been discussed by the BSPC Working Group on Eutrophication;

agreeing that eutrophication of the Baltic Sea is caused by massive inputs of substances containing nitrogen and phosphorus, which facilitate abnormal algae blooming and thus muddy the water and reduce the oxygen level;

highly appreciating the HELCOM Baltic Sea Action Plan, which contains a specific strategy for eliminating sea pollution and sets for the involved countries specific goals and objectives aimed at ensuring an ecologically clean Baltic Sea,

calls on the governments of the Baltic Sea countries:

- **with regard to agriculture** – to more effectively coordinate agricultural and environmental policies;
- **with regard to waste water** – to use the newest available waste water treatment technologies both on national and local levels so as to prevent overflowing of reservoirs in case of floods;
- **with regard to shipping and maritime activities** – to limit sewage input into the Baltic Sea from all types of vessels and to make sure that Baltic Sea harbours are capable of receiving sewage water from ships;
- **with regard to airborne nitrogen deposits** – to reduce airborne nitrogen emissions from land- and sea-based transportation vehicles, from energy combustion and from agriculture in the Baltic Sea area, as well as to intensify, within the framework of HELCOM and the EU, international cooperation on reducing transborder nitrogen emissions;
- **with regard to public awareness, research and development** – to create public awareness at all levels regarding eutrophication problems, including NGOs, industrial and education sectors, as well as to ensure launching of national and regional research programmes in order to develop new technologies, solutions and recommendations aimed at reducing eutrophication in the Baltic Sea.

Riga, 24 November 2007

RESOLUTION

On Combating Domestic Violence

The Baltic Assembly,

welcoming the campaign launched by the Council of Europe to combat violence against women;

noting that domestic violence is a violation of generally accepted human rights which causes degradation of fundamental values of society and family;

emphasizing that domestic violence is a multifaceted problem which includes social, family model, mental health and psychological aspects, as well as a stereotypical perception of violence by society;

especially stressing that violence must be regarded as intolerable behaviour against one's wife, mother, father, children or other family members;

stressing that despite the positive changes in national legislation, policies and practice, domestic violence remains a topical national, regional and global problem,

calls on the parliaments and governments of the Baltic States:

- to formulate a uniform legal definition of *domestic violence*;
- to establish in all Baltic law enforcement and social care institutions a uniform system for registering incidents of domestic violence;
- to ensure a 24-hour helpline enabling potential victims of violence to receive professional support and advice;
- to ensure that victims of violence receive appropriate legal and social assistance and protection;
- to organize joint training regarding domestic violence issues for employees of Baltic law enforcement agencies and social institutions, thus facilitating their closer and more prompt cooperation throughout the entire region;
- to improve national systems of preventive measures to combat domestic violence by calling on public and local government institutions to pay more attention to preventing the causes of violence and to minimizing the dissemination of information that depicts violence;
- to raise public awareness that successful solving of domestic violence-related problems is possible only through joint efforts by women and men;
- to strengthen cooperation with NGOs in order to instil in society intolerance towards domestic violence, to disclose incidents of violence in a timely way and to seek means for its prevention.

Riga, 24 November 2007

RESOLUTION

On the Baltic States' Culture Day

The Baltic Assembly,

- **appreciating** Lithuania's good tradition of celebrating the National Culture Day on 15 April;
- **emphasizing** the importance of creating a common Baltic cultural area;
- **recognizing** the uniqueness of the cultural heritage and contemporary cultural values of each country, as well as the need to ensure regular exchange of information regarding culture in the Baltic States and to increase worldwide public awareness of the Baltic States,

calls on the Baltic Council of Ministers:

- **to designate** 15 April as the Baltic States' Culture Day and to coordinate activities aimed at creating a common Baltic cultural area.

Riga, 24 November 2007

APPEAL

Regarding the Development of *Via Hanseatica*

The Baltic Assembly,

acknowledging that *Via Hanseatica* is a significant historical development zone and a transport corridor which can ensure sustainable and balanced development of the Baltic Sea Region and strengthen the economy of specific regions in the Baltic States;

welcoming good cooperation among regions and local governments of the Baltic States in implementing projects regarding the development of the *Via Hanseatica* transport corridor;

acknowledging that up to now, the Baltic States have focused on studying the cultural heritage and tourism potential of *Via Hanseatica* and on developing tourism;

recognising that there is a need for the Baltic States to better coordinate measures regarding the development of *Via Hanseatica*,

calls on the Baltic States' governments, regional administrations, relevant local governments and the Baltic Council of Ministers:

- to assess the potential of *Via Hanseatica* in the context of regional development and cooperation in Europe;
- to charge responsible ministries and local governments with the task of formulating a common vision regarding the development of *Via Hanseatica* and its specific implementation projects;
- to continue cooperation in promoting tourism along the *Via Hanseatica* transport corridor by developing a joint Baltic marketing strategy;
- to appoint national coordinators to manage and coordinate measures aimed at strengthening the *Via Hanseatica* development zone;
- to include on the Baltic Council of Ministers' agenda regular progress reports regarding the development of *Via Hanseatica*;
- to appeal to the European Commission for financial support in developing the *Via Hanseatica* project.

Riga, 24 November 2007

STATEMENT

On Commemorating the Victims of Genocide and Political Repressions Committed in Ukraine in 1932 and 1933

The Baltic Assembly,

acknowledging that genocide and political repressions are crimes against humanity;

condemning the genocide and political repressions committed in 1932 and 1933 as a result of which the Ukrainian people experienced mental and physical sufferings;

emphasizing that the Baltic States truly understand the tragedy of the Ukrainian people because during World War II the Baltic States lost their independence, and hundreds of thousands of their permanent inhabitants were executed or deported to the remote and harsh regions of the Soviet Union;

stressing the Baltic States' solidarity with the Ukrainian people,

proposes raising public awareness, especially the awareness of the younger generation, about genocide and other crimes against humanity;

expresses the deepest sympathy to the victims of genocide and political repressions, as well as to the entire Ukrainian people who have endured these sufferings.

Riga, 24 November 2007

OVERVIEW

of the BA Environmental Protection and Energy Committee's Contribution to Developing Baltic Energy Strategy

In the Baltic States, consumption of energy resources is increasing in all spheres, including the consumption of electric power, oil products and thermal energy. Nevertheless, the increase in electricity consumption significantly lags behind the increase of the gross national product. That is a consequence of the growing energy consumption by the private sector and the rapid growth of the economy. It must be taken into consideration that in 2009 the Ignalina Nuclear Power Plant will be shut down completely, and all existing reactors at the Narva power plants in Estonia must be shut down by 2016. For environmental reasons, Estonia plans to renew and modernize production capacity to meet only domestic needs. The Baltic States must seek other sources of energy, and thought must be given to constructing a new base-load power plant as soon as possible. Currently, the GDP of Latvia's economy is over 10%. It is estimated that in 2015 it will be 7%, but in the long term (by 2025), 5.5%. In contrast, the annual increase in electrical power has never exceeded 3.5%. Moreover, the European Commission plans to draft a new directive by the end of 2007 making legally binding what is now merely a recommendation—namely, to require that the share renewable energy sources in energy production increase up to 20%. It is significant that on 27 February 2006 the prime ministers of Latvia, Lithuania and Estonia agreed to develop a common Baltic energy strategy and to support a feasibility study for constructing a new nuclear power plant in Lithuania. It was also agreed that Poland would participate in this feasibility study. At the same time, each country is continuing to develop alternative sources of energy that are environmentally friendly and to cooperate with other energy-supplying countries.

The Baltic States have a well-developed internal system for transmitting electric power and natural gas, as well as providing district heating. The electric power and natural gas supply system in the Baltic States has well developed interconnections, but outside the region these connections are limited and oriented only toward Russia and Belarus.

It is possible for all three Baltic States to achieve great savings in energy consumption, especially in the sphere of heating supply.

In developing an energy policy for the Baltic States, it is very important to create a common infrastructure that is compatible with the energy networks of other EU member states. *Estlink*, the first electric power network connection between the Baltic States and Finland, started to function in 2006. The electric power connections between Lithuania and Poland, as well as the cable project that will connect Sweden and Latvia or Lithuania, is also important. It is also necessary to consider the possible integration of the Baltic States into UCTE (Union for the Co-ordination of Transmission of Electricity). The natural gas storage facility at Inčukalns, which is used by the Baltic States and Russia, has strategic importance in ensuring energy independence. However, in view of the increasing demand for natural gas in the Baltic States and Russia, as well as Finland's interest in tapping into Latvia's natural gas storage facility, it is necessary to enlarge the present storage facility and to consider the possibility of constructing a new storage facility in Latvia.

Energy issues have always been among the priorities on the Baltic Assembly agenda. As the issues of energy supply and security have come to the forefront on a global level, the BA committees and Sessions have addressed various energy-related matters. On 17 December 2006 a BA resolution was adopted concerning energy security in the Baltic States in which the governments were urged to promote diversification of energy resources and to consider the possibility of constructing an LNG terminal in one of the Baltic States or a gas pipeline connecting the Baltic States with European gas grids, increasing energy efficiency, as well as supporting wider use of local resources and renewable energy sources and preparing a common energy strategy of the Baltic States. Currently, the draft of the energy strategy is being actively discussed. Energy issues are among Baltic – Nordic cooperation priorities. On 26 January 2007, for example, the Baltic Assembly's Environmental Protection and Energy Committee and the Nordic Council's Environment and Natural Resources Committee approved a Memorandum of Understanding highlighting the need to ensure a sustainable and reliable energy supply, as well as a transmission and consumption system which would be compatible with the common interests and political goals of EU member states. The BASREC collaboration in the Baltic Sea region and the Green Book on energy policy issued by the European Commission were also highlighted.

With regard to the energy issue, in 2007 the activities of the Baltic Assembly's Environmental Protection and Energy Committee include three priorities – energy security and forecasts of the energy deficit, social and economic assessment of reducing the energy deficit by using alternative resources, and opening up new opportunities for using renewable energy sources. On 25 – 26 January 2007 in Daugavpils, the BA Environmental Protection and Energy Committee held a seminar on the above-mentioned energy issues; not only experts from Estonia, Latvia and Lithuania, but also representatives from the Nordic Council and the Benelux parliament made reports at the seminar. (See attachment on *Positions of the Baltic, Benelux and Nordic Countries on Energy Issues*.)

Forecast of the energy deficit

Latvia imports 64% – 65% of primary energy resources and 30% – 40% of electricity. It is forecast that the demand for energy will increase from 7.051 TWh (in 2005) to 10.779 TWh (in 2016). Furthermore, in recent years the imported share in electric power supply has not dropped below 30%.

According to statistical data for 2006, **Estonia** is 33.9 % dependent on energy imports. It is planned that in Estonia electric power consumption will increase from 5.4 TWh in 2000 to 6.5 – 8.0 TWh in 2010.

According to the **Lithuanian** National Energy Strategy, by 2025 electricity consumption in Lithuania will increase from 1.4 to 2.1 times. It is planned that in 2007 Lithuania will produce 11.72 TWh of electricity and will consume 11.0 TWh, while in 2010 the figures will be 10.79 TWh and 12.2 TWh, respectively. It is planned that after the decommissioning of the Ignalina NPP, the current and the planned energy production capacity, in case of slow economic development, will satisfy the demand until 2020; however, in case of rapid economic development it will satisfy demand until 2015, and in case of very rapid development until 2011.

Alternatives for reducing the energy deficit

In order to avoid risks related to importing electric power and primary energy resources, **Latvia** will take measures aimed at increasing power self-sufficiency. It is planned that in 2012 domestic production will satisfy 80% of the demand, while in 2016 it will satisfy 100%. Solid fuels are regarded as the most appropriate resource for condensed power generation (coal combined with renewable energy sources such as wind + biomass). It is recommended that boiler houses be reconstructed for energy cogeneration by using other local energy resources.

It is planned that by 2020 in **Estonia** 20% of electric power will be produced by cogeneration. At present this figure is 13%. It is planned to increase the share of solid fuels, which currently dominate the primary energy supply of Estonia and represent 56% of the total supply; this percentage is far above the EU average of 18%. Oil, natural gas and renewable sources contribute 41% of total energy consumption; nevertheless, Estonia supports the construction of a new NPP in Lithuania.

The **Lithuanian** power system is dominated by nuclear power production; however, after the decommissioning of the Ignalina NPP, Lithuania expects that by 2010 renewables will constitute 12% of the total sources of primary energy, 7% of electricity in the total national electricity consumption balance will be produced from renewables, and it is planned that by 31 December 2010 biofuel will constitute 5.75% of the total national petrol and diesel market.

Opportunities for using renewable energy sources

- In order to promote energy independence and decrease energy costs, in 2006 the Ministry of Environment of the Republic of **Latvia** drafted the *Strategy for Using Renewable Energy Sources in the Period from 2006 to 2013*, and in 2007 the Ministry of Economics prepared draft regulations on production of electric power from renewable sources. In the policy on promoting the use of renewables, priority is given to the use of biomass – wood and waste. In the near future, the government will discuss the new programme on the production and use of biogas. The use of wind energy and solar energy are also encouraged. The new decision by the Cabinet of Ministers regarding financial support for using renewable energy sources should also be mentioned.
- In **Latvia**, a certain amount of electric power can be produced from wind. However, there are still two problems related to implementation of such projects: first, how to ensure base-load power, and second, how to compensate for large cost differences which arise from the fact that in Latvia wind energy, in comparison to other types of power sources, is still the most expensive. Reconstruction of the existing boiler houses will be essential for cogeneration.
- **Latvia** and **Estonia** are in favour of using renewables in order to increase energy efficiency; however, they express concern regarding the distribution of emission quotas for upcoming years. By 2008, the EU should agree on the Emission Trading Scheme for 2012. Rapid economic growth could lead to an inability to comply with the adopted emission standards.
- In 2005, in **Lithuania**, the proportion of renewables in power production constituted 10.8%. By 2025 it is planned to increase the share of renewables in

primary energy resources to 20%; this goal can be achieved by an annual increase of 1.5% till 2012.

Riga, 24 November 2007

REGULATIONS

On the Use of Baltic Assembly Funds*

1. The purpose of the Regulations on the Use of Baltic Assembly Funds is to regulate the procedure for using financial resources in order to ensure their rational and effective spending.
2. A decision about the use of Baltic Assembly funds shall be made by the Session, the Presidium, the Budget and Audit Committee and the head of the Secretariat of the Baltic Assembly within the limits of their competence.
3. The funds of the Baltic Assembly shall be used in accordance with the Baltic Assembly Statutes, the approved budget of the Baltic Assembly and these Regulations.
4. The funds of the Baltic Assembly shall consist of the membership fees of the Baltic Assembly states, donations and earnings from economic activity permitted in accordance with the Statutes of the Baltic Assembly, as well as other income included in the budget of the Baltic Assembly by a decision of the Presidium.
5. The budget resources of the Baltic Assembly shall be used for carrying out the work of the Baltic Assembly and its bodies (the Baltic Assembly Session, meetings of the Presidium, the committees, the Secretariat, etc.), as well as any BA activities (Baltic Assembly prizes, seminars, etc.). Expending funds for purposes unrelated to the work of the Baltic Assembly shall not be allowed.

Drafting and Approval of the Budget

6. The budget draft shall be planned so as to ensure the work of the Baltic Assembly bodies and the holding of planned Baltic Assembly events. The budget draft should be itemized and should give a clear and full picture of the intended use of the budget resources.
7. The budget of the Baltic Assembly for the coming year shall be approved at the Session, and the target figures of the said budget, in compliance with the decision of the Budget and Audit Committee as approved by the Presidium, shall be

prepared and submitted by the head of the Secretariat of the Baltic Assembly to the parliaments in March of the current year.

8. An initial draft of the budget of the Baltic Assembly, pursuant to the general principles of financing the activities of the Baltic Assembly, shall be drawn up by the Secretariat of the Baltic Assembly in conjunction with the Presidium and shall be submitted to the Budget and Audit Committee. The first draft of the budget must be drawn up and submitted to the Budget and Audit Committee prior to 1 October. The Budget and Audit Committee, in conjunction with the representatives of other committees, shall consider the submitted draft budget and shall make amendments to it. Prior to 1 November, the draft budget shall be presented to the Presidium, which shall submit it to the Baltic Assembly Session for approval in compliance with the procedure laid down in the Statutes of the Baltic Assembly.
9. The budget shall be drafted in conformity with the plan of activities of the Baltic Assembly. In developing activity programmes, Baltic Assembly delegations must submit estimates of the financial resources required for their implementation.
10. The Session of the Baltic Assembly shall review the presented draft budget and shall approve it.

Amendments to the Budget

11. If required, amendments may be made to the allocations in the Baltic Assembly budget. The Baltic Assembly Secretariat shall prepare a draft decision on the amendments and shall submit it to the Presidium. After coordination with the Budget and Audit Committee, the Presidium shall present the draft decision to the Baltic Assembly Session for approval.
12. In case of unplanned income, a draft decision of the Presidium shall be prepared concerning the inclusion of such resources in the Baltic Assembly budget. The draft decision shall contain the estimate of such income and the rationale for its use. The estimate shall be forwarded to the Budget and Audit Committee for

review. Then the estimate shall be approved, and the received income shall be included in the Baltic Assembly budget.

13. In the event of receiving unplanned donations and income, the Budget and Audit Committee shall report on their use at the next Session.

Spending of Budget Resources

14. Pursuant to the Statutes of the Baltic Assembly, the head of the Secretariat of the Baltic Assembly has the right to dispose of the property and funds of the Baltic Assembly.

15. The Baltic Assembly member states shall pay their membership fees to the Baltic Assembly budget in the first week of every quarter of the year.

16. The head of the Secretariat of the Baltic Assembly shall manage the Baltic Assembly funds. The financial resources shall be used only in conformity with the approved Baltic Assembly budget. To ensure the work of the Baltic Assembly bodies, the head of the Secretariat of the Baltic Assembly shall manage the budget resources in accordance with the cost estimate that has been drafted on the basis of the adopted budget and working plan. If, in planning a particular activity, the allocated budget resources are exceeded, the head of the Secretariat of the Baltic Assembly may request a review of the relevant cost estimate. ***If the cost estimate of a particular activity is exceeded, a decision on allocating additional funds within the limits of the approved budget shall be adopted jointly by the Presidium and the Budget and Audit Committee of the Baltic Assembly.***

17. If additional resources are needed for organising events, the Baltic Assembly Presidium and the Baltic Assembly Budget and Audit Committee, after receiving an application ***from the chairperson of the relevant committee***, shall decide on the possibility of granting additional funding.

18. ***If significant changes requiring adjustments in the Baltic Assembly budget have been made in the Baltic Assembly working plan between the Baltic Assembly Sessions, the Presidium and the Budget and Audit Committee of the Baltic Assembly have the right to adopt a decision on amendments to budgetary items twice a year: prior to 1 June and prior to 1 October.***

19. The head of the Secretariat of the Baltic Assembly shall approve and sign all financial documents and shall keep accounting records in compliance with the legal acts of the Republic of Latvia.
20. The funds of the Baltic Assembly shall be kept in a bank account. The decision concerning the choice of the bank to service the Baltic Assembly shall be made by the Budget and Audit Committee as proposed by the head of the Secretariat of the Baltic Assembly.

Use of the BA Discretionary Budgetary Funds *and the Budget Reserve Fund*

21. The procedure for using discretionary funds of the Baltic Assembly shall be drawn up by the Budget and Audit Committee and submitted for approval at the Session.
22. *The BA Presidium and the Budget and Audit Committee shall decide on the BA budget reserve fund and its using.*

Control over the Use of Budget Resources

23. Control over the use of budget resources shall be exercised by the Baltic Assembly Presidium, the Budget and Audit Committee, and the Baltic Assembly Session according to their respective area of competence.
24. The Budget and Audit Committee shall have the right to examine and check the financial documents of the Baltic Assembly at any time.
25. Every quarter of the year, the head of the Secretariat of the Baltic Assembly shall prepare and submit to the Presidium and the Budget and Audit Committee a report on the budget resources spent during the previous quarter.
26. Every year in January, the head of the Secretariat of the Baltic Assembly shall prepare a report on how the budget resources and the funds received from donations and other unplanned income have been spent during the previous year and shall submit this report to the Presidium and to the Budget and Audit Committee. The Budget and Audit Committee shall check and consider the report and make adjustments in it if necessary. After the approval of the report, the

Committee shall issue its opinion on the substantiation of the Baltic Assembly expenses. The Budget and Audit Committee shall present the report on the budget expenditures in the previous year and the Committee's opinion on their substantiation at the Baltic Assembly Session.

27. These Regulations shall be an integral appendix to the Baltic Assembly Statutes.

* Approved on 29 November 2003 and amended on 24 November 2007

DECISION

On the Baltic Assembly Budget Report for 2006

The Baltic Assembly approves the Baltic Assembly Budget Report for the year 2006.

President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Ērika ZOMMERE
Republic of Latvia

Trivimi VELLISTE
Republic of Estonia

Valerijus SIMULIK
Republic of Lithuania

Riga, 24 November 2007

DECISION

On the Baltic Assembly Budget for 2008

The Baltic Assembly approves its budget for the year 2008 in the amount of EUR 330 288 in accordance with the attached Baltic Assembly budget appropriations. The BA Budget for the year 2008 includes membership fees of all three Baltic countries in amount of EUR 110 096 for Estonia, EUR 110 096 for Latvia, EUR 110 096 for Lithuania.

According to Article 44, paragraph 4, of the Baltic Assembly Statutes, the expenses necessary for ensuring the activities of the Baltic Assembly shall be shared equally by the parliaments of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania.

President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Ērika ZOMMERE
Republic of Latvia

Trivimi VELLISTE
Republic of Estonia

Valerijus SIMULIK
Republic of Lithuania

Riga, 24 November 2007