

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

The Prime Minister of Estonia Mr. Andrus Ansip, the Prime Minister of Latvia Mr. Valdis Dombrovskis, and the Prime Minister of Lithuania Mr. Andrius Kubilius met within the framework of the Baltic Council of Ministers on 10 November in Tallinn, Estonia. The Prime Ministers discussed the key issues of trilateral cooperation and coordination of actions as prioritised at their informal meeting in Vihula, Estonia on 10-11 February 2011.

**Economy and finance**

The Prime Ministers:

1. stressed the importance of the Single Market as the main engine for unleashing growth and job creation and welcomed, in this context, the relevant steps for sustainability and growth foreseen in the Commission's roadmap and highlighted by the European Council on 23 October;
2. committed themselves to support the speedy adoption of necessary measures, in particular those related to the Digital Single Market;
3. noted that the comprehensive set of measures adopted by the Euro Summit on 26 October helps to restore confidence and address adequately the tensions of the financial markets and stressed also the need for all Member States to continue with structural reforms and necessary fiscal adjustments; noted with satisfaction that the adjustments implemented during the crises in Estonia, Latvia and Lithuania have delivered good results;
4. reaffirmed their commitment to the single currency as a pillar of economic growth and stability and in this context stressed the need to continue with the deepening and widening of the euro area. Noted that enlargement of the single currency zone must be an open process based on the fulfilment of established criteria;
5. The Prime Ministers of Latvia and Lithuania reaffirmed their commitment to join the euro area as soon as possible;
6. reaffirmed their intent to strengthen mutual coordination in the negotiations on the Multiannual Financial Framework 2014-2020, particularly focusing on Cohesion Policy and Common Agriculture Policy, particularly focusing on Cohesion Policy and Common Agriculture Policy;
7. noted EU's on-going commitment (as stated in the Lithuanian accession treaty) to ensure adequate appropriations for the decommissioning of Ignalina Nuclear Power Plant during the next Financial Perspectives and, in this context, expressed their conviction that this commitment will be duly reflected in the Multiannual Financial Framework 2014-2020.

## **Knowledge-based economy**

The Prime Ministers:

8. acknowledged the efforts of the relevant experts addressing in detail the issues highlighted in the Chairman's conclusions of the Prime Ministers' informal meeting in Vihula and reiterated the aim of the Baltic States to become the leading European region in electronic documents and e-government solutions;
9. emphasized the importance of continuing to work in close co-operation on the interoperability of digital signatures and on the common Baltic approach to digitally signed cross-border electronic documents;
10. agreed to work together to accelerate the preparation of EU policy aimed at the harmonization of copyright for the purpose of creating a functioning digital single market by 2015;
11. welcomed the "fund of fund" initiatives covering all the Baltic States for funding high-growth innovative companies in the Baltic States and tasked the relevant experts to continue with preparations aimed at finding the most effective and mutually acceptable solution by spring 2012;
12. concluded that comprehensive work carried out on the expert level provides a solid basis for defining further co-operation potential for promoting a knowledge-based economy;
13. welcomed the European Institute of Innovation and Technology (EIT) new vision and 2014-2020 working priorities, and emphasised the need for closer cooperation of the EIT and the Baltic States academic institutions and business community.

## **Energy**

The Prime Ministers:

14. Acknowledged the importance of the Communication of 7<sup>th</sup> September, 2011 of the European Commission on Security of Energy Supply and International Cooperation, and the Commission's proposals for a Regulation on guidelines for trans-European energy infrastructure and Regulation establishing Connecting Europe Facility as appropriate measures in addressing the issue of energy isolation of Baltic States;
15. welcomed the selection of the Strategic Investor into Visaginas nuclear power plant project and the progress made in negotiations on the project agreements
16. underlined the need to apply the highest nuclear safety standards in the nuclear power plant projects in the region, especially in the EU neighbouring states;
17. acknowledged the importance of BEMIP Reflection paper "Baltic electricity market and operating Baltic electricity grid" and Communication of the European Commission on Security of Energy Supply and International Cooperation as a substantial contribution in achieving common interest of the Baltic States declared in Vihula to become synchronously operating

integral part of European Continental Power Network, while agreeing that more clarity on the details are needed before final decision is taken;;

18. emphasized the need for more visible progress in the introduction of a common power exchange no later than January 1, 2013;
19. agreed to task their respective ministers to work out a solution with the view to introduce common regime on electricity imports from third countries by 2016 (dependent on the outcomes of the study) and to present this report during the next Prime Ministers meeting;
20. emphasized the need for closer cooperation in the unbundling of the transmission system operators of electricity and gas sectors;
21. welcomed the Commission's willingness, as expressed in the BEMIP high level group meeting on 24 October 2011, to conduct an independent regional feasibility study to analyze the viability and location of a regional LNG terminal;
22. committed to co-operate within the BEMIP framework to develop the regional LNG (including possibly the Amber Pipe Line) project feasibility study pending on the agreement and decision of the Commission and other parties.

## **Transport**

The Prime Ministers:

23. acknowledged the Commission proposal to establish the Connecting Europe Facility and welcomed the proposal to develop the trans-European transport network, underlining the importance of completing the core network of the trans-European transport network by 2030 at the latest, and implement the comprehensive networks in due time;
24. welcomed the Commission's initiative to include the Rail Baltic corridor Tallinn-Pärnu-Riga-Kaunas-Warsaw in the pre-identified projects list of the core network and emphasized the importance of support from various EU financial instruments for the implementation of the project;
25. welcomed the conclusions of the Final Report of the Feasibility Study for a Standard Gauge Separate Railway Line within the Rail Baltic Corridor through Estonia, Latvia and Lithuania carried out by AECOM Limited and presented in May 2011, and expressed their political support for this study;
26. declared the importance of finishing the preparatory phases and starting with the construction of the new Rail Baltic standard gauge (1435 mm) railway line during the next EU Financial Framework 2014-2020;
27. agreed to establish a joint venture of Estonia, Latvia and Lithuania by the end of 2012 at the latest, to implement the project;

28. agreed to start spatial and regional planning; tasked their respective national authorities with preparing and implementing the necessary steps; agreed, that the planning, including adjustments to routing solutions, must ensure real connections between the key nodes and that the new corridor should not only complement, but also leverage the existing transport infrastructure;
29. authorized their respective ministers to agree a memorandum of mutual understanding at the meeting of the transport ministers of Estonia, Latvia and Lithuania in December 2011 for the further development of the new Rail Baltic railway infrastructure (including the establishment of a joint venture and the beginning of spatial planning) and asked their ministers to report on the progress made at the end of 2012;
30. agree that the EU financing for the project should be allocated outside the national cohesion fund envelopes, and that the EU co-financing intensity should be around 85%;
31. invited Poland to join in the full implementation of the new Rail Baltic corridor, stressing the need to coordinate implementation activities along the entire line between Tallinn and Warsaw;
32. reaffirmed the intent to finish the construction works and start preparations to operate interstate passenger trains on the existing railway infrastructure by 2016.

## **Security and defence**

### The Prime Ministers:

33. exchanged views in preparation of the NATO Summit in Chicago, including on the Alliance's present and future activities in Afghanistan;
34. stressed the need to achieve a long-term solution for NATO Air Policing in the Baltic States as a clear demonstration of solidarity and commitment among the Allies;
35. underlined the importance of remaining committed to striving towards 2% of GDP for defence expenditures even in the current challenging fiscal environment;
36. stressed the critical need for raising awareness in society regarding cyber threats and underlined the importance of improving international cooperation between states, international institutions as well as public and private sector for enhancing cyber security, and the fight against cyber crimes;
37. reaffirmed the need to adequately address energy security risks and to further dialogue between states to form a common vision for energy security in the region as well as welcomed Lithuanian efforts to the accreditation of the Energy Security Center as a NATO Center of Excellence;
38. reiterated the need for further strengthening of defence cooperation among the Nordic and Baltic countries with a special focus on practical mutually beneficial projects as well as global security interests and challenges;

39. emphasized the need for closer defence cooperation between Estonia, Latvia and Lithuania in defence planning, capability development and procurement;
40. agreed to explore the possibilities of enhancing cooperation in the border security field, including better use of European instruments like Frontex, and tasked national experts with providing conclusions at the next BCM meeting.

### **Social issues**

The Prime Ministers:

41. underlined the importance of the use of joint procurements of medicinal products and medical devices with the aim of ensuring the rationalization of procurements and optimal use of available resources;
42. welcomed the preparation of the Partnership Agreement on Joint Procurements of Medicinal Products and Medical Devices and invited the Task Force for Health to prepare the Agreement for signing in the beginning of 2012;
43. welcomed the efforts of the Task Force to continue cooperation in the transplantation field and to establish an efficiently functioning human organ transplant system in the Baltic States;
44. called on the Task Force for Health to continue its work.

The next meeting of the Prime Ministers' Council of the Baltic Council of Ministers will be held during the Lithuanian presidency in 2012, with a special emphasis on energy issues.

Tallinn, 10 November 2011