



**Minutes of the
38th Session of the Baltic Assembly and 25th Baltic Council**
28-29 November 2019, Riga, Latvia

1. Presiding officers of the Session:

- **Jānis Vucāns**, President, Chair of the Latvian delegation, Latvia;
- **Aadu Must**, Vice President, Chair of the Estonian delegation, Estonia;
- **Valerijus Simulik**, Vice President, Chair of the Lithuanian delegation, Lithuania.

2. Agenda of the Session:

- Opening of the 38th Session of the Baltic Assembly;
- Report on the implementation of the Latvian presidency programme;
- The 25th Baltic Council;
 - The development of the Rail Baltica project;
- Signing of the Joint Statement of the 25th Baltic Council;
- Continuation of the 38th Session of the Baltic Assembly;
- Session 1: The development of the energy market of the Baltic States;
 - Synchronization of the Baltic electricity networks with the Continental European Network;
 - The common Baltic electricity market vis-à-vis third countries (Ostrovets NPP);
- Session 2: The Baltic hydrogen perspective;
- Session 3: Baltic cooperation in higher education: optimisation of the university network and programmes;
- Session 4: Cooperation of the Baltic States in medicine;
- Addresses by the foreign delegations and guests;
- Introduction to the Resolution and Final Document of the 38th Session of the Baltic Assembly;
- Report of the Budget and Audit Committee;
- Adoption of the Resolution and the Final Document of the 38th Session of the Baltic Assembly;
- Election of the President and Vice Presidents of the Baltic Assembly and the Chairs and Vice Chairs of the Committees for 2020;
- Address by the newly elected President of the Baltic Assembly;
- Signing of the Final Document of the 38th Session of the Baltic Assembly.

Opening of the 38th Session of the Baltic Assembly

President of the Baltic Assembly **Jānis Vucāns** opened the 38th Session of the Baltic Assembly in Saeima of the Republic of Latvia, Riga, and thanked speakers and members of parliaments, representatives of governments, international partners and guests for participation in the Session.

After the opening words of the President of the Baltic Assembly, the national anthems of the three Baltic Republics were played.

President of the Baltic Assembly **Jānis Vucāns** declared the 38th Session of the Baltic Assembly open. On the agenda of the Baltic Assembly and the Baltic Council there were issues that have significant relevance to the Baltic States: 1) security and defence; 2) regional connectivity in energy; 3) transport and infrastructure; 4) representing interests in Europe; 5) renewable energy, focusing on the hydrogen perspective; 6) higher education; 7) medicine. Baltic States have achieved a lot, but new goals need to be agreed upon.

President of the Baltic Assembly **Jānis Vucāns** expressed his gratitude to the Speaker of the Saeima of the Republic of Latvia H.E. Ināra Mūrniece, President of the Riigikogu of the Republic of Estonia H.E. Henn Põlluaas, Speaker of the Seimas of the Republic of Lithuania H.E. Viktoras Pranckietis and Marshal of the Senate of the Republic of Poland H.E. Tomasz Grodzki for attending the Session. President of the Baltic Assembly thanked H.E. Ināra Mūrniece for strong and determined support for the work of the Baltic Assembly and Latvian delegation as well as for the political commitment to promote parliamentary cooperation between the Baltic States.

Speaker of Saeima of the Republic of Latvia H.E. **Ināra Mūrniece** noted that she truly appreciates the Baltic Assembly and its work, as it has proven to be beneficial to the states, including economically. Joint procurements have brought real savings to the states and hopefully there will be more such results in the future. The Baltic States can be proud of their independence and the work that has been done since it was restored, but there is still a lot to do. The Baltic region is one of the most integrated regions in the Europe and due to the allied forces as well as their military presence the Baltic States can feel much safer. Democracy and safety are the basis for the future development of the Baltic States.

Security, regional connectivity and cooperation are extremely important for the Baltic States. Security is the first priority and the Baltic States have done a lot to develop their cooperation in this field - organised joint military exercises, coordinated capacity building plans and implemented many other activities. In countering the hybrid threats the Baltic States have demonstrated their resilience, as, for example, in Latvia's recent elections there have been no significant foreign meddling. The Baltic States must continue the cooperation to counter cyber threats. Despite the fact that there has been criticism directed towards NATO, the Baltic States have to maintain the strong transatlantic cooperation, as well as strengthen the presence of USA in the region. In regards to regional connectivity, the project of the *Rail Baltica* has been discussed a lot but now parliaments of the Baltic States have to overview the project. The Baltic States have entered the final phase of the project, so there is no time for short-time interests, namely there is a need to work for long-term interests. The Baltic States have to come to an agreement about the management of the infrastructure. Also, during the discussions about the Multiannual Financial

Framework (MMF) of the European Union (EU), there is a need for the Baltic States to be united. Rigorous parliamentary oversight is also needed in the energy sector of the Baltic States in regard to the Baltic electricity networks connecting continental European network, as this is the matter of security. Another important issue is cooperation between Baltic and Nordic countries, as the dialogue is active but the cooperation could be deeper. States could cooperate in health, welfare, social and education issues and that could be mutually beneficial. Ministers of the Nordic and Baltic States have agreed to become digital forerunners, and this promise should be fulfilled. Also, work together should be continued in regard to climate change mitigation.

President of the Riigikogu of the Republic of Estonia H.E. **Henn Põlluaas** said that Baltic States are free and democratic, the languages and cultures of the countries are here to stay, as well as the states are trusted partners for their friends and allies. Over the last few years, national defence has received a lot of attention both in the national media and in the international information space. Every politician has at one point been asked by voters, if countries are protected. The simple answer to that would be yes and better than ever before, but there actually is no simple answer to a complex question. World is globalising rapidly. The events in faraway lands and across many seas will affect the Baltic States sooner or later. Increasingly often there is a possibility to witness situations where a country ignores the standards of international law and attacks another sovereign state. It is important not to turn a blind eye to such rogue behaviour and it must not be forgotten or trivialised. One concession tends to lead to others sooner or later.

Barely five years have passed since the annexation of Crimea and Russia's aggression in Eastern Ukraine. Yet the unsolved crisis, continuing state of war and violations of human rights has not kept Russia from returning to full membership of the Parliamentary Assembly of the Council of Europe. This concession erodes the reliability of the international human rights standards that the Baltic States have adopted, and with it the conviction that the rest of the agreements would be respected. The Baltic States have reason to worry. In 2015, Russia suspended its participation in the Conventional Forces in Europe Treaty. In June this year, Putin announced that he would withdraw from the Intermediate-Range Nuclear Forces Treaty. This situation forces the West to concentrate on counter measures. Estonia, Latvia and Lithuania have never had any doubts that the geographical neighbourhood sets heightened demands on national defence of the Baltic countries, so different choices have been made, changing and adapting these as the security environment has altered. Living next to an aggressive neighbour who disregards international law, the strongest security guarantee is NATO membership. NATO's ability to defend its allies also requires consistent contributions from countries to develop independent defence capabilities. To prevent Russia from possibly wanting to test NATO Article 5 in the Baltic region, where countries are currently lacking parity with Russia on conventional weapons, there is a need to resolve air, maritime, and coastal defence issues, increase the presence of allied units, preposition the necessary defence equipment and other issues. Much remains to be done. Also, it's very important for the Baltic States to participate in each other's defence initiatives. Cooperation in capability development – sharing information and experiences on procurements, acquiring similar platforms, coordinating the usage of the US security assistance – is working efficiently and benefits countries individually and the region as a whole. To allow for more and larger joint procurements in the future, the Baltic States need to continue meaningful meetings to exchange information on capability development processes and procurement plans. Contribution of the Baltic States to the

national, regional, and allied security starts with individual awareness of the responsibility that states have in developing and protecting democracy and the rule of law.

Speaker of the Seimas of the Republic of Lithuania H.E. **Viktoras Pranckietis** highlighted that the Baltic States are a success story, as the goals that countries chose 30 years ago were the right ones as well as the strategic unions formed at that time were in the line with the expectations of the Baltic States. Today the Baltic States look for joint initiatives that would demonstrate the power and potential of the unity of the countries. Also, the issue of nuclear safety is becoming increasingly important for the Baltic States as just as 40 kilometres from Vilnius and 100 kilometres from Daugavpils in Ostrovets a nuclear power plant is being built. On the level of EU there is a need for the Baltic States to support each other, and show that no nuclear object can appear in our region when we cannot be sure about their safety and maintenance standards. Together the Baltic States need to properly react to potential provocations. The excess of cooperation of the Baltic States depend on the mutual trust, the implementation of obligations assumed and full involvement to general activities. A new cycle is starting in EU and a lot of challenged arise, both inside and outside the EU, so the Baltic States have to stay united in raising issues and formulating the goals and implementation policy. The issues of cyber, hybrid and nuclear security threats can be overcome by establishing new partnership ties, sharing experience, coordination of activities and close cooperation.

Marshal of the Senate of the Republic of Poland H.E. **Tomasz Grodzki** said that the Baltic Sea has united people and nations for many centuries. The Baltic legacy is marked by the successful history of the Hanseatic League, ruling dynasties across the coastline as well as many turbulent and stormy moments. Nowadays, Poland and the three Baltic States are united by many strong political, economic and social ties. States develop bilateral relations and cooperate closely as members of the European Union and NATO. Partnership addresses the key political issues such as e.g. energy and security policy as well as Polish troops participating in the Baltic air-policing mission. In Poland the Baltic States' expertise in Russian affairs is highly valued. The difficult and too often tragic history of the Baltic States and Poland makes countries believe in the power of equality in the international relations, also within the European Union. Countries understand this equality not only in political but also in economic terms. Development gap hinders the cooperation in Europe and needs to be narrowed as much as possible, because that would release the full potential of the EU. An ambitious budget of EU would be a necessary step to make this process happen. Poland believes that the development of infrastructure is one of the key facilitators enhancing trade and business relations between Poland, Lithuania, Latvia and Estonia. Poland is actively involved in the important infrastructural projects of the *Via Baltica* and *Rail Baltica*. Poland consistently supports the Baltic States in initiatives aimed at providing energy security. Together countries are determined to have solid gas and electricity networks contributing to the economic growth and security of the region. Poland stands firm in making the synchronization of the energy systems of the Baltic States with the systems of the continental Europe a reality.

The Baltic Three seems to be even more consistent than other regional entities within the EU. The challenges faced by the Baltic Sea Region are vast. Endangered marine ecosystem, undeveloped infrastructural networks, social trends like ageing of the population or the migration are just a few. Northern Dimension Partnership in Public Health and Social Wellbeing is the co-ordinator of

Health priority in the European Union Strategy for Baltic Sea Region, which is an excellent example of the possible synergy between the formats active in the Baltic Region. Poland is ready to support and develop this cooperation.

President of the Baltic Assembly **Jānis Vucāns** informed about the implementation of the Latvian presidency programme. During 2019, the Baltic States celebrated thirty years anniversary of the Baltic Way. During 2019, debate arose in the public sphere about the cooperation between Baltic nations then and now. The cooperation of the Baltic States is characterized by many different words heard in these discussions - unity, brotherhood, jealousy, myth or reality. The term “unity” is most often used as a criterion for assessing cooperation between the Baltic States, referring to it whenever conflicts arise between the Baltic States. If Latvia and Estonia launch an "alcohol war" or the Baltic States fail to agree on the *Rail Baltica* project or on the purchase of electricity from the Ostrovets NPP, it is due to the lack of unity. Although, the unity 30 years ago was emotional, nowadays it is more practical. Today the unity means the ability to unite to achieve significant goals, the ability to find solutions to conflict situations and diversity of views as well as work together to deliver common initiatives and projects. However, it cannot be denied that there will always be areas and situations in which the Baltic States will behave differently and even diametrically opposed, and there will also be issues that each of the states will fight individually or together with other countries or groups of other countries.

The Latvian parliament and its delegation began Latvian Presidency in the Baltic Assembly on the basis of three priorities: 1) security; 2) energy, development of transport and infrastructure interconnections; 3) promoting growth and competitiveness in the region. In 2019, cooperation between the Baltic States have reached results in many sectors. Alongside traditionally active cooperation in security and defence, culture, transport and infrastructure as well as energy, there are positive changes in cooperation in economic issues, joint military procurements, climate policy, joint investments in renewable energy projects, coordinated measures to represent interests in remote markets and the establishment of a common innovation system in bilateral and trilateral formats. Although the scope and pace of cooperation in these new directions vary, the deepening of cooperation has a positive trend. Compared to previous years, coordination of the positions of the Baltic States on the EU agenda has become more intense and goal-oriented. Latvian Presidency in the Baltic Assembly has focused on monitoring the implementation of the recommendations adopted last year as well as developing new initiatives of cooperation. On October 26 2018, the Baltic Assembly adopted 70 recommendations, of which 50 recommendations or 72% of the total of recommendations have already been implemented during the first nine months of the Latvian Presidency, 10 recommendations or 14% of the total number of recommendations are in the process of being executed, and the same amount of recommendations have been with no significant progress or recommendations have not been addressed. During a single Presidency it is not possible to carry out all the initiatives of cooperation, so already now it is possible to provisionally outline the issues that are going to be included in the programme of Estonian Presidency. During the next Presidency, work with such issues as cooperation in tax policy, single digital market, common innovation system, common energy market, economic security, circular economy and cooperation in artificial intelligence are going to be continued.

In today's geopolitical context, it is particularly important that the Baltic States support and strengthen each other, work together and defend common interests. The Baltic States are able to

set a clear agenda for cooperation, focusing on the medium- and long-term vision in sectors as economy and financial market, education and science, energy, defence and security, infrastructure and transport as well as joint projects in health care. Cooperation is fast in some areas and slower in other. There is a strong dialogue between the Baltic States, even if their views are not the same on all issues. Analysing the cooperation of the Baltic States in the recent years, it can be concluded that by cooperating in a single area, it intertwined with cooperation in other areas, thus bringing the region closer together.

The 25th Baltic Council

President of the Baltic Assembly **Jānis Vucāns** opened the 25th Baltic Council, by expressing gratitude to the Baltic Council and all three Foreign Ministers of the Baltic States for the successful collaboration. Cooperation of the Baltic Assembly and the Baltic Council is very strong and pragmatic. In current geopolitical situation, it is not only important to provide mutual support, but also to have a common message. The international society need to see that the Baltic States operate as a single region in words and deeds as well as are ready to protect their common values and work towards their common goals. The Baltic States differ in several aspects, but they can successfully cooperate in issues of strategic importance. In most cases, the reaction of the Baltic Council to the recommendations of the Baltic Assembly is positive and they are implemented immediately.

Parliamentarians have few observations about the cooperation of the Baltic States. In 2019, the range of cooperation areas in the Baltic States has expanded, ranging from cooperation initiatives in the fields of economy, innovation, climate policy and other areas. In comparison with the previous years, the coordination of the positions of the Baltic States on the EU agenda has become more intensive and targeted. When evaluating cooperation initiatives in 2019, it can be concluded that there is a positive shift in executive attitudes towards joint procurements of the Baltic States in other areas, which can be explained by joint procurements of vaccines, which showed a significant decrease in the prices. Also, the first military procurements have been launched. Baltic countries have overtaken their regional partners - the Nordic countries and the Benelux countries - in the area of automatic recognition of higher and vocational education diplomas or in the procurements of vaccines. Parliamentarians are positive about the dialogue between the governments of the Baltic States on the abolition of the transition to winter and summer time, ensuring a uniform time zone across the Baltic States. However, as in previous years, the cooperation in the field of tax coordination and harmonization has been limited to meetings of the authorities responsible for the exchange of information. In some areas, the pace of cooperation is slow due to ongoing negotiations between the Baltic States on the need to coordinate each country's national interests.

Chair of the Cooperation Council of the Baltic Council of Ministers, Minister of Foreign Affairs of the Republic of Latvia H.E. **Edgars Rinkēvičs** said that starting Latvian presidency in the Baltic Council of Ministers defined three priorities: 1) strengthening of the security in the region; 2) development of regional transport and energy connectivity and digital projects 3) protection of common interests in the EU. One of the most important topics is security. The Baltic States have done a lot to ensure their military security and defence, evidenced by the presence of NATO allies in the area. The Baltic States have been united in the EU and NATO formats. The work has to be continued. Lately, it is quite worrying to hear different opinions regarding future of NATO and

transatlantic links, that is trying to damage the solidarity of the states. However, the position of the Baltic States is united and single – the Baltic States will do everything necessary to strengthen NATO and transatlantic links. Without the presence of USA, it is not possible to talk about European and Baltic security. However, the Baltic States are ready to do more to shape the European defence identity. Regarding infrastructure and transport sectors, the Baltic States have had a lot of good progress, especially regarding synchronisation of the electronic networks. Implementation of the political roadmap regarding synchronisation will take political will, time and a lot of technical work. Sadly, there is not a lot of good to say about the development of the *Rail Baltica* project. It is understandable that the incorporation of the Baltic States not only in the energy but also in transport connections is essential politically and practically. Countries should drop some of their ambitions that are not so significant and stick to the main goal, making this project come true. The *Rail Baltica* is a test to the Baltic States, their unity, solidarity and ability to cooperate in real-life. Another important priority is protection of common interests in the EU. In the EU, there are still unsolved issues regarding *Brexit*. The United Kingdom probably is going to leave the EU, and the position of the Baltic States has always been that it is important to continue cooperation with UK regarding security, trade and economy. Also, a lot has been done in the talks about budget, although the talks are not over yet. There is a need to maintain the unity of the Baltic States in regard to cohesion and agriculture policy as well as the social and education projects. The Baltic States have been active for defending the single effective foreign policy of the EU, especially in regard to the Eastern neighbouring regions. We have defended our Eastern partners to promote united foreign policy. 2020 will be an interesting, as it will be the year when the first work by the new European Commission and European Parliament will be seen. Probably there will be many discussions about how make the EU more productive and effective. All three Baltic States see that there is a need to work in order to enhance the EU's position in the climate and digital fields. Also, the Baltic States want to see that the EU supports the rule of law within its borders and in its foreign policy as well.

Minister of Foreign Affairs of the Republic of Estonia H.E. **Urmas Reinsalu** expressed the gratitude to the Latvian colleagues for guiding the cooperation of the Baltic States. Latvian Presidency of the Baltic cooperation has been very successful and there has been actual progress in all three priorities – security, regional connectivity and promoting Baltic interests. One of the major developments was the inauguration of NATO headquarters in Ādaži, that will enhance the security of the region. Also, a new agreement on configuration of Baltic Air Surveillance Network was signed. Baltic defence cooperation is broader than ever before and involves almost all fields and services. In the field of regional connectivity, the most important progress has been made in joint regional infrastructure projects such as the *Rail Baltica* and *Via Baltica*. The *Rail Baltica* project has been of particular importance during Latvian Presidency, and is extremely important to connect to it at the highest political level. The main stage of the *Rail Baltica* project has been reached. Large scale projects connect the Baltic States physically to Central and Western Europe, so ensuring sufficient funding from the EU budget is a clear priority and interest of the Baltic States. Defending common interests of the Baltic States has been extremely important in 2019. In 2020 Estonia is going to coordinate work of two cooperation formats – Baltic Council of Ministers and NB8. Estonia has decided to set the same priorities for both presidencies - regional security, cyber cooperation, connectivity, climate change and environmental topics, as well as cultural and healthcare cooperation. Also, constant priority is keeping strong transatlantic ties and

strengthening closer cooperation with USA. European Eastern partnership is important policy goal of Nordic and Baltic states as well. In order to improve visibility and capabilities of the Baltic States, there is a need to increase fight with hybrid threats. Work will also continue on the large-scale regional energy and transport projects, in order to improve connections in the region. It is important to continue work on promoting common regional gas market as well as continue efforts to synchronise the Baltic power grids with Continental Europe by 2025. On the *Rail Baltica*, the Baltic States should start making good progress with the construction work, and reach an agreement on the infrastructure management model. The Baltic States will continue efforts to actively involve Finland and Poland, as it would help to represent the common interests of five countries in this transport connection and the relevant investments more visibly and efficiently than so far. Another important goal for Estonia is promoting regional cooperation in renewable energy, such as developing offshore wind farms and supporting the wider usage of biofuels in transport. Strengthening digital cooperation in the region is also important, especially developing data exchange between the countries in the region to simplify document management for citizens and businesses. Keeping the environment clean and mitigating the effects of climate change and adapting to them are becoming increasingly important for the Nordic-Baltic region as well. One of the major concerns in the region is the state of the Baltic Sea. Currently, the major challenges include reducing the pollutants as well as the waste and plastics that reach the sea. In health care cooperation, Estonia aims to move forward with a functioning digital prescriptions and e-health records system between three Baltic States, according to the 2017 joint statement of the Baltic Prime Ministers. There is also a need to continue Baltic cooperation in joint procurements of medicines, medical products and equipment, and providing emergency medical care services in border areas. Estonia has very ambitious plans for the next year in coordinating the Nordic-Baltic regional cooperation, with the aim of taking the excellent and active work of the previous presidencies even further.

Minister of Foreign Affairs of the Republic of Lithuania H.E. **Linas Linkevičius** said that for 25 years the Baltic States have been cooperating in the Baltic Council, but the countries are united for more than that in different times and areas. In regard to regional security, the Baltic States always highlight the solidarity and membership in NATO and other organisations. Recent statements are worrying, but it is important to note that NATO is the most important and strongest alliance in the world. But that does not mean that it is going to remain so forever, so the Baltic States have to do all in their power to strengthen NATO. In regard to the neighbour in the East, the arguments of the Baltic States should send the message to the partners about the importance of this alliance. There are some that say that the Baltic States should improve their relationships with Russia, but they do not set the rules for Russia. There is a need to not only speak about the role of Russia, but China as well. In regard to this, not only initiatives of the EU are important, but also the experience of the Baltic States should be voiced and shared with the allies. As for economic security, in the Baltic States there are such important issues as the *Rail Baltica* that has problems and synchronisation with European electricity networks. Regarding nuclear safety, now there is a precedent based on which the Baltic States will be working in the EU with third countries, when projects are developed in violation of standards and rules. If the Baltic States care about climate issues, they should care about nuclear safety as well. Also, the Baltic States have the same expectations in regard to the

EU budget, that will be affected by UK leaving, so there is a need to protect the common interests. Also, Eastern Partnership is one of the priorities of the Baltic States, but there are not enough countries that support this partnership, so the Baltic States need to work in order to change that. The support of the Baltic States is crucial to Ukraine, so there is a need to provide with political and practical assistance.

President of the Baltic Assembly **Jānis Vucāns** said that the Baltic Assembly recently represented the EU in the Northern Dimension Parliamentary Forum, where the Russia participated as well. This is a format where it is possible to directly speak with Russian parliamentarians, informing about the position of the Baltic States on the politics of Russia.

Chair of the Economics, Energy and Innovation Committee **Atis Lejiņš** said that the *Rail Baltica* project is very important. However, many Finnish parliamentarians are not informed about the fact that Finland has hopped off the project. The goal of the *Rail Baltica* is to connect the Europe and make it a bigger player globally. Finland says that it is an economic issue for them, but Chair wanted to know: 1) the position of the three Foreign Ministers of the Baltic States in regard to this issue, as he believes that this project is mainly political issue; 2) are the foreign ministers of the Baltic States addressing the issue of Finland together; 3) what is the position of the new European Commission in regard to *Rail Baltica* project.

Chair of the Cooperation Council of the Baltic Council of Ministers, Minister of Foreign Affairs of the Republic of Latvia H.E. **Edgars Rinkēvičs** replied that all three Baltic States consider the *Rail Baltica* project very important and the issue is going to be further be discussed between the Prime ministers of the Baltic States in December. This issue is also going to affect the discussions with European Commission in regard to MFF. All foreign ministers of the Baltic States want to see an active role of Finland and Poland in the *Rail Baltica* project. *Rail Baltica* can connect Europe not only from Warsaw to Berlin but also make a connection with so-called Arctic Corridors, so this issue will be addressed. Normally, foreign ministers call for practical work, not make dramatic statements.

Minister of Foreign Affairs of the Republic of Lithuania H.E. **Linas Linkevičius** noted that the *Rail Baltica* project is one of the priority projects of the Baltic States. Despite the difficulties, there is a need to decide on management and financing issues that are unsolved now. To be frank there are difficulties, but the Baltic States are working to overcome them.

Minister of Foreign Affairs of the Republic of Estonia H.E. **Urmas Reinsalu** for the Baltic States and regionally the *Rail Baltica* project has two strategic dimensions – economic and political. There is no doubt about it, but it is important to know that Finnish did not drop out the global project, but the current government has priorities on Finnish soil.

The development of the *Rail Baltica* project

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that 2019 was a year when society saw the particular visual form of the *Rail Baltica* project that was a result of targeted long-term work. However, with the progress came the challenges that need to be solved in all levels of administration. There have been reached agreements about 411 kilometres of the track which is almost a half of the total track of the *Rail Baltica* project. Also, designing of important infrastructure points, e.g. “Rīga” Airport, have been started. Active designing stage has been reached, so the Baltic States are becoming more aware that the *Rail Baltica* project is not just a railway infrastructure project, because it is a new economic corridor and it will help to establish synergies between transport and other areas. In addition, the awareness of the *Rail Baltic* has risen within the Baltic and Nordic Sea transit corridor, and there is a need to remember that the strategic goal of the EU is to create the Trans-European Transport Network (TEN-T) and this aim cannot be achieved without the *Rail Baltica* that is the missing link. Benefits of the Baltic States from the *Rail Baltica* will be large, and integration of this track with other countries will help establish more stable growth within the ecosystem, similar to the one in Nordic countries. It is important to coordinate activities of the *Rail Baltica* with Poland and Finland in technical and political level. Multimodal terminal in Salaspils is planned to be finished by the time the *Rail Baltica* project is done. The terminal will allow to transfer cargo to all directions and provide with modern, multi-model cargo logistics solutions. Also, after finishing terminal, it will be the first fast rail and plain connection in the Baltic States.

The next MFF includes the time when the Baltic States plan to complete the *Rail Baltica* project. Currently, the *Rail Baltica* project has received 800 million euros from 5,8 billion euros that are necessary for the project. In total the EU contribution could exceed a billion euro, but there is still a financial deficit of 5 billion euros in the *Rail Baltica* project according to the current plans in 2022 funding needs. Requirements will increase, as in 2022 it is planned to start large-scale construction work in all parts of Latvian tracks. It is planned that next MFF funding will be used mainly for construction purposes. Undeniably, the accessibility of funding depends on the progress of the global project according to the set timeframe. Designing phase in Latvia has to be completed until December of 2021, but further development depends on the funding availability. There is need for timely action and coordination of decision, maintain balance between national interests and interests of the global project. An important aspect is expert working groups that are working to establish management model. Stable progress since September has been reached. Experts and political actors agree that there is a need to coordinate rail management to ensure infrastructure management and help introduce fare system, accessibility to infrastructure, traffic planning as well as safety management that is united in all countries.

Chair of the Economics, Energy and Innovation Committee **Atis Lejiņš** wanted to find out what is the new European Commission’s attitude towards the *Rail Baltica* project as well as what is the plan where to get all the necessary finances for it.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that currently he is not able to answer to his question, but the Baltic States will work in order to get the best outcome, hopefully in the amount of the 85% of the project costs.

Chair of the Economics, Energy and Innovation Committee **Atis Lejiņš** asked what is the plan in the case if the funding is not sufficient.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that currently there are no doubts that the funding will be sufficient.

President of the Baltic Assembly **Jānis Vucāns** noted that regarding financial situation it is crucial to talk with partners in Finland, Poland and even in a broader context. President asked for the prognosis in the case when funding of the EU is not 85% of the project costs.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that the Baltic States are expecting that funding of MFF will reach 85% and it will be used for the financing needed for the track and strategically most important track points. If the funding is less than 85%, then the Baltic States jointly will have to finance it from their own national budgets.

Member of the Presidium of the Baltic Assembly **Inese Voika** asked about the question raised by the *Rail Baltica* enterprise members that was made public. One of the versions to improve governance of the project and enterprise was to install a professional supervisory board. So far board has been represented by members of countries and representatives of ministries, and member of the Presidium wanted to know how likely it is that ministers of three Baltic States would see it necessary to install a professional supervisory board, also what else could be done to improve the governance of the project.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that it is hard to answer this question. Current activities of *RB Rail* have had the results and they are obvious. The current lack of administration of governance problem will be solved soon by the organising of a new call for a leader. Also, there is a supervisory council, where, for example, Latvian representatives are professionals in the field.

Vice Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Virgilijus Poderys** asked elaborate more on the *Rail Baltica* part between Kaunas and Vilnius.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** informed that he can elaborate only about the Latvian part, but more detailed information about the Lithuanian part of the project should be asked to Lithuanian Ministry of Transportation.

Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Regīna Ločmele-Luņova** asked whether there have been discussions with European parliamentarians of the Baltic States about *Rail Baltica* so that they provide with their support in regard to funding for the project.

Parliamentary Secretary of the Ministry of Transport of the Republic of Latvia **Jānis Butāns** said that in the European Parliament there is a “Friends of *Rail Baltica*” group led by Member from Latvia Roberts Zīle.

President of the Baltic Assembly **Jānis Vucāns** said that the Baltic Assembly during Latvian Presidency had discussions about the importance of *Rail Baltica*, including military aspects, with

Benelux partners in Brussels as well as Baltic parliamentarians have informed Nordics and GUAM member states.

Chair of the Education, Science and Culture Committee of the Baltic Assembly **Dagmāra Beitnere-Le Galla** acknowledged a need for collective brain for realising the *Rail Baltica* project, and noted that the Baltic Assembly has a great role in order to make the project politically coordinated.

President of the Baltic Assembly **Jānis Vucāns** highlighted that the *Rail Baltica* project is important for all the Baltic States, although from time to time there are gaps where it is hard to continue governance of the project. Baltic Assembly has stressed that if there is no single stance then there is a risk to lose the project whole together. There is a need to achieve normal course of actions, as *Rail Baltica* is the top issue now.

Signing of the Joint Statement

Continuation of the 38th Session of the Baltic Assembly

The development of the energy market of the Baltic States

Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Atis Lejiņš** opened the panel on the development of the energy market of the Baltic States by saying that lots of success, especially in regard to large-scale scale projects, has been achieved and lots of it has been possible due to the EU.

Vice President of the Benelux Parliament **Patricia Creutz** noted that cooperation between Baltic Assembly and Benelux Parliament is very successful. The New European Commission has decided to go further and adhere climate neutral economy by 2050. Regional partnership countries of the Benelux and Baltic States are faced with similar challenges in the area of energy transition; therefore, Benelux Parliament welcomes the Baltic Assembly to discuss strengthening of interconnection on the Baltic States to Europe in the field of energy, transport and infrastructure. Benelux countries have shown a large potential for green hydrogen economy. Benelux countries have a gas network that can deliver hydrogen and an industry that can use it. There is a need to decarbonise economy, by stating clear regulation for companies in regard to carbon. Hydrogen can open new windows to carbon neutral economy, but there is a need for lots of investments in energy systems and innovations, as well as develop regional cooperation. Also, there is a need to support start-ups and companies that have projects that promote innovation in hydrogen technologies. As economy based on hydrogen provides with lots of benefits, Benelux Parliament recommends supporting research on hydrogen in public and private sector. Benelux countries believe that also Baltic and Nordic countries can become low in carbon and innovative in this field. Small countries should not do everything themselves but promote regional cooperation. At the Presidium meeting in June 2019 in Luxembourg the President of the Baltic Assembly Jānis Vucāns proposed that the Baltic Assembly, Nordic Council and Benelux Parliament would adopt a joint recommendation on hydrogen economy. The Benelux parliament will fully cooperate with the Baltic initiative and recommendation could be expected in March 2020.

President of the Baltic Assembly **Jānis Vucāns** thanked the head of the Belgian delegation to Benelux Parliament Maya Detiège for her support and cooperation, as it was her last time to attend the Session of the Baltic Assembly.

Synchronization of the Baltic electricity networks with the continental European Network

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** said that the Baltic States are in the EU for more than 15 years, however they are still dependent on the Russian energy supply. The situation remains so from the Soviet times. For now, in the field of energy the Baltic States have not experienced use of force by Russia, however it does not mean that countries do not need to think about the independence of energy systems of the Baltic States and link with continental Europe. There is a need to take into account the geopolitical situation in the region as well. Energy system of the Baltic States is connected and united, but is not connected with the energy system of the rest of Europe. Synchronization project is one of the largest projects not only in the region, but also in Europe, and provides with different advantages. Synchronization project is going to help the Baltic States to decrease the dependence from the Russian Federation, ensuring security, independence from the decisions of the Russian Federation and deeper integration in the EU. Also, this project can potentially help to lower prices of energy, as larger market can mean decreasing of price, as well as increase of the market volume, that would allow the field of energy to develop and grow even more. Research shows that technically project can be implemented and the benefits will outweigh the investments that are also not small. Energy needs a long-term approach that in a longer period is going to pay off.

The total costs of the synchronization of the Baltic electricity networks with the continental European Network project are 1,5 billion euros. Different funding facilities can be used for this project. Largest amount or 75% of the project are financed from the Connecting Europe Facility (CEF). The most amount of funding is needed for building a new transmission between Lithuania and Poland as well as innovative technologies. Transmission between Poland and Lithuania is going to allow to increase energy capacity. In 2020 the phase of technical implementation will start, and it will allow to finish the project until 2025. One of the most significant phases will be the testing of the autonomous system, by turning off the existing connections and test if the Baltic States can survive on their own. Also, interconnections between Estonia and Latvia are going to be reinforced starting from 2020.

Common Baltic electricity market vis-à-vis third countries (Ostrovets NPP)

Vice-Minister of Energy of the Republic of Lithuania **Egidijus Purlys** said that today no one has any doubts that the synchronization is the key road to sustainable energy security, but unfortunately the Baltic States are facing another particular challenge. The effective solution of this challenge lies in the solidarity of the Baltic States. Numerous repeated accidents in construction sites and lack of transparency in the progress only shows that Ostrovets nuclear power plant is an actual threat. This nuclear powerplant is being built in unsuitable location, which is 20 kilometres away from the EU eastern border and 40 kilometres from Vilnius, the capital of Lithuania. In February 2019 in the meeting of the parties of the Espoo (EIA) Convention adopted the latest decision, including that Belarus failed to comply with the Espoo Convention by not justifying the selection of the Ostrovets site. The Peer Review of the EU Stress Test in Belarus in July 2018 reviled that a

comprehensive seismic assessment of the site was not performed. Also, Ostrovets plant has been identified with deficiencies related to possible loss of safety functions and severe accident management. Belarus deliberately restricted the scope of the International Atomic Energy Agency site in external events designed mission in January 2017, also Belarus excluded mission models related to the site's selection criterion and suitability of Ostrovets site for construction of NPP. Having considered the potential threats for the national security, environment and public health, Lithuanian parliament in 2017 adopted a law on necessary protection measures against the threats posed by unsafe nuclear power plants in third countries. In accordance with the law, no electricity from Ostrovets NPP would be able to enter Lithuanian power market from the very start from its operation. Belarus will not be able to use Kruonis Pumped Storage Plant as a reserve and this law also says that once synchronisation with Continental European Network is achieved, electricity from third countries in general will not be allowed to enter the electricity market. In order to ensure effective opposition for the construction of Ostrovets NPP, a common solution between the Baltic States on the application of the uniform principles regarding market access for electricity from third countries is needed. On 20th June 2019 political roadmap on implementation of synchronization was signed, and it was agreed that the synchronization is then in the scenario of no cross-border transmission capacity for the treat flows with third countries. Despite the efforts and proposed solutions of Lithuania, on this matter there is lack of understanding between the Baltic States for the period until the synchronization. In August 2019 Latvia announced their decision that at the moment when Lithuania will suspend electricity trade with Belarus the electricity trade with third countries will be transferred to the Latvian border via transmission line between Latvia and Russia. Currently, there are ongoing, intense discussions about trade with third countries in the format of Baltic energy market interconnection plan (BEMIP). Also, Ostrovets NPP reveals another major issue, namely sustainability of the EU internal energy market in general. Electricity from third countries has a significant impact on the proper functioning of internal electricity market. Currently electricity produced in third countries, despite the applicable lower production standards and requirements, such as environmental protection and nuclear safety, is free to enter EU market, while EU power producers are required to comply with strict standards and requirements. This creates unfair competition and energy security threats. Due to unfair conditions, a transfer to clean energy is also compromised. This problem has been acknowledged in the highest political level in EU already a time ago. Also, it is time to admit that all the efforts made to improve functioning of internal electricity market and successful move to decarbonized, but competitive market cannot be achieved if no measures are taken to equalize the rules.

Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Atis Lejiņš** asked if it is correct that by finishing link between Poland and Lithuania by 2025 it means that the Baltic States are going to be fully independent from Russian by 2025.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** reminded that the power reserves of the Baltic States are linked with BRELL network. In order to ensure power synchronization and to do it in a safe way there is a need to develop a harmony link that will be completed by 2025. This harmony link will help to ensure the power reservation and help the Baltic States to become independent from the BRELL network. After completion of this link the Baltic States will become independent from Russia.

President of the Baltic Assembly **Jānis Vucāns** said that important matter is energy storage. President asked what is the finance risk in regard to synchronization project, namely is it guaranteed that 75% of the costs are going to be funded by CEF, as it will affect the MFF.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** said that agreement about 75% has been contractually fixed. The figure should remain the same.

Vice Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Virgilijus Poderys** asked if trade with third countries will be possible after 2025 when synchronization should be finished.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** noted that at the moment negotiations are still open, so there is no clear yes or no answer. Position of Russia is somewhat aggressive and they have been hinting that in a situation when the Baltic States are cutting off synchronization and power balancing technology, they will be also ready to cut the cables physically in order to stop the trade. On the other hand, from market perspective the Baltic States see that there would be a value to have options open.

Vice Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Virgilijus Poderys** asked whether there have been threats from the Russian Federation to cut cables or lines before 2025.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** said that direct and open threats have not been made so far, however there is information that Kaliningrad region has been doing so-called “island operation tests” that have been successful. This is fact that cannot be ignored - Kaliningrad can operate independently so Russia technically has no incentive to keep these lines open.

Chair of the Education, Science and Culture Committee of the Baltic Assembly **Dagmāra Beitnere-Le Galla** asked what is the percentage of energy Latvia and Lithuania buy from Russia.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** noted that in Latvia there is a fluctuating situation. On average the general trade volume per year could be around 30% to 40%.

Chair of the Education, Science and Culture Committee of the Baltic Assembly **Dagmāra Beitnere-Le Galla** asked why Lithuania and Estonia were more decisive and quicker than Latvia to establish links with Scandinavian countries and Poland.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** said that he does not have an answer for that as it is a while ago and he was not working for the energy sector at that time. However, the link with Estonia is very good.

Vice Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Virgilijus Poderys** said that Lithuanian and Latvian networks are very well interlinked. Both states have the lowest price differences all over the Europe, meaning that the linkage and the capacities one way

or the other are the best in the Europe. It means that there is no need to have direct lines, as electricity entering either Lithuania or Latvia can move any way further. Latvians can freely use the links Lithuanians use. Lithuania is highly dependent on imports, reaching nearly 75% this year. It means that only 25% of the electricity is produced locally. Imports from third countries endanger local producers, so there is a need to find a solution, especially in the situation when after the synchronisation there will be trade possibility with Western Europe.

The Baltic hydrogen perspective

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** noted that hydrogen is very versatile resource, as it can be used for energy storage and transfer as well. In long-term hydrogen is one of the most perspective alternative energy resources. It can be used for satisfaction for various energetic needs. It is significant that hydrogen can be produced without creating any pollution and CO₂ emissions that means that hydrogen decreases dependency on fossil fuels. Energetic contents of hydrogen are three times bigger than fuels and it means that it is economic source of energy. Lot of discussions have happened about how to use it and what would be the alternative to it. Current dependency on natural gas is a complicated issue. During this period there have been a lot of studies about this topic and they show that there are several ways how to use hydrogen in different fields. Potential is truly great, but at the same time from today's perspective economic basis is non-existent or weak. Costs of energy production by using natural gas are approx. 25 euros per a megawatt hour (MWh), by using electricity - 50 euros per MWh, meanwhile producing energy using hydrogen sources costs approx. 100 euros per MWh. These technologies are still very expensive, so there is still long way to go for this technology to be economically viable. At the same time from long-term perspective different researchers have created statistics regarding global electricity production till the year 2040. These estimates show that hydrogen could get greater share in the overall electric energy consumption. However, the problem that can be seen in the world is that the amount of electricity consumed is still growing. If it continues so the percentage of renewable sources will still grow slower than the overall increase of the consumed energy amount. Estimates are quite pessimistic taking into account the speed of decreasing energy dependency from coal, natural gas and oil. Many countries including Latvia have started small-scale projects regarding how hydrogen can be used as an alternative energy source. Also, research needs to be developed more, both in academic and practical level. Existing natural gas infrastructure could be used, but here it needs to be taken into account that physically molecules of hydrogen are much smaller than the ones of natural gas so infrastructure will have to be upgraded. In order to ensure a sustainable development of energy sector in region and the EU hydrogen is one of the sources that needs to be worked on right now. Time necessary for studies is quite long, but in order to be able to work with hydrogen e.g. in 2030 there is a need to start work now.

Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Atis Lejiņš** said that in Germany there are about 200 hydrogen trains but in Riga there were plans to introduce two buses that run on hydrogen. Chair wanted to find out the situation in the Baltic States.

Chairman of the Economic, Agricultural, Environmental and Regional Policy Committee of the Saeima **Jānis Vitenbergs** said that he and Member of the Economics, Energy and Innovation Committee of the Baltic Assembly **Reinis Znotiņš** are interested in this topic and are going to

follow the developments on political level regarding it. Chairman said that Germany and France have bought quite a few hydrogen trains and wanted to find out whether it is economically viable for them.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** noted that current experience shows that most of these projects are subsidised in one way or another. Typically, energy is produced from fluctuating sources and sometimes there is excess energy and hydrogen is good for storage. At present in most cases technologies in energy transformation and storage are very expensive in comparison with other methods. This can mean economic losses, consequently these projects can be viewed as experimental. There are some projects in Latvia as well, and Ministry of Economics will try to support them.

Member of the Economics, Energy and Innovation Committee of the Baltic Assembly **Reinis Znotiņš** said that at the present these projects are considered experimental; however, Germany is known to be a conservative country and still has chosen to buy 200 hydrogen trains. It could be something more than experiment, namely evidence-based decision.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** explained that from economic perspective these projects are still experimental. Technology is well known, but costs regarding production are high. Also, German attitude towards wind parks is different than in Latvia, as they have different capacity, heights, density and they quite often experience situation when there is overproduction, so for Germans it is viable to use hydrogen for storage. In the Baltic context, there is still potential in regard to wind parks and different ideas are being offered, e.g. offshore wind parks. However, all of the ideas are still at a very early stage. Currently the Baltic States are engaged in negotiations with TSOs and the ideas still have to be discussed on a political level as well. In regards to the Baltic States, hydrogen may be viable complementary solution in future for energy storage.

Vice Chair of the Economics, Energy and Innovation Committee **Sven Sester** noted that there is Estonian private company called *Elcogen* as well as similar companies in other Baltic States. Vice Chair wanted to know what kind of support is provided to companies from the state.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** said that in Latvian case projects regarding hydrogen are mostly privately funded.

Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Atis Lejiņš** mentioned that Latvian energy company *Latvenergo* is also interested in the EU structure funds in regard to energy issues.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** noted that conversations about support of state have started regarding potential offshore wind park between Latvia and Estonia.

Vice Chair of the Economics, Energy and Innovation Committee of the Baltic Assembly **Virgilijus Poderys** informed that in Lithuania regarding wind projects there is new process of auctions and one has already finished. Lithuania is working for all the procedures needed for offshore wind

parks in 2028 in order to ensure up to 3,3 GW power. In regard to hydrogen, Lithuania has private-owned companies that already mix hydrogen in usual fuel in the public transport. Vice Chair asked about the expected wind capacity in 2025 that is the year of desynchronization from Russia.

State Secretary of the Ministry of Economics of the Republic of Latvia **Ēriks Eglītis** informed that according to the National energy and climate plan offshore wind energy should reach 2,2 GW.

President of the Baltic Assembly **Jānis Vucāns** said that in regard to hydrogen perspective there is a need to talk not only about the energy efficiency point of view, but also from the climate changes mitigations point of view. During a conference in Benelux Parliament that was devoted to issues of hydrogen energy, speakers talked about 5000 busses produced in China. There they are produced mainly due to climate mitigation programme. Production of such amount of transportation serves as an assurance that there must be efficiency as well. However, energy efficiency and climate mitigation should be dealt jointly.

Vice President of the Baltic Sea Parliamentary Conference (BSPC) **Pyry Niemi** said that the Baltic Assembly, BSPC and Nordic council have had close, intensive and efficient cooperation for many years. Cooperation is based on mutual trust, reliability and friendship. The Baltic Assembly is highly committed member of BSPC and the linkage through people could not be closer. The Baltic Assembly and BSPC have common goals and similar priorities, so often organisation deepen the same topics and thereby achieve synergy effects. The next conference of BSPC will be held in Vilnius in 2020. It will be about innovation drift by science and technology as well as improving digital cooperation. After that the 30th BSPC in Stockholm will take place and it will focus on global climate change. Since the Baltic Assembly and the Nordic Council are increasingly dealing with this issue, there is hope to achieve synergy affects there as well. The Baltic Assembly and BSPC have a shared vision – a free, peaceful and prosperous Baltic Sea region.

Baltic cooperation in higher education: optimisation of the university network and programmes

Chair of the Education, Science and Culture Committee **Dagmāra Beitnere-Le Galla** opened the discussion about cooperation in higher education by saying that 2019 was the year of Latvian Presidency and it focused on science and research. During 2019, few successes have been achieved, for example, automatic recognition of higher education diplomas. However, it is important to strive for more, as the cooperation of the Baltic States in education and science will lead to better cooperation in other areas, leading to economic growth. All three Baltic States have implemented important reforms regarding education and they have a great strategic direction.

Acting Deputy State Secretary, Director of Department of Higher Education, Science and Innovation of the Ministry of Education and Science of Latvia **Dmitrijs Stepanovs** informed that within the Nordic financial instrument the Baltic States have made successful steps in research. Projects of the Baltic Research programme in Estonia have already been selected. The next stage of the contest will take place next year and the main topics in Latvia are migration, cybersecurity and climate change. These topics are associated with the challenges that all the Baltic States face. Currently Latvia is implementing the EU structural fund programme in which it is possible to create joint higher education programmes in the EU languages. Latvia has over 11 joint

programmes with Lithuania. Also, all three Baltic States are working towards cooperation with the European Organization for Nuclear Research (CERN). Latvia is planning to become an associated member of CERN in 2020. Lithuania already is an associated member. Now it is important for Latvia to approve state research programme for nuclear research cooperation with CERN. Latvia is going to contact Lithuania and Estonia to coordinate this project together. Estonians are already participating in this programme, so they will provide with their knowledge and experience.

There is a need to further cooperation in providing joint master and doctoral programmes, as together it would be possible to provide with much more. There is a need for open approach and infrastructure as well as databases in education and science. One of the possibilities is that all three Baltic States provide with a common open system, however this is topical issue for all the Europe now. Research created by citizens of Europe have to be published in open journals, so that taxpayers do not have to pay twice. Data collection, storage and usage is another important issue, as this is underused resource in research.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** said that the half of students in Estonia study in two largest public universities – Tartu University and Tallinn University of Technology. Institutions of higher education in Estonia are very independent from the state, as it provides with baseline and performance financing but institutions have great freedom to choose how to use this financing. Universities are allowed to charge for English language programmes, so their amount is growing rapidly in Estonia. Agreement on Mutual recognition of higher education diplomas entered into force in 2019. This agreement allows to start studying or career in any of the Baltic States without going through official process of evaluation of diplomas and it means that the Baltic States trust each other's higher education systems. Topic of automatic recognition is now discussed in the EU as well. Latvia is cooperating with the World Bank in regard to reformation of higher education that has resulted in numerous seminars and common workshops on funding, governance, issues of academic career and internationalisation. Estonian experts have visited Latvia and Latvian experts - Estonia. Also, Latvian Ministry of Education is preparing a project about quality assurance or institutional evaluation in higher education and Estonia has agreed to participate in the project and share its experience.

Projects of the Baltic Research programme in Estonia in 2019 were focused of public health, migration, cybersecurity, environmentally friendly solutions, regional economic development and effective use of resources. The financial amount of this Estonian call was more 6 million euros and more that 100 projects were submitted to the research agency, although only 6-7 projects were supported. This shows how huge is the need for such support schemes. Joint curriculums are still difficult to create as regulations are still very different in all the Baltic States. There are joint curriculums in agricultural sector, but whole together not many such examples can be found. Universities of the Baltic States are very independent, but as research and higher education is extremely international, there is a need to cooperate with other universities and other countries.

President of the Baltic Assembly **Jānis Vucāns** said that in Latvia in some political circles there are discussions about some changes in regard to higher education and research. In Estonia there are two types of institutions of higher education - academic universities and universities of applied sciences. President asked whether Estonians have other institutions as well.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** informed that higher education is available only in academic universities and universities of applied sciences. Until 2016 higher education could be accessed in some vocational schools, but not anymore.

President of the Baltic Assembly **Jānis Vucāns** asked for the minimal criteria of the academic university and university of applied sciences.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** replied that in order to qualify for a university status there is a requirement to teach on all three levels of higher education. In order to have doctoral studies, research has to be evaluated. University of applied sciences has to go through quality check made by individual quality check agency as well as has to open bachelor and master level programmes.

President of the Baltic Assembly **Jānis Vucāns** explained that he asked questions due to automatic recognition of higher education diplomas. Maybe it is time to start the next step, namely, make some harmonisation of higher education systems in the Baltic States. There could be a discussion if there is a reason for harmonisation, because if Latvia is making some changes in its system and there are some benefits to have are harmonised space, maybe all three countries should go the same direction, not preparing something very independent.

Chair of the Education, Science and Culture Committee **Dagmāra Beitnere-Le Galla** noted that this issue is truly important, adding that it is food for thought.

Member of the Economics, Energy and Innovation Committee of the Baltic Assembly **Reinis Znotiņš** said that in Estonia there were much more higher education institutions than there is now. Member wanted to know what were the steps Estonia took to accomplish as well as what are the measures of control of private higher education institutions.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** said that reduction of universities started with quality requirements. Estonia in 2009 changed a law and all higher education institutions had to go through curriculum group accreditations. Those institutions that failed the accreditation lost their right to issue nationally recognised diplomas and they had to stop working. The second step was higher education reform in 2013 when it was decided that there will be free higher education provided for all candidates but mainly by national universities. This decision decreased the marked of higher education quite rapidly.

Vice Chair of the Education, Science and Culture Committee of the Baltic Assembly **Signe Kivi** added that until 2015 she was the rector of Estonian Academy of Arts. Some years it would not be possible to count how many different accreditations should be passed and it wasn't an easy time, however due to that public universities became stronger than before.

Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Regīna Ločmele-Luņova** informed that currently in Latvia there have been discussions about a plan to prohibit

defence of doctoral thesis in Latvian language. Chair asked what is the procedure in Estonia as well as the view of the need to develop scientific language in each of the Baltic States.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** informed that in Estonia it is possible to defend doctoral thesis in Estonian or in a foreign language, but the reality is that often it is done in English, as opponents often are foreign researchers. Currently in Estonia there are discussions about how large should be the resume of doctoral thesis in Estonian, as it is also necessary to develop Estonian research language.

Acting Deputy State Secretary, Director of Department of Higher Education, Science and Innovation of the Ministry of Education and Science of Latvia **Dmitrijs Stepanovs** said that regarding this issue in Latvia there has been miscommunication, as the ministry has never said that the possibility to defend doctoral thesis in Latvian will be prohibited. There was no discussion about the topics regarding Latvian language, but there could be discussions about the language of the dissertation in fields like agriculture, medicine or other natural or applied sciences. On one hand, it is important to look for foreign opponents that can evaluate the thesis, on other hand – translation of the work in Latvian takes a lot of work. Ministry has decided that this issue should be in the hands of universities and students should decide for themselves.

Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Regīna Ločmele-Luņova** asked what is the opinion of the Latvian Ministry of Education and Science in regard to development of Latvian scientific language and if there should be more support, for example, for translation of works.

Acting Deputy State Secretary, Director of Department of Higher Education, Science and Innovation of the Ministry of Education and Science of Latvia **Dmitrijs Stepanovs** replied that at the moment terminology development of Latvian language allocated funding from state. Funding has increased four times and reaches a million euros, that is a great achievement. In regard to terminology development acknowledgments need to made to the Baltic Assembly that provides with lots of translations. In Latvia there is also Latvian Terminology Commission that needs to be strengthened to help to develop terminology. There is no evidence that doctoral theses are read more that publications in scientific journals. There are different ways how to develop Latvian scientific language.

Chair of the Education, Science and Culture Committee **Dagmāra Beitnere-Le Galla** added that Sweden 23 years ago decided that it is better to write scientific papers in English as it makes them more competitive. After a while, Swedes realized that their national language in science has been destroyed. There is a need to discuss this issue among the academics, also sometimes it should be the choice of the researcher.

President of the Baltic Assembly **Jānis Vucāns** noted that legislation in Latvia states that there is no need to write doctoral thesis to get a doctoral degree, as there is a possibility to write a collection of publications in international journals. This approach should be more widely adopted in Latvia.

Vice Chair of the Education, Science and Culture Committee of the Baltic Assembly **Irena Šiaulienė** said that in Lithuania it is also topical issue, however not new. In Lithuanian historical past their language had to be consolidated as previously other languages dominated. Nowadays it is easier to write doctoral thesis in English, but this issue is actually about awareness. Nobody is going to be able to create national terminology, if the competent representatives of the field will not participate. In Lithuania, if scientific publications are of high level they can be used for collection of papers in defending dissertation. Vice Chair asked representative from Latvian Ministry of Education and Science what could be done to promote creating of joint programmes of the Baltic States. It is not only about funding.

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** replied that there is a need to reduce level of regulation. There are too much regulations of joint programmes in the national laws of universities. Also, there is a need to promote cooperation between education quality assurance agencies of the Baltic States, as they have different approaches and opinions.

Acting Deputy State Secretary, Director of Department of Higher Education, Science and Innovation of the Ministry of Education and Science of Latvia **Dmitrijs Stepanovs** agreed with Estonian colleague. However, the most important is necessity of joint programmes. These programmes are not being made to show that states are cooperating, there is a need to cooperate to create better international study programmes.

Chair of the Education, Science and Culture Committee **Dagmāra Beitnere-Le Galla** noted that in 2020 a cooperation agreement of the Baltic States in higher education is terminated. Are the Baltic States going to continue the cooperation in higher education and asked if the agreement between the Baltic States will be renewed?

Director of the Higher Education Department at the Ministry of Education and Research of the Republic of Estonia **Margus Haidak** replied that there is a need to discuss this agreement, but he believes that there is no need for so many framework agreements as the Baltic States needed before joining the EU. Having an agreement without added value is not wise, but there is a need to decide on topics and discuss this issue.

Cooperation of the Baltic States in medicine

Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Regīna Ločmele-Luņova** opened the discussion about cooperation of the Baltic States in medicine by stressing the efficiency of the Committee's work that can be proved in figures. Each country has to face challenges in the field of health care, and nowadays challenges are provoked by globalisation, namely, social, demographic and epidemiologic changes. Challenges in the field of healthcare have to be solved by increasing cooperation of the Baltic States. It is clear that the projects that the Baltic States have carried out jointly decrease costs and increase efficiency. For instance, in the result of joint procurements of vaccines Estonia saved 700 000 euros and Latvia - 500 000 euros. Joint procurements create real possibility for the states to save money and this cooperation must be continued even more actively. This is the right time to broaden the share and the list of medicinal products to be procured jointly as well as medicine for crisis situations and rare diseases. The

cooperation of the Baltic States has improved in the field of organ transplantation as well. In 2019 the Committee also work with the implementation of the digital programme and creation of social and healthcare networks. Joint e-health network of the Baltic States has to be created. There is a need to analyse the experience of the Nordic countries as well as further the innovations in the field of health care.

Minister of Health of the Republic of Latvia **Ilze Viņķele** said that cooperation is very important and there is a need to focus on joint procurements, as there is also a demand from the society. On the basis of the successful previous cooperation the joint procurements can be expanded for vaccines of HPV, Flu and other diseases. It is no secret that different circumstances or outbreak of an illness can create gaps and insufficient supply of vaccines, so there is a need to consider a specific mechanism how countries could help each other in such cases. Opportunities to make a longer list of medicine and medical devices to be procured are being considered. Also, there have been discussions with Lithuanian Ministry of Health about helping each other with expertise and consultations with experts in regard to procurement specifications, so that they comply with the needs of hospitals and medical institutions as well as exclude the possibility of corruption. In the field of pharmacy, all the Baltic States see similar challenges, for example, broader use of generic medicine, vertical integration and its negative impact. In this field exchange of experience and coordination of specific policies might be truly useful. Unfortunately, Estonian colleagues now have postponed a law that would make significant changes in the pharmacy field allowing a pharmacy to be owned only by a pharmacist. Another important issue is medical services in border areas. In Latvia it is topical in Valka and Valga. Also, there it is to need to talk about provision of emergency services and cooperation with Estonia and Latvia in this field. Currently countries are making agreements and discussing specific measures introduced in the hospital of Valka. In the field of disaster prevention and crisis readiness governments of Estonia and Latvia are working on an agreement. Baltic States are introducing measures for a joint training and capacity building for medical personnel. Joint training has the possibility to increase costs efficiency. Also, there is a need to cooperate in e-health systems and data exchange that has already started. Another field of cooperation is organ transplantation. Transplantation Centre of Latvia works with the Donation Institute in Spain and in May 2020 there will be international training for medical staff in the field of transplantation and participants will come from all three Baltic States and Poland. There is good cooperation between Latvia and Lithuania in organ transplantation, but such cooperation cannot be carried out with Estonia as the country has had more progress and it is a part of *Scandiatransplant* network. Joining this network is also the goal of Latvia, so that the process of transplantation is more accessible for inhabitants of Latvia. A matter of especial significance in last months in Latvia is policy to reduce consumption of alcohol, and the Baltic States need to harmonise and coordinate the excise duty so that states do not have to face situations when there are trade wars between countries and in the result there are situations in which Latvia takes a step that is in complete opposition and does not match any of the health recommendations that are known worldwide, namely, decrease excise duty on alcohol. There are complications determining which alcohol is bought for public consumption and which is bought by foreign guests, although data is important in order to analyse consumption of alcohol. Also, it is very important to promote cooperation of the Baltic States in regard to improving public services, for example, hygiene requirements in education institution, beauty salons or other institutions, as well as sharing best examples. Also, there is a need to provide with consulting. It would be useful to promote cooperation between ministries of health of the Baltic States and institutions ensuring the control

of public health areas. There could be specific meetings focusing on topics and analysing specific problems of the Baltic States. Service providers can provide with services in neighbouring countries so cooperation has a cross-border significance. In regard to environmental safety, there is a need to improve cooperation of the Baltic States in management of medical waste.

Minister of Health of the Republic of Lithuania **Aurelijus Veryga** started to talk about cooperation of the Baltic States with cooperation in public health area. Baltic States and their ministers in 2017 have signed a protocol of intent on coordination and cooperation in public health, in particular in alcohol use, tobacco and food related measures. In brief period of time, Lithuania has implemented almost all World Health Organisation (WHO) supported measures to reduce alcohol consumption, such as drastically increase excise duty on alcohol drinks, ban advertisement, increased age limit at which alcohol is being sold and others. Results in one year has surpassed the expectations of Lithuania. In a year consumption has decreased by a litre per citizen. There is another area where coordination is necessary and ministry believes that cooperation in excise duty is important. Isolated decisions in this area create problems for countries, because of the growing willingness and intentions for cross-border movement where excise duty is lower. Lithuania gets 80-million-euro addition to the budget through excise duties on alcohol that has been increased, but hearing that Estonia and Latvia are decreasing this duty Lithuanian public sentiment is to follow this path. It is too hard to debate in such circumstances, although such practice goes against public health targets. Another area of cooperation is purchasing of expensive medication. In 2017 Lithuania and Latvia jointly brought vaccination that allowed to save almost 1,5 million euros. Lithuanian, Latvian and Estonian institutions met to discuss what vaccination they could purchase together. It is much easier for the Baltic States to coordinate joint procurements of vaccines, but much harder to purchase together medication. This situation could be different, but compensation and purchasing mechanisms differ from country to country. Latvia and Estonia should further cooperation with Visegrad group in order to find joint mechanisms to negotiate on buying expensive medication. Baltic States should not limit their selves to the Baltic Region, because huge pharmacy companies have made it clear – markets of Latvia, Lithuania and Estonia are not considered seriously even if they join their forces together. The Baltic negotiations of high prices are not really that important, and states do not even know the real price of the expensive, innovative medications. Price from country to country can rise tenfold. Baltic format should be expanded with Visegrad countries. Another issue where the Baltic States could be effective are rare diseases. There is an agreement between Lithuania and Japanese scientists that study rare diseases. Through them Lithuania is able to diagnose genetic illnesses, as it is extremely rare to have these diseases in a single country. In practice the best way to treat rare diseases is to join the electronic systems ensuring safe exchange of data and ensuring cooperation of medical staff. Also, it would be effective to continue Baltic policy dialogue that started in 2004 with WHO regional office and European Observatory on Health Systems and Policies that meet every year to discuss particular subject. In 2019 the Baltic States met in Estonia to talk about challenges that are met as networks of hospitals have changed. In 2020 the Baltic States will meet in Lithuania and talk about patient security and measures to ensure it.

Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Regīna Ločmele-Luņova** asked to elaborate on the collaboration with the Japanese scientists.

Minister of Health of the Republic of Lithuania **Aurelijus Veryga** explained that Lithuania sends genetic information to Japanese researchers and clinicians that have resources and huge diagnostics database. Till now the researchers have diagnosed eight Lithuanian children with rare diseases, however not in every case a disease is treatable. Sometimes, even the Japanese cannot treat the disease, but at least clinicians do know what kind of disease a child has. This cooperation is based on an agreement between Lithuanian and Japanese ministries of health and an institution AMED. Lithuania does not pay for the diagnostics.

Vice Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Antanas Vinkus** asked what is the opinion of the ministers about obligatory vaccination of children.

Minister of Health of the Republic of Latvia **Ilze Viņķele** said that there cannot be any discussions about vaccination of children, as they have to be vaccinated and research proves that. Taking into account the world-wide experience, vaccination schedule for children should be broadened but with caution as it can create mistrust in society. Vaccination is the best invention of the modern world and has decreased the amount of deaths significantly.

Member of the Economics, Energy and Innovation Committee of the Baltic Assembly **Inga Goldberga** noted that once she was present in a training of emergency services in the border area in Daugavpils and the training went very professionally. It is believed that state funded medications are cheaper in Lithuania than in Latvia, due to the fact that Lithuanian Parliament took an initiative and made changes in legislation in order to change the process of the compensation of medicine, namely, made it public and transparent. This allowed Lithuania to regulate the market, follow the activities and decrease the prices. Member wanted to clarify if the information she has is correct.

Minister of Health of the Republic of Lithuania **Aurelijus Veryga** informed the issue is very board and has many elements. Lithuania prepared and accepted a policy of pharmaceuticals by clearly stating the principles that the country is going to hold onto, for example, seek for generic substitute when it is possible to stimulate decrease of prices as well as increase the competition and everything saved is allocated for compensation of innovative medications. Also, Lithuania changed the regulation of how pharmaceuticals reach the compensation list - previously Lithuania was referring to prices of eight seemingly randomly selected countries, but changed it to the three cheapest ones. Another change – companies now are allowed to enter the compensation list only if the price is not higher than 10% of the cheapest one, previously it was 40%. Lithuania also fixed the maximum co-payments for the patients – previously is was chosen as percentage that was benefiting companies, and after that changed patients in one year saved 15 million euros and the state sickness budget saved 20 million euros. Lithuania introduced so-called “first-prescription” system in which a patient should receive the cheapest generic medicine. However, there are discussions in Lithuania as patients note that they want the freedom to choose. Also, Lithuania now has legislation that allows e-pharmacy to sell prescribed and reimbursed medications through the internet and it will only be allowed to sell the medication through the central portal where every pharmacy has to declare the prices, so that a patient has the right to choose from the list and buy the cheapest medication.

Vice Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Urmis Espenberg** said that during 2020 work on rare diseases and joint procurements will be continued.

Also, new topics will be introduced, such as food safety, labour market, illegal work market, failure to pay taxes, social security as well as resistance of antibiotics.

Vice Chair of the Health, Welfare and Family Committee of the Baltic Assembly **Antanas Vinkus** said that the Baltic States together are much stronger and have achieved results much faster. Baltic States must continue their discussions about transplantation with live donors and other issues as well as in regard to rare diseases. There is a need to revise what a rare disease is, as patients sometimes try to deny the definition. In order to make the work of the Baltic States more efficient, the Chair of the Committee and ministers could arrange three or two meetings after the Session of the Baltic Assembly, because sometimes decisions are made but very little is done about them.

President of the Baltic Assembly **Jānis Vucāns** said that extending the cooperation in healthcare sector is extremely important. Baltic States could continue discussions about wider use of information technologies, make common data basis, antibiotics resistance and other issues.

Continuation of the 38th Session of the Baltic Assembly

President of the Baltic Assembly **Jānis Vucāns** said that cooperation with other organisations is extremely important as well, as by joining efforts there is a possibility to achieve serious results.

Addresses by the foreign delegations and guests

Chair of the Azerbaijani delegation to the GUAM Parliamentary Assembly **Azar Karimli** expressed gratitude for the fruitful cooperation and partnership between the Baltic Assembly and the GUAM Parliamentary Assembly. The GUAM Parliamentary Assembly highly appreciates the firm position of the Baltic Assembly on conflicts in the area of GUAM member states as well as attach great importance to the support of the Baltic States regarding sovereignty and territorial integrity of Georgia, Ukraine, Azerbaijan and Moldova. Members of both assemblies have become partners and friends, as interparliamentary cooperation has created a bridge to friendship. With joint efforts partnership of the GUAM Parliamentary Assembly and the Baltic Assembly will keep moving forward and further serve the aims and objectives of both organizations, thereby promoting peace, stability and sustainable security.

President of the Nordic Council **Hans Wallmark** highlighted that Nordic and Baltic cooperation is flourishing. Baltic and Nordic regions are one of the most integrated regions in the world and it is something countries can be proud of. Safety and security have been key issues for Baltic and Nordic cooperation since the outset, but countries also cooperate on issues such as energy, digitalization, transport, climate change, social issues, research and education. The Nordic Council of Ministers has offices in all the Baltic States, and they work closely with Nordic diplomatic representatives and coordinate joint Nordic initiatives as well as identify trails and opportunities for Nordic and Baltic cooperation. Cyber-threats are increasing problem for civil security and the Nordic-Baltic region has everything to gain by standing united in tackling the new challenges. Nordic and Baltic countries should continually share assessment of threats and the cyber-feed. In regard to digitalization, the governments of the Baltic and Nordic States should not forget about security issues in regard to some suppliers of 5G network. States must coordinate the actions and positions as well as strive to keep each other informed about the development of 5G issues within

the EU and NATO. Baltic and Nordic cooperation contributes to stronger Europe that stands up for its values – democracy, rule of law, equality and human rights.

President of the GUAM Parliamentary Assembly and the Chairman of the Permanent Delegation of the Verkhovna Rada of Ukraine to the GUAM Parliamentary Assembly **Sviatoslav Yurash** expressed his gratitude for the position of the Baltic States in regard to Ukraine's independence, as this position is especially important now when Europe is forgetting that in Ukraine there is still war and people are still dying. Also, Ukraine is now going through extensive reform process in which support and guidance of the Baltic States is the very key. The GUAM Parliamentary Assembly considers the Baltic Assembly a mentor and sees it as an example to follow. The GUAM Parliamentary Assembly wants to learn from the Baltic Assembly. Four states of GUAM have decided to work on a common cyber-security centre and also in this issue the expertise of the Baltic States will be important.

Vice-President of PABSEC **Symeon Kedikoglou** said that the Baltic Assembly and PABSEC have proven to be good platforms for searching for solutions. The Baltic States and countries of the Black Sea Region are distant geographically, however the aims and the mission of the both organisations are close. Both organisations believe strongly that national parliaments play an extremely important role in ensuring peace and stability, respect of human rights, fundamental freedoms and rule of law. Over the years both organisations have proven to be good platforms for discussing and solving problems as well as promoting development and growth in the regions. Strengthening of cooperation and good neighbourly relationships is a way how to ensure peace and stability not only in the regions that the Baltic Assembly and PABSEC represent, but also in Europe and worldwide. PABSEC is open for cooperation with other interparliamentary assemblies. PABSEC consists of 12 countries and a challenge it faces is connected with eight bilateral conflicts between these states. Confrontation yields to nothing for the world, and the seas should not divide but unite. Collaboration is mutually reinforcing.

Chair of the Georgian delegation to the GUAM Parliamentary Assembly **George Mosidze** noted that Georgia and its people have long friendship with the Baltic States, as well as expressed gratitude for agency of the GUAM Parliamentary Assembly and political support of individual GUAM member states. Statements of the Baltic States about territorial integrity and sovereignty of Georgia are of utmost importance. The GUAM Parliamentary Assembly considers the Baltic Assembly as an example and strives to become a similar organisation.

Report of the Budget and Audit Committee

Chair of Budget and Audit Committee **Inga Goldberga** informed that in 2018 parliaments of Estonia, Latvia and Lithuania payed membership in full, so the budget of the Baltic Assembly was 274 140 euros. The main expenditure categories were the Session and the Baltic Council on which there were spent 38 527 euros. The activities of the Presidium were accounted for 11 517 euros, Budget and Audit Committee – 250 euros, international cooperation – 58 279 euros. Another 14 226 euros were spent on informative activities and other events, such as the Baltic Assembly medals, maintenance of the website and basketball tournament. Also 48 797 euros were spent on the Baltic Assembly Prize for Literature, the Arts and Science as well as the Baltic Innovation Prize. The Secretariat of the Baltic Assembly was accounted for 78 706 euros, but another 587

euros were unplanned expenses. The total budget expenditure of 2018 was 250 889 euros, so the planned budget was not exceeded. Costs in the Baltic States are different in regarding services; however, the planned costs were not exceeded.

For the past 11 years the budget of the Baltic Assembly has remained in the same level. The budget for 2020 is 286 465 Euros. The budget is based on the working programme of the Estonian Presidency. Costs of the Session and Baltic Council are planned to be 41 500 euros, Presidium – 15 500 euros, Budget and Audit Committee – 250 euros, international cooperation – 84 880 euros. Informative activities are accounted for 14 235 euros, the Prizes – 50 350 euros, the Secretariat – 79 150 euros. Unplanned expenses are accounted for 600 euros.

Chair of Budget and Audit Committee has been following the budget of 2019 and the budget of the Baltic Assembly has remained the same for many years. However, all the activities can be implemented in great quality although costs are increasing.

With unanimous decision, the Baltic Assembly adopted the following documents of the 38th Session of the Baltic Assembly:

- Resolution of the 38th Session of the Baltic Assembly;
- Final Document of the 38th Session of the Baltic Assembly;
- Decision on the Report on Implementation of the Budget of the Baltic Assembly for 2018;
- Decision of the Budget of the Baltic Assembly for 2020;
- Decision on the Amendments to the Regulation on the Baltic Assembly Prizes for Literature, the Arts and Science;
- Decision on the Leadership of the Presidium and the Committees of the Baltic Assembly in 2020.

Election of the President and Vice President for 2020

Members of the Baltic Assembly unanimously adopted the following leadership of the Presidium of the Baltic Assembly:

- President of the Baltic Assembly Aadu Must;
- Vice President of the Baltic Assembly Valerijus Simulik;
- Vice President of the Baltic Assembly Jānis Vucāns.

Election of the President and Vice President for 2020

Members of the Baltic Assembly unanimously adopted the following leadership of the Committees of the Baltic Assembly:

Economics, Energy and Innovation Committee

- Chair Sven Sester
- Vice Chair Virgilijus Poderys
- Vice Chair Atis Lejiņš

Education, Science and Culture Committee

- Chair Signe Kivi
- Vice Chair Irena Šiaulienė
- Vice Chair Dace Blūze

Natural Resources and Environment Committee

- Chair Erki Savisaar
- Vice Chair Viktoras Rinkevičius
- Vice Chair Ilze Indriksone

Security and Defence Committee

- Chair Urve Tiidus
- Vice Chair Audrys Šimas
- Vice Chair Jānis Ādamsons

Health, Welfare and Family Committee

- Chair Urmas Espenberg
- Vice Chair Antanas Vinkus
- Vice Chair Regīna Ločmele-Luņova

Budget and Audit Committee

- Chair Sven Sester
- Vice Chair Gintaras Vaičekauskas
- Vice Chair Inga Goldberga

Address by newly elected President of the Baltic Assembly for 2020

Vice President of the Baltic Assembly **Aadu Must** highlighted that Estonia will take over the presidency of the Baltic Assembly at a difficult time, when the world is experiencing turbulent changes. Many challenges that arise on international arena put to the test long-standing alliances such as Brexit, migration crisis, climate change and energy problems. Estonian Presidency will work towards finding joint measures to tackle these and other issues, as this is the only way to remain alive. Partnership, togetherness and trust are the very foundation upon which the whole cooperation between the Baltic States is built. The Baltic States are strong when they work and act together. They are partners, who support each other in analysing the problems and finding solutions. Obstacles, hindering our harmonious development, can successfully be removed only if the Baltic States coordinate undertakings pragmatically and implement effective and widely supported decisions at the parliamentary and governmental level.

Strengthening of cohesion, competitiveness and cooperation between the Baltic States and well-being of the people will be in the focus of the Estonian Presidency in the Baltic Assembly. This conceptual approach has led to the formulation of the motto of the Estonian presidency in the

Baltic Assembly - “Partnership. Trust. Future”. The Baltic States are not in a separate world and one of the foundations of their strength is that the Baltic States are full and reliable Members of the EU. Many challenges of the Baltic region are being addressed by the EU. Baltic States are working together with partners to resolve them. However, there are number of issues and hotspots, which are specific to the Baltic States and solving of which requires, first and foremost, knowledge and clear understanding as well as skilful analysis of the regional circumstances and needs of the Baltic States. Some seemingly local problems can affect entire Europe, this in turn requires wider awareness. So, the Baltic Assembly will strengthen its activities in promoting of common positions at the EU level.

The priorities of the Estonian Presidency are 1) Baltic partnership in defence and security; 2) development of energy and transport connection; 3) regional networks in research and education.

Every member of parliament knows that there is a need to solve problems very rapidly. There are two important issues that concern the whole world - digitalization and climate change. These issues are on the agenda of Estonian Presidency in the Baltic Assembly, as the country has good experiences and knowledge in these topics. The list of important topics is long, but not unexpected. Estonian Presidency will focus on the cooperation in digitalization, artificial intelligence and data economy, healthcare and social field, innovation, digital economy, circular economy, climate mitigation, employment, agriculture and other sectors.

During a presidency that lasts only for a year, it is not possible to find a new problem and solve it immediately. Some of the issues have been on the table of the Baltic Assembly for many years and that is normal. For example, until the first train from Tallinn through Riga and Vilnius to European capitals is going to arrive, we will continue to work with “Rail Baltica” project. Similarly, until all three Baltic States will be connected with continental European networks, the issue of synchronizing is going to be on the agenda of the Baltic Assembly. Estonian presidency will also focus on parliamentary oversight in order to make sure recommendations made to the national governments are carried out. Every year the Baltic Assembly is more efficient than the previous one and Estonian Presidency wants to promote this even further.

During Estonian Presidency, there will be work in order to promote closer cooperation between national parliaments as well as with the Baltic Council of Ministers. Also, there is a need to deepen cooperation with the Nordic Council, Benelux Parliament, GUAM Parliamentary Assembly and other parliamentary organisations. Another course of action that also the EU considers important is cooperation with countries of Eastern Partnership. European partners have expressed the large advantage of the Baltic States in regard to the work with Eastern Partnership countries. Baltic States understand the language, history and mentality of these countries. Also, there have been discussions about tightening relationships with Visegrad group.

**Signing of the Final Document
of the 38th Session of the Baltic Assembly**

President of the Baltic Assembly **Jānis Vucāns** announced that the 38th Session of the Baltic Assembly is closed. National delegations were invited for signing the Final Document of the 38th Session of the Baltic Assembly.

President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Vice President of
the Baltic Assembly

Jānis Vucāns
Republic of Latvia

Aadu Must
Republic of Estonia

Valerijus Simulik
Republic of Lithuania

Marika Laizāne-Jurkāne
Secretary General of the Baltic Assembly

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