

Opening Speech by Prime Minister Jüri Ratas

The 9th Annual Forum of the EUSBSR

Prime Ministers of Latvia and Lithuania,

Ministers,

Vice-President Ansip and Commissioner Cretu,

Dear friends of the Baltic Sea cooperation,

Ladies and Gentleman,

I am really honoured to open the European Union Baltic Sea Strategy 9<sup>th</sup> Annual Forum in Tallinn. I am particularly glad that this Forum is back in Tallinn where it started in 2010. I would like to thank all stakeholders of the Strategy for their commitment over 9 years. I would also use the opportunity to thank all the partners of the Forum – Baltic Development Forum, European Commission, European Regional Development Fund and many others. Thanks to your constant work and daily input and the enthusiasm of the organisers of this event, I can greet here today such a large audience.

Dear audience,

The Baltic Sea Strategy is the EU at its best. It is about concrete projects and actions close to the people and it is about implementing EU policies. For Estonia and other small EU member states, most of the challenges have strong cross-border element. For example, issues concerning environment protection of the Baltic Sea or transport networks around it we can solve only together. Or, seven countries of the Strategy beside Estonia represent more than half of our goods and services exports.

Regional cooperation is and remains a priority for Estonia. There are multiple regional cooperation formats in Baltic Sea Region. Better coordination, division of labor and avoiding duplication are the aspects we have to work on. Regional cooperation must be focused on real results and real benefits. We have to explain it better to our people in order to involve as many active participants as possible.

The main aim of the Forum today is to discuss the future of our region and of the Strategy after 2020. I would like to address in my remarks the following aspects: the digital cooperation, environment and new EU financial framework,

Dear Ladies and Gentlemen,

In a modern world there is a lot we can do together to make this region move more dynamically and become economically more competitive. From the changes within the last decade, we can see that the digital transition is radically changing almost every part of our lives. When looking to the future we can see that the speed of

change is increasing. In order to collect the dividends of this industrial revolution and make the everyday lives of our citizens better we need to move together. We need to speed up and improve cooperation. We as a region have a unique opportunity globally: to become the model for digital governance.

The digital change is transforming the mobility with self-driving cars. The artificial intelligence is redefining almost all interactions in our everyday life. These are just some examples why we need to embrace these radical changes together.

In order to boost the cooperation on the digital agenda, we need to create a place where not only the Baltic Sea connects people, but also data streams flow between government authorities in a seamless way. It is only when the data can move around in a trusted, transparent and when needed, private way – we truly embrace the new society. The data flows need to be opened up for various different cross-border services. Take for instance medical prescriptions – every citizen should have the possibility to go to a pharmacy in its neighbouring country and receive the medicine prescribed by own doctor in a person's home country.

Finland and Estonia have already united their governmental data exchange systems and we are testing out several business models. From exchanging tax data to medical data - the possibilities are endless. I invite all countries to join in in this data exchange project coordinated by the Nordic Interoperability Solutions and let's build a new standard for eGovernance.

Dear guests,

Our common Baltic Sea is one of the world's largest brackish water bodies with an extremely fragile ecosystem. We have to step up our efforts regarding environment. As can be seen from the recent Status of the Baltic Sea assessment, our sea is not in a good shape. The situation of the sea is not good because of us. Therefore, continued efforts to reduce the environmental impacts by agriculture, industries, maritime transport or fishing and aquaculture are still needed. As a positive step forward, just a few months ago, in March, the Ministers of the Environment and High-Level Representatives of the nine Baltic coastal countries and the European Union endorsed a ministerial declaration to improve the status of the Baltic Sea. With the declaration, all Baltic Sea countries commit to implement the Baltic Sea Action plan. In order to move towards the 2021 goal to restore the ecological balance of the sea we have to intensify our efforts, especially as regards the efficient use and management of nutrients, building up a system to fight against the marine litter and finding measures to reduce the discharges of hazardous substances.

*Honourable participants,*

The next EU multiannual financial framework reflects changed circumstances and new priorities. It foresees increase in funding for digitalization, research and innovation, youth and education, internal and external security, migration and

defence. These areas are vital for more competitive, integrated and secure Europe. I am happy to see that transport and energy also remain prominent priorities because these are very important for our region. I hope that Rail Baltic, connecting the Baltic States with the rest of Europe, will be ready and operational by 2026. I would like to see our energy systems to be synchronised with Europe as soon as possible. These are important projects not only in terms of connectivity or economy but also in terms of regional security.

Due to Brexit, the decrease of the budget was expected. However, it seems that the cuts proposed in two major policies of the EU, namely cohesion policy and common agricultural policy, are too large. Although many regions have been developing rapidly, also in our region, they are still far from EU average level of economic development. The size of cuts proposed could harm the overall competitiveness of the EU. Regarding common agricultural policy, the direct payments per hectare still differ a lot between Member States while the aim is to ensure equal market conditions for farmers.

Cohesion funds remain a key source for investments to address development needs and achieve long-term national and EU objectives. As needs differ in regions, the scope of cohesion policy should remain wide. There should also be more flexibility for regions to decide in which areas EU funding would address best the main

bottlenecks for development. It is also important that maritime cross-border programmes would continue.

As a Member State that has endlessly emphasised the need for simplification in implementing cohesion policy, we are glad to see many proposals that make the use of funds simpler for all sides.

To conclude,

There are many good examples of the positive developments in our region and in areas covered by strategy. There are around a hundred flagship projects and Estonia is active participant in many of them. Pollution of our sea has slowed down and it means progress towards cleaner beaches and healthy fish. Our rescue services are better prepared for joint actions during natural disasters and accidents. The use of energy is much more efficient and the role of renewable energy increases. The results are based on agreed joint policies and joint national actions. We need more of it. Strategy should have more focus on real important issues where joint efforts would bring clear added value.

Still, the challenges remain. We have to work towards how to better integrate the strategy into other EU policies giving it a marco-regional dimension and how to embed the Strategy into EU funding especially looking into the new EU multiannual financial framework.

I wish you interesting, fruitful and useful discussions which will hopefully lead to new ideas, new contacts, new projects and result in a better life in our region.

Thank you for your attention.