



BALTIC EU CONVERSATIONS 2021

Is Europe Getting Better?

12 March 2021

KEYNOTE CONVERSATION ON THE EU'S TRADE POLICY between

- **Valdis Dombrovskis**, Executive Vice-President of the European Commission, EU Commissioner for Trade
- (and) **Margarita Šešelgyte**, Director of the Institute of International Relations and Political Science of Vilnius University

The following recommendations were suggested:

- National governments must not hesitate to provide support to the economy and entrepreneurs. European governments must work hard to ensure the funding that is available under the EU Recovery and Resilience facility is injected into European economies without delay. The EU needs to adopt clear decisions on sustainable investment projects and complete reforms for their implementation.
- The European Union's new trade strategy can do even more if member states work together to harness Europe's powerful potential. It is important to develop the internal market while continuing to remove the barriers that still exist, especially in the service sector. The European Union should have a well-developed system for security, education, and skill acquisition among the population, as well as for scaling up and improving those skills throughout their working lives.

PANEL CONVERSATION: "EUROPE AFTER A STRESS TEST FOR DEMOCRACY" among

- **Vita Anda Tērauda**, Chair of the European Affairs Committee of the Parliament of the Republic of Latvia
- **Valdis Zatlers**, former President of the Republic of Latvia
- **Johannes Pollak**, Rector of Webster Vienna Private University, Chairman of the Institute for European Politics (IEP) Board of Directors
- **Sandra Dias Fernandes**, Professor at the University of Minho, Portugal
- (and moderator) **Kai-Olaf Lang**, Senior Fellow of the German Institute for International and Security Affairs (SWP)

The following recommendations were suggested by the panel:

- European society should be a protector and a rule maker in the virtual space (in possible cooperation with the United States), taking the parameters that are created for democracies in the real world and applying them to be functional in the digital world, redesigning virtual public spaces in order to ensure democracy and prevent polarization. Particularly important for the European Union is to strongly stand for the freedom of speech, respect differences of opinions, avoid the overuse of political correctness and the practice of double standards, and not narrow the virtual area in order to make democracy more resilient.
- To appropriately overcome the COVID-19 crisis, the member states of the EU have to focus on the equality of the member states. The rule of law as a fundamental value must be properly exercised, and not only guaranteed by the EU law, but also enforced by the EU under the supervision of the European Commission, even if its implementation is connected with a different type of crisis.

PANEL CONVERSATION: "REANIMATING THE EUROPEAN ECONOMY IN A CLIMATE-CHANGE AWARE ENVIRONMENT" among

- **Andrius Kubilius**, Member of the European Parliament, former Prime Minister of Lithuania
- **Céline Gauer**, Director-General and Head of the Recovery and Resilience Task Force of the European Commission
- **Zoltan Pogatsa**, Assistant Professor at the University of West Hungary (University of Sopron)
- **Mārtiņš Āboliņš**, Senior Economist at Citadele Bank
- (and moderator) **Inna Šteinbuka**, Chairwoman of the Fiscal Discipline Council of the Republic of Latvia, professor at the University of Latvia

The following recommendations were suggested:

- All of the EU's member states should contribute to plans for a green recovery in the fight against climate change – it shouldn't be just another pot of money. These plans must reflect the consistency of the policy and apply a combination of reforms and investment, where skills development will be very important in the digitalization of the economy, establishing a green economy, and reducing CO₂ emissions.
- The EU needs a new scale. The European Union must be prepared for a globalized and simultaneously polarized future world, where member states must come to understand that no one can survive alone, not even advanced and experienced states such as Germany or France.

EFPI/ICDS PARALLEL PANEL CONVERSATION: "IS EUROPEAN STRATEGIC AUTONOMY GROWING STRONGER?" among

- **Urmas Paet**, Member of the European Parliament, former Minister of Foreign Affairs of Estonia
- **Zanda Kalniņa-Lukaševica**, Parliamentary Secretary (Vice-Minister) of the Ministry of Foreign Affairs of the Republic of Latvia
- **François Heisbourg**, Senior Advisor for Europe at the International Institute for Strategic Studies (IISS)
- **Hans-Christian Hagman**, Senior Advisor and Head of Strategic Analysis at the Swedish Ministry for Foreign Affairs
- (and moderator) **Kristi Raik**, Director of the Estonian Foreign Policy Institute

The following recommendations were suggested:

- The pandemic has shown that Europe needs strategic autonomy. It is important to strike a balance between a liberal trade approach (staying open for trade) and a sense of protectionism (having effective tools to protect Europe's economic interests). Europe needs to be more resilient to possible future disruptions, for example, in the field in healthcare, equipment, and pharmaceuticals.
- There is no other security provider for Europe than NATO. European defense initiatives should be developed in addition to Europe's own efforts within NATO. It is very important to ensure military mobility across the continent and to be prepared for hybrid and cyber threats at the EU level. It is necessary for European Union to restore transatlantic leadership as an engine for positive global change.
- EU defense policy initiatives need to be designed in a way that complements NATO, not competes with it. It is necessary to account for trends in various dimensions – from security to finance, from trade to digital technologies. The

European Defense Union and the European Defense Cooperation should become part of the digital economy.

IIRPSV PARALLEL PANEL CONVERSATION: "WHAT IS THE TEMPERATURE OF THE EUROPEAN NEIGHBOURHOOD POLICY?" among

- **Arnoldas Prancėvičius**, Vice-Minister of Foreign Affairs of the Republic of Lithuania
- **Lolita Čigāne**, former Chair of the European Affairs Committee of the Parliament of the Republic of Latvia
- **Joanna Hosa**, Deputy Director of Wider Europe Programme at the European Council on Foreign Relations (ECFR)
- **Arkady Moshes**, Director of the EU's Eastern Neighbourhood and Russia Research Program at the Finnish Institute of International Affairs
- (and moderator) **Ramūnas Vilpišauskas**, Jean Monnet Chair Professor at the Institute of International Relations and Political Science of Vilnius University

The following recommendations were suggested:

- It is necessary for the Eastern partnership region to receive encouragement and support. The European Union should be more consistent and patient while pushing and rewarding reforms in these countries (such as accountable, democratic, functional institutions; state courts; media; the rule of law and the fight against corruption), rethinking its toolkits in terms of motivational carrots during the process of difficult transformation. The EU must be prepared for the economic gap between the European Union and its Eastern neighbors to widen significantly after the end of the pandemic.
- This year's Eastern partnership summit must provide a clear political perspective for the countries of the region on how to move closer to the EU as well as set new practical goals for long-term cooperation. To intercept the initiative and achieve greater success in the Eastern partnership region, the EU must revise its agenda to make it more ambitious and must be prepared for a geopolitical conflict with Russia.

LIIA PARALLEL PANEL CONVERSATION: "ARE THE CONSTANT CRISES TOUGHENING UP THE EUROPEAN UNION?" among

- **Mihails Kozlovs**, Member of the European Court of Auditors
- **Lucia Mokra**, Professor, Comenius University, Bratislava, Chairperson of the Board of Trans European Policy Studies Association (TEPSA)
- **Antoinette Primatarova**, Programme Director on European Union, Centre for Liberal Strategies

- **Rem Korteweg**, Head of the Europe in the World unit, Clingendael – the Netherlands Institute of International Relations
- (and moderator) **Kārlis Bukovskis**, Deputy Director of the Latvian Institute of International Affairs, Fulbright Fellow at the Johns Hopkins University SAIS

The following recommendations were suggested:

- When it comes to external crises, European Union member states can use the so-called “Barnier method”, which is based on the experience of the unique but successful Brexit negotiation process. Namely, Michel Barnier and his task force were given a very robust yet flexible mandate by member states to work on this particular topic and, very importantly, to reach out and keep national governments involved in what they were doing.
- A major test and new potential crisis in the field of economic and financial policy in the coming years would be the moment when the EU needs to withdraw its support packages.
- There should not be double standards when it comes to a crisis. When crisis hits, the very existence of the European Union institutions is questioned, while at the same time people demand solutions from the EU. The existence of nation states is not questioned during crisis.

CLOSING KEYNOTE CONVERSATION ON THE EU'S FUTURE AND PLACE IN THE WORLD between

- **José Manuel Durão Barroso**, Chair of Gavi, the Vaccine Alliance, former President of the European Commission and former Prime Minister of Portugal
- (and) **Edijs Bošs**, Associate Professor at the Faculty of European Studies of Riga Stradins University

The following recommendations were suggested:

- The existence of European interests must be recognized and defended both from the inside and from the outside. Any political project, such as European Union, needs political support, so it is important to explain to the European population that the EU is not a state, but a special union, where the member states share part of their sovereignty to achieve something more in the world.
- It is important to maintain a certain level of trust between the main players on global topics such as public goods, health, climate protection, peace, financial stability or the fight against terrorism. China is one of the two most important powers in the modern world. It is impossible to isolate China. China is important for global growth, including European interests, in terms of trade and climate change. The EU should establish a functioning common policy towards China while maintaining preferential relations with the United States.

- European civilization cannot be conceived of without Russia. The EU has to define its position and establish dialogue with Russia, and it should be firm on some fundamental issues while at the same time allowing cooperation with Russia on other issues.



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