

Charting the Baltic course towards EU Enlargement

Recommendations for Baltic and European Policy Makers

These recommendations were developed by three working groups of Baltic researchers and civil society representatives who gathered at the first Baltic Event on EU Enlargement in Riga in May 2024.

EU enlargement represents a historic opportunity to secure the place of Ukraine, Moldova and the Western Balkans (as well as potentially Georgia) in the European space of rule of law and democracy, while eliminating the 'grey zones' at the EU's borders that can be exploited by Russia. The Baltic States have much to gain from the enlargement, however, their contribution to the enlargement debate – and the debate on European institutional reform that is closely linked to it – has been modest to date.

The goal of the event was to develop a common Baltic brief for the way forward on EU enlargement, which resulted in collaborative development of these recommendations, taking into account the insights of EU policy experts who contributed to the event.

The recommendations for Baltic and European policy makers are subdivided into three thematic areas: Geopolitics, Rule of Law and Economy.

Experts who provided their inputs in the panel discussions prior to the development of these recommendations:

- **Funda Tekin**, Director, Institute for European Politics, Berlin
- **Ian Bond**, Deputy Director, Center for European Reform
- **Kārlis Bukovskis**, Director, Latvian Institute of Foreign Policy
- **Ambassador Jānis Bērziņš**, Ministry of Foreign Affairs of the Republic of Latvia
- **Ambassador Erik Marmeï**, Estonian Embassy in Latvia
- **David Ilmar Lepasaar Beecher**, Lecturer in Political Thought and Cultural History, Johan Skytte Institute of Political Studies
- **Justinas Mickus**, Researcher, STRATA, Lithuania
- **Maria Golubeva**, Head of the Board, Baltic Initiative on EU Reform.

I. Geopolitics

*Recommendations of the Working Group,
chaired by Kārlis Bukovskis, Latvian Institute of International Affairs*

EU enlargement policy and external influence factors

- *Baltic and other EU policy makers should respond more actively to external influences seeking to derail EU enlargement processes in the Eastern Neighbourhood.*

While EU enlargement is often viewed in geopolitical terms, as a way to eliminate grey zones that allow hostile actors such as Russia to have influence in the European neighbourhood, the enlargement itself is threatened by these external actors.

Internal dynamics within the EU, such as opposition from individual member states like Hungary, cannot be fully divorced from external influences, including hybrid threats and information manipulation.

While the rising popularity of far-right ideologies contributes to narratives opposing EU enlargement, this is not a purely domestic phenomenon, but rather an amalgamation of domestic trends and external influences. Russia is particularly active in attempts to

undermine liberal democracies, but also China exerts a significant influence through its economic cooperation policies. As a case in point, the government of Georgia's divergence from the path of EU integration hinges on improving economic relations with China and Russia, treated by the government as de facto geopolitical and economic partnership alternatives.

Restoring EU appeal to reinvigorate the enlargement process

- *To revitalize the enlargement process, the Baltic States must call on the EU to reaffirm its foundational values and address both internal and external concerns effectively*

The EU's challenges do not necessarily signify a failure or a loss of its magnetic appeal. The EU still represents a vision for a brighter future, especially as national governments face criticism and frequent public disappointment. To revitalize the enlargement process, EU Member States should address internal opposition to

EU enlargement, speaking directly to citizens' concerns, while also countering the influence of external actors and ensuring that aspiring member countries align with EU values. By doing so, the EU can restore confidence in its mission and continue to attract nations seeking stability, prosperity, and democratic governance.

Moreover, it is essential for member states, including the Baltic States, to critically engage with the EU, ensuring that their national interests are protected while identifying also common EU interests. This balanced approach can help maintain the EU's appeal and effectiveness as a union.

In the candidate countries, the EU should avoid to be seen as merely a financial resource as, eventually, it may exhaust itself, offering no long-term economic benefits. Stability and political liberty within the EU are great guarantees to individuals - if the government fails to offer protection, the EU steps in to secure your rights and rectify the state's mistakes. The EU could also enhance its appeal by adding the defense dimension through stronger common security policy.

- ***Better communication and public information campaigns are needed to inform citizens in candidate countries about the EU's support and development efforts.***

While the EU provides a framework for cooperation and support, individual countries bear responsibility for their internal affairs. To strengthen the appeal of EU enlargement, it is crucial not only to invest in initiatives that visibly benefit the public, such as infrastructure projects, but also to communicate this

contribution strategically and effectively. A significant issue is the lack of awareness among candidate country citizens about the EU's contributions. For example, in Serbia, China and Russia are often perceived as the primary donors, despite their relatively minor contributions compared to the EU.

Maintaining EU accession criteria

- ***EU accession criteria should balance strategic flexibility with maintaining the EU's core values and standards. The EU needs to adopt a more assertive stance, ensuring that funding is contingent on tangible steps towards alignment with the Union's standards.***

The EU's accession criteria were established in the 1990s to provide a clear framework for integrating post-Soviet countries, ensuring that new members align with the Union's values and standards. While these criteria have served an important purpose, there is a growing debate about their relevance and rigidity. Relaxing these criteria could facilitate faster accession for countries like Ukraine, which may not fully meet all requirements but are strategically and politically significant.

However, this approach risks undermining the principles that the EU stands for, potentially compromising the integrity and cohesion of the Union. Moreover, countries with less stringent and value-based requirements, like Russia and China, can offer aid without the

same expectations, making them appealing alternatives to the EU.

This highlights the importance of balancing strategic flexibility with maintaining the EU's core values and standards. The EU should enhance its communication efforts, emphasizing the long-term advantages of joining the Union beyond immediate financial aid. Ultimately, while there may be a case for adjusting the criteria to reflect current geopolitical realities, any changes should carefully consider the implications for the EU's values, unity, and long-term stability.

Allowing candidate countries to join the EU involves a complex balance of strategic interests, values alignment, and trust. While countries are sovereign and free to choose their alliances, the EU must ensure that its standards and values are upheld by potential new members.

The Baltic States should advocate a principled, criteria-based approach to support mechanisms for candidate countries. Funding for candidate countries should come with clear conditions that require alignment with EU values and policies. This could mean reducing or withholding aid if a candidate country is not making the necessary reforms or aligning its policies with the EU.

- ***Both internally and externally, the EU needs to develop strategies that could enhance the appeal of democracy.***

Enhancing the appeal of liberal democracy should become a crucial task of EU strategic communication both domestically and when engaging with candidate countries. The attractiveness of democracy can be communicated in contrast to authoritarian and

populist trends, through diversified leadership appeal, ensuring multiple viable leaders rather than dependence on a singular charismatic figure. This approach strengthens the essence of freedom of choice within democratic systems.

II. Economy

Recommendations of the Working Group on the economic aspects of EU enlargement, chaired by Konstantin Ionatamishvili, European Initiative - Georgia

Scenario-based impact assessments

There are no rigorous calculations available on how the EU enlargement will affect the Baltic economies. Such calculations are impeded by lack of clarity on (1) length and outcome of the Russian invasion in Ukraine, and (2) the speed, sequence and conditions of the accession process. Scenario-based impact assessments should be developed and clearly communicated to stakeholders in the Baltic countries, with support from the governments. Synergies between the business community, think tanks, and public administration is needed in order to develop effective impact assessments and strategies.

Representing the common interests of the Baltic States

Baltic States' economic interests would be reflected more fully in EU policies on

enlargement if the Baltic States establish a closer cooperation and a joint business interest lobby in the EU candidate countries. The Baltic businesses may wish to create partnerships with Baltic diaspora entrepreneurs elsewhere in the EU to target EU Candidate countries' markets. That could also serve as a push to revisit the effectiveness of current diaspora policies (the economic pillar).

Ukraine Recovery

According to According to the European Investment Bank chief Werner Hoyer, Ukraine may need as much as 1 trillion EUR (\$1.1 trillion) in outside assistance to recover from the damages inflicted by Russia's invasion. Baltic countries have a greater socio-cultural understanding of Ukraine than some of the other EU Member States. This implies that the Baltic States have a large potential both to contribute to and to benefit from cooperation with Ukraine on recovery projects.

Digital Services

EU Candidate countries such as Ukraine and Georgia have been ahead of Latvia and Lithuania in terms of e-governance solutions and one-stop government service agencies. Baltic States which also have high levels of digitalization, e-governance and cyber security should look for synergies in Ukraine, Moldova, and (in the event of its return to the EU path) Georgia: joint initiatives to exchange experience and develop new products.

The accession of these countries to the EU will facilitate the development of EU domestic digital solutions with combined expertise and experience of these countries. It is crucial for the EU to rely on domestic digital solutions which would enable secure exchange of information and services. Continued hybrid attacks in the cyber space have provided the Baltic States, Ukraine, Moldova, and Georgia with unique experience which could be used for the benefit of EU digital security solutions.

Energy

It is crucial for the EU to continue to diversify its energy market, make the supply lines more resilient, and advance green energy solutions. Ukraine, Moldova, and Georgia have

geographical environments where solar, wind, and hydro energy production solutions could be tested and advanced.

Using the Connecting Europe Facility and other resources should enable the construction of - and access to - additional storage facilities, infrastructure renewal and new construction, as well as development of green energy. The energy security of the Baltic States can be improved by the development of energy infrastructure in Ukraine and Moldova, as well as in other EU candidate countries.

Ukraine and Moldova participate in the EU's fund Connecting Europe Facility (CEF) which prioritizes connectivity/logistics, digital services, and energy. Georgia does not participate in CEF at this stage. This means that while Ukraine and Moldova are on their EU integration path, they can already draw on EU funds to improve connectivity in these areas with the rest of Europe.

Transport and Logistics

Continued development of logistics routes connecting the Baltics to the Black Sea and the Mediterranean Sea would increase the traffic of goods in the North-South direction, bringing Baltic countries closer to Asian and African markets.

Existing logistics projects such as ZUBR container railway (promoted by Latvia, connecting Latvian and Ukrainian ports) and VIKING (promoted by Lithuania, also

connecting to Ukrainian ports) need to reflect new geopolitical realities and adapt to ways of bypassing Belarus. The RAIL BALTICA project would offer an alternative to route goods via Poland to Ukraine and further (Moldova and Georgia have also been participating in these projects). The Three Seas Initiative can also offer alternative routes, particularly with accession of Moldova and Ukraine.

Agricultural policies

Ukraine's accession to the EU will serve as an additional push to revise grain production policies in EU Member States. That is an opportunity to refocus the Baltic agriculture to increase its competitiveness and sustainability rather than continue with current ways of grain production subsidized by the EU. Ecological agricultural production should be one of the priority areas where the Baltic countries could also share expertise with - and use business opportunities in - the EU candidate countries. That could also include "green recovery" of Ukraine.

III. Rule of Law

*Recommendations of the Working Group on Rule of Law,
chaired by Sigita Struberga, Latvian Transatlantic Organisation*

Judiciary reforms in candidate countries

In Ukraine as in Moldova, despite considerable progress in terms of the countries' commitment to the rule of law, courts of law do not enjoy universal trust. Judiciary reforms have not yet been fully successful. In the case of Ukraine, public trust in an independent court system may prove crucial after new elections after martial law is over.

For that trust to be present, the European Union must do more to support the actual implementation of judiciary reform without relaxing its criteria of success. Honest discussion of shortcomings of reform implementation should be part of the friendly pressure that EU can and should exert.

Baltic States have a record of successful development of independent judiciaries, and they are already sharing this experience with candidate countries, but more can and should be done in this direction.

Public administration reforms in candidate countries

The transparency in public administration reforms in Ukraine is still limited in terms of the alignment of actual decisions on reforms with the criteria set out in the EU integration process. In Moldova, public administration reforms are slowed down by lack of human resources. In both countries, NGOs need to have a more structurally defined role in decision-making processes. Progress of digitalization for better access of citizens to public services has been exemplary in Ukraine, but in Moldova it still faces many challenges.

The Baltic States should leverage their good reputation in Ukraine to promote a more EU criteria-driven and more transparent approach to public administration reforms. While ad-hoc assistance to public institutions in Ukraine to overcome the immense challenges caused by Russia's aggression is important, overall the approach to support for national and regional authorities should be more strategic and pursue goals that are always aligned with EU accession, including good governance and participatory approach to decision making at all levels.

In both Moldova and Ukraine, Baltic expertise in public administration reforms should be used more broadly, and in order to deploy it, the Baltic States should advocate for more cooperation supported by the EU.

Human rights

The Baltic States should continue to support Ukraine in enabling effective persecution of war crimes committed by Russia, and in finding an international mechanism to return the victims of child deportations.

At the same time, continued attention should be given to support the development of effective mechanisms to protect the victims of gender-based violence, and to improve anti-discrimination legislation in all candidate countries, but especially in Ukraine and Moldova.