



REPUBLIC OF ESTONIA  
PRIME MINISTER



Prime Minister of the Republic of Latvia



PRESIDENT OF THE REPUBLIC OF LITHUANIA  
DALIA GRYBAUSKAITĖ

15. February 2018

Dear colleagues,

In Bratislava, Malta, Rome and Tallinn we, the Heads of State and Government of the EU, set the aim for our common future in the European Union. We are confident that we have the capacity to achieve a vision of an attractive value-based EU that citizens can trust and support. We have agreed to tackle people's concerns about security challenges, migration and economic and social insecurity. At the EU's 60<sup>th</sup> anniversary summit in Rome, we committed to work towards common objectives, firm in the belief that Europe's future lies in our own hands and that the EU is the best instrument to achieve our objectives.

We believe in a strong and stable EU. Less Europe is not an option. The multiannual financial framework with adequate volume should play a more crucial role in reinforcing the strength and unity of the EU, reaffirming the common European values and goals set in the Treaties. It is vital that the EU fulfils the obligations it has taken in the Treaties. The Baltic States are convinced that to achieve our common objectives, the Union's resources should be above 1% of EU 27 GNI. We are prepared to discuss ways to maintain the level of the current multiannual financial framework, even after Brexit, by increased contributions and possibly new own resources to the EU budget.

The EU budget must look into the future and help us become future-proof, with strong focus on investments promoting productivity, competitiveness, convergence and connectivity of the EU and its Member States in a globalised world. We agree that we must not do cuts at the expense of our common future. Therefore, we support the idea that funds directed towards research, innovation and youth should not be reduced and that cohesion and agriculture should be sufficiently funded in the future budget. In addition, our future will be digital and this dimension should be well-reflected in all policy areas of the budget. Furthermore, the Baltic States consider it vital that the future multiannual financial framework focuses on:

- Connectivity, since without it the EU's four freedoms, the single market, our economic aims (including that of convergence and territorial cohesion) and political integration would be just empty shells. In Rome we agreed to work towards a strong, connected and developing single market, embracing technological transformation. We need to continue developing transport and energy networks, digital infrastructure and services and connect different parts of the EU to each other, including connecting the energy and transport islands as well as ensuring that our infrastructure is fit for dual use. The multiannual financial framework should provide stability and clarity for

reaching these strategic goals and continuing such projects as synchronisation of Baltic States to European energy market and completing a missing rail link connecting three Baltic States to the rest of Europe.

- Promoting convergence, economic resilience and catching-up in regions and Member States as it creates preconditions to the functioning of the single market and the Economic and Monetary Union. Cohesion policy should remain one of the key EU investment policies with adequate funding. It should be strongly linked to the European Semester process with strengthened national ownership and implementing of structural reforms. Cohesion policy funds should foremost be focussed on less developed regions. In addition, we should ensure that structural support for regions is phased-out gradually as they converge.
- Creating a level playing field and equal competition conditions for farmers across the EU single market. For that, we need to complete the convergence of common agricultural policy's direct payments. The direct payments for the Baltic States' farmers are among the lowest in the EU and remain considerably below the European average. This is not sustainable, given that we are facing almost the same costs and challenges across Europe. Rural development policy should be further encouraged to boost viability, innovation, competitiveness and employment of agriculture and rural areas.
- Ensuring that challenges related to migration, internal and external security, protecting EU external borders, fighting terrorism and strengthening common security, including cyber, and defence are addressed. Support to stability, security, state building and governance reforms in the EU neighbourhood, including eastern neighbourhood, should be targeted by a separate neighbourhood instrument. We must have the resources needed to respond to the concerns of the citizens and achieve a safe and secure Europe, stronger on the global scene with a more stable neighbourhood as set out in the Rome Declaration.

We are looking forward to the discussions in the forthcoming summit under the Leader's Agenda, started in Tallinn. We are certain that with the future EU budget we will put our common priorities into action.

Yours Sincerely,



Jüri Ratas  
Prime Minister  
Republic of Estonia



Māris Kučinskis  
Prime Minister  
Republic of Latvia



Dalia Grybauskaitė  
President  
Republic of Lithuania