



Latvijas Republikas Valsts prezidenta kanceleja Prezidenta preses dienests

Pils laukums 3, Rīga-50, LV-1900, tālr. 7092122, fakss 7320404,
prese@president.lv, www.president.lv

Address by the President of Latvia, H. E. Dr. Vaira Vike-Freiberga, at the Black Diamond, Copenhagen, 29 March 2001

Integration and Security in Europe From the Latvian Perspective

Excellencies,

Friends,

Ladies and Gentlemen,

I am delighted to be addressing you in Copenhagens Black Diamond, which is a veritable treasure house of culture and knowledge. This architectural masterpiece is sure to inspire many a Latvian, as we prepare to erect our own new National Library building in Riga. Riga, I might add, has a long history of trade and maritime links with Denmark. It is celebrating its 800th birthday this year, and I invite you all to join in this summers anniversary festivities.

It is a particular pleasure to talk with people who have proven to be true friends of Latvia, not only in words, but also in deed. We in Latvia remember with deep gratitude Denmarks crucial support during our peaceful Singing Revolution against the totalitarian rule of the Soviet Union. Already in 1990, Denmarks former Minister of Foreign Affairs, Mr. Uffe Ellemann-Jensen, and the editor-in-chief of the newspaper Politiken, Mr. Herbert Pundik, had the courage and the initiative to raise more than 1 million DKK for the creation of the Danish Culture Institute in Riga and the Baltic Information Centre in Copenhagen.

For over a year, the Danish Culture Institute served as Denmarks unofficial embassy in Riga, while the Baltic Information Centre in Copenhagen served as a platform for Latvia, Estonia and Lithuania to plan and co-ordinate their diplomatic efforts in Europe, and to gain further Western support for the reestablishment of their independence. These Danish-funded institutions facilitated the return of the three Baltic countries to the fold of Europes democratic nations. Since the reestablishment of Latvias independence a decade ago, Denmark has continued to be a friend and ally upon which Latvia can rely. The ties of affinity and partnership that link our two small Baltic Sea nations have matured and strengthened. Our co-operation is now based on common interests that focus on the development of a stable and secure region of prosperous countries. We are moving towards these aims both by cooperating bilaterally and by working within the framework of regional and international organizations.

Ladies and gentlemen,

The significant political and practical support from Denmark has been of tremendous help in realizing Latvias crucial social and economic reforms, which have led to an incredible transformation in the country. In ten short years, we have managed to rebuild a functioning free-market economy from the ground up and are now experiencing one of the fastest GDP growth rates in Europe. Last year, for example, our economy grew by over 5 per cent and we expect this pace of growth to continue.

Meanwhile, Latvias annual inflation rate has been among the lowest in Central and Eastern Europe, at just over 2 percent. Our national currency has been stable for several years running and our foreign debt rate is well within Maastricht standards. We have

nearly completed the privatisation of our national enterprises and have streamlined our national legislation in accordance with the European Unions *Acquis communautaire*.

I am pleased to say that despite its relatively small size, Denmark was Latvias second largest contributor of bilateral assistance in 1999, and this close co-operation at the government level has been accompanied by considerable private investments. With nearly 300 Danish-funded enterprises operating in the country, Denmark is Latvias largest foreign investor. Denmark is also among Latvias 10 top import and export partners, and the volume of trade between our two countries is continuing to increase.

Ladies and gentlemen,

Aside from its economic accomplishments, Latvia has also experienced significant transformations in its social sphere. We have successfully reinstated a democratic political system and individual liberties after fifty years of totalitarian rule. And we are well on the way of integrating the non-citizen population left as a heritage from the years of Soviet occupation and forced industrialization. Since 1998, any legal resident who passes the naturalization boards language and history exams can acquire Latvian citizenship. Our policy is to encourage Latvias non-citizens to make a choice and a commitment to an independent and sovereign Latvia. The door is open.

Over 40,000 people have become naturalized Latvian citizens, and many of them voted in the municipal government elections that took place earlier this month. Latvias inhabitants, regardless of their ethnic background, are ready and willing to participate in the countrys political processes. Over 60 percent of the countrys electorate cast their votes in the most recent elections, and this, in my opinion, is clear evidence that Latvia is consolidating a civic society.

Here again, Danish government assistance has been put to good use in the establishment of Latvias Non-Governmental Organization, or NGO Centre. A strong NGO sector is crucial for productive social and political dialogue in any country.

Ladies and gentlemen,

Denmark has also provided development assistance to Latvia in other fields, including the public and financial sectors, social welfare, and the environment. This assistance has helped Latvia to consolidate its security, its prosperity and its potential for growth in the future. Latvia wishes to be an active participant in Europes decision-making processes, and has set three principal foreign policy goals to further its integration into European and international decision-making bodies.

We wish to become members of the European Union, we wish to become members of the NATO Alliance, and we wish to promote closer co-operation among the countries of the Baltic Sea region. All three dimensions of integration are mutually complementary and equally important. By becoming full-fledged members and equal partners in the EU and in NATO, we will ensure that we sit at the table when important collective decisions are taken. The Europe of tomorrow is being shaped today. We wish to be part of that shaping process.

We are most grateful to Denmark for its active support in promoting the early entrance of the Baltic countries into both the European Union and NATO, such as the public declaration earlier this month by Denmarks Prime Minister Poul Nyrup Rasmussen. This affirmation that Denmark will take the initiative to ensure that all three Baltic States are admitted to the EU during its next round of enlargement was most welcome.

While Latvias accession negotiations with the European Union have lasted just over a year, we have made great strides in catching up with those candidate states that began negotiations two years earlier. We really are moving on the fast track and are making supreme efforts to ensure that we are party to the next wave of enlargement.

At this particular period of the EUs Swedish presidency, we are entering the most decisive period of our accession negotiations. We are addressing the most difficult issues, which include the environment, interior affairs and justice, as well as agriculture. Nevertheless, Latvia is determined to conclude accession negotiations by the end of next year, during Denmark's presidency. Indeed, it is my sincere hope that Latvia will become a full-fledged member of the European Union in the year 2004. As long as the EU accession process remains an individual one and is based on the proper merits of each candidate country, Latvia and its two Baltic neighbours have a real chance of being among the next member-states of the European Union.

Ladies and gentlemen,

Although membership in the EU will open up new opportunities for co-operation and development, it will not fulfil our security needs. With a past such as ours, is it any wonder that security should be high on our agenda? Every sovereign nation is and should be serious about its security. In the case of the three Baltic countries, their accession to NATO will finally bring about a just and lasting order in a united and free Europe. It will finally put an end to the last sequels of the Second World War.

The principal *raison d'être* of NATO is deterrence and defence. Our countries wish to become members of NATO for the very same reasons that its current members wish to remain members of NATO. NATO has served them well. It has served them so well, that more and more countries have been joining the Alliance, in successive waves of enlargement. We want to be part of the next wave, and we want to be ready when it comes.

We are not asking for any favours. We are not looking for a free ride. We are serious in our commitment to play our part in ensuring peace and stability on the eastern shores of the Baltic Sea. We are serious in our dedication to the principles of freedom and democracy that the NATO Alliance has pledged to defend. Latvia has made a firm commitment to steadily increasing its defence budget, which has risen at an annual rate of 30 % during the last three years, and which is to attain 2% of our GDP in the year 2003. We are ready to assume our share of NATO's common responsibilities and burdens.

The NATO Membership Action Plan is and has been a crucial instrument in guiding our progress. Step by step we have been advancing. Year by year we have been progressing. We are also actively participating in NATO's *Partnership for Peace* programme. Together with troops from Estonia and Lithuania, Latvian soldiers are working under Danish command to maintain the peace in Bosnia-Herzegovina. Denmark has also been an ardent supporter of several joint Baltic defence projects, including the Baltic Battalion (BALTBAT), the Baltic Defence College (BALTDEFCOL), the Baltic Air Surveillance Network (BALTNET), the Baltic Naval Squadron (BALTRON) and the Baltic Security Assistance meeting (BALTSEA).

An essential dimension of our NATO candidacy is the transatlantic link, our particular partnership with the United States, an important friend and ally. In this context, the US-Baltic Charter on Partnership has been especially beneficial and we certainly wish to see it continue.

Ladies and gentlemen,

NATO has declared an open door policy. When that door opens next, at the Prague summit of 2002, we want to be ready to enter. We trust that the decision on which countries to admit during the next round of enlargement will not be based on historical or geographical considerations, but rather on the practical defence capabilities of each candidate country.

We trust that the NATO member-states, and only the member-states, will be the ones to take that decision. No country not part of the Alliance should be able to determine who is admitted, and who is not. Both these important principles have been asserted in a variety of official pronouncements, and we trust that they will indeed be followed when it comes time

to apply them in practice.

In the time remaining until the Prague Summit, both NATO member-states and NATO candidate countries have to stress again and again that this is not an offensive but a defensive Alliance. NATO in its current form, without the Baltic States in it, is not a threat to Russia. The small countries of Latvia, Estonia and Lithuania, either now or in the future, are not a threat to a large nuclear power such as Russia. There is no possible logic and no possible arithmetic that could create a threat to Russia out of the three Baltic countries becoming members of NATO. The presence of prosperous, stable and secure EU and NATO partners on Russias western border will actually help, rather than hinder Russias interests.

As a future member of the European Union and NATO, Latvias relationship with Russia will inevitably evolve within that international context. I am firmly convinced that this will create a new basis for our improved relations, which are sure to be mutually beneficial if carried on in a pragmatic and sensible way.

The Council of Baltic Sea States has been a farsighted Danish and German initiative intended to facilitate co-operation among all of the countries surrounding the Baltic Sea, including Russia. In many ways, thanks to the drive and commitment of such distinguished statesmen as Uffe Eleman Jensen, this unique institution has been successful.

Ladies and gentlemen,

For fifty long years, the Baltic Sea served as a dividing line between the free and the oppressed, between the haves and the have-nots. Now, for the first time, we have the opportunity to turn the Baltic Sea region into a wealthy, stable and secure area in the northern part of Europe. We have the opportunity to turn the Baltic Sea region into one of the most dynamic areas of economic activity on the European continent.

The increased integration and cooperation of the Baltic and Nordic countries within a unified group of eight countries known as the NB 8, or Nordic-Baltic 8, is a political reaffirmation of our shared goals and values. It is sure to stimulate the growth potential of the Baltic Sea region, not least because it foresees a close relationship based on an equal footing between all eight countries. The upcoming meeting of parliamentarians from the Baltic Assembly and the Nordic Council in Riga later this spring will provide yet another promising opportunity to intensify our cooperative efforts.

The Baltic Sea region is an area of strategic opportunities where economic wealth, long-term prosperity, security and stability are within our reach. Such initiatives as the Baltic Development Forum will help to ensure that the Baltic Sea region is a globally competitive and dynamic part of the world economy. The Baltic Development Forum is already serving as a framework for entrepreneurs and decision-makers in the generation and encouragement of ideas, as well as for the establishment of a business network around the Baltic Sea.

Knowledge and information are becoming increasingly important commodities as prerequisites for success in an increasingly competitive world. With the ongoing technological revolution and increased globalisation, the high value-added sectors of the economy, such as information technology, biotechnology, and pharmaceutical production can be decisive for a countrys economic success. In the case of Latvia, we are planning to build on our strengths in all of these sectors, such as our traditions in organic chemistry, which go back to the end of the 19th century.

Each of the Baltic countries has something of value to offer not only to the Baltic Sea region, but to Europe as a whole. A joint Latvian and Danish initiative, for example, foresees the foundation of an Information Technology College in Riga, which would serve to generate a talented pool of IT specialists, and help to place the Baltic Sea region at the vanguard of European high-tech development.

Ladies and gentlemen,

Latvia and Denmark face many practical challenges, the most evident of which is creating competitive and flourishing economies, decreasing unemployment and steadily raising the standard of living of all our people. And in this new age of globalisation, an additional series of serious challenges confronts not only Latvia and Denmark, but all of the countries in Europe. Most notable among these are environmental pollution, disease (both animal and human), organized crime and terrorism. These are problems that know no borders, and therefore must be dealt with in close transnational cooperation.

Latvia and Denmark already share a lengthy tradition of commercial, cultural, and educational ties that go back several centuries. As friends and as allies, we are building our common future together. Europe our common home is a unique place, where so many nations with different cultural, political, and historical experiences are learning to live together peacefully. Enlarging the fold should not be seen as endangering the advantages that the EU and NATO members have managed to achieve. Every country is a piece of our Continent, and Europe is made the greater by including us all.