



Latvijas Republikas Valsts prezidenta kanceleja Prezidenta preses dienests

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Address by H. E. Vaira Vīķe-Freiberga, President of the Republic of Latvia, to the foreign diplomatic corps in Riga January 19, 2007

Your excellency, Minister of Foreign Affairs,
Your excellency, Dean of the Diplomatic Corps,
Excellencies,
Ladies and gentlemen,

I am truly pleased to welcome you here in Riga Castle for this annual gathering of the foreign diplomatic corps in Latvia, an event I always look forward to. As many of you are aware, January is a month when Latvians commemorate a number of important events in their history. Sixteen years ago this month, the people of Latvia erected barricades in Old Riga and elsewhere in the city – to defend their right to liberty in a non-violent manner against a totalitarian regime.

January 26 also marks the 86th anniversary of Latvia's *de jure* recognition by the international community. Those who stood at the barricades so courageously in 1991 held the firm conviction that Latvia's statehood, which was first established in 1918, had never been legally terminated, and that it was their sacred duty to help Latvia arise anew after decades of subjugation. This firm belief had been supported throughout those years by the refusal of most countries to recognize the illegal incorporation of the Baltic States into the Soviet Union. We shall never forget this steadfast position of the international community, which made it so much easier for Latvia, Estonia and Lithuania to re-enter the world stage.

Latvia along with her Central and Eastern European neighbours have achieved a great deal since they shook off the shackles of communist totalitarianism. During the past few years, Latvia has experienced an impressive phase of steady economic development. Last year's GDP growth rate is expected to have reached 12%, which is one of the highest growth rates in the world and currently the highest in Europe. At the same time, this rapid growth has been coupled with high inflation, which reached 6.8% in 2006. Latvia's government will have to work hard to stem this inflationary pressure, which is limiting the benefits that our people can reap from their country's continued development, and which is preventing us from fulfilling the criteria for joining the euro zone. Joining the Schengen agreement is another priority for my country, but here we are right on track and expect to be fully ready for it when the time comes.

Regarding domestic issues, last year's parliamentary elections confirmed the stability and maturity of Latvia's political system. The elections brought no major surprises from populist "miracle-makers" and for the first time in Latvia's recent history, the coalition government that had been in power before the elections could continue its work with minor changes and additions.

As in the past, Latvia is continuing its policy of social integration. The number of non-citizens who decide to take advantage of our fair and straightforward naturalization process continues to increase steadily year by year. By now it has decreased to just over half of what it was 11 years ago. It is also encouraging to note that ethnic issues had little prominence during the parliamentary election campaign, and that the population was more concerned with economic issues and questions of social security.

Excellencies,

We can look back on a year during which we had the honour of receiving State visits by two reigning monarchs, Her Majesty Queen Beatrix of the Netherlands in the Spring, and Her Majesty Queen Elizabeth II of the United Kingdom in the Fall. These were exciting occasions for all our officials as well as for our whole population, who fell under the regal charm of both queens.

Latvia was proud to host two significant international events last year. In May, Riga hosted the World Ice Hockey Championship – which was won by neighbouring Sweden. During these exciting days, we had the pleasure of receiving many happy fans from many countries, while Latvian fans could display their unparalleled enthusiasm for the game of hockey and for their national team in their own capital city.

Less than two months ago, Riga had the honour of hosting the NATO Summit 2006, where 26 Heads of State and Government discussed the security challenges of our day and age. Never before had Latvia seen such a large gathering of world leaders. To the satisfaction of all participants, the Riga Summit achieved its goals – a number of important initiatives were unveiled, the NATO Response Force was declared fully operational, NATO's presence in Afghanistan was strengthened and the message that NATO's doors remain open to other countries was reiterated in a clear manner.

Both of these occasions demonstrated Latvia's ability to host and organize major international events and I am fully convinced that these successes will encourage other international bodies to organize their events in Latvia.

This year Latvia holds the presidency of the Baltic Council of Ministers, the Baltic Assembly and the Council of Baltic Sea States. We have been preparing ourselves seriously for these responsibilities and have decided to place particular emphasis on energy issues, education, and the competitiveness of the region as our priorities.

Excellencies,

The 50th anniversary of the Treaty of Rome provides a good opportunity for the EU's member States to reflect on the EU's accomplishments and to ensure that the European project remains a success story. One major challenge is the lack of progress on the EU Constitutional Treaty. We place our hopes on the German presidency to provide the necessary guidance for finding a way out of the current impasse. It is ironic that the EU faces this crisis of trust from its people at a moment when a record number of Europeans are benefiting from an unprecedented level of integration at all levels.

On behalf of the Latvian people, I should like to express our warmest welcome to Romania and Bulgaria as the two newest member States. Having experienced for ourselves the benefits that membership can bring, we will continue our principled support to other candidate countries that are committed to meeting the EU's accession criteria.

Latvia wholeheartedly supports the European Neighbourhood policy as an important tool for bringing the know-how of democratic governance and economic reforms to countries that are interested in obtaining this experience. Within the framework of this policy, we strongly support increased EU cooperation with Georgia, Moldova and Ukraine. These countries are also important bilateral cooperation partners for Latvia and priority countries for our development assistance. I am particularly pleased to welcome the ambassador of Moldova, who presided over the opening of his country's embassy in Riga in 2006.

Latvia is a strong proponent of a Common Foreign and Security Policy for the EU. Energy security is another vital issue and underscores the need for a common European energy policy. This entails a common approach *vis-à-vis* energy suppliers, the diversification of our sources of energy and the augmentation of our storage capacity for crisis situations. The recently unveiled electrical power cable between Estonia and Finland is a step in the right direction for connecting the EU countries in a more unified network. Work should continue on fostering a broader usage of renewable energy sources, as well as the more

efficient use of energy.

Latvia is pleased to note that the German presidency will seek to develop a coherent EU strategy for Central Asia. This would be a qualitatively new step for developing the EU's relationship with the countries of this important region, which we would like to see as friends and partners of the EU.

Last year also marked new possibilities for developing our relations with the Russian Federation, which is an important political and trading partner for both Latvia and the EU. The Prime Minister of Latvia met both his Russian counterpart and the President of the Russian Federation, Mr. Vladimir Putin. The first President of the Russian Federation, Mr. Boris Yeltsin, was presented with Latvia's highest State award, the Three Star Order. The visit of the Patriarch of the Russian Orthodox Church, His Holiness AlexyII, to Latvia was a particularly moving event, the first such visit in the 900-year history of the Orthodox Church in our country.

Work also advanced on practical issues. After a long intermission, Latvia and Russia signed two intergovernmental agreements. I hope that our two countries will be able to achieve additional agreements in 2007, including a border treaty, and that our relations will continue to improve. In regard to the border treaty, I have already expressed support for the recent initiative of Prime Minister Kalvītis, who will be seeking the endorsement of the Latvian Parliament for signing the treaty. The point of this endorsement is to ensure that the Prime Minister's proposal fully respects the internationally recognized principle of the continuity of the Latvian State and is in accord with our Constitution.

The developments in Belarus in 2006 have unfortunately not brought progress with respect to democratic change, but we remain convinced that this is bound to happen sooner or later. Latvia looks forward to the day when all of its neighbours will have democratic systems of governance, free and fair elections and media free from political control.

Excellencies,

This year will mark 85 years of diplomatic relations between Latvia and the USA. I had the honour and rare privilege of addressing the United States Congress in June of 2006 and of welcoming the President of the United States to Riga for the second time in as many years. Our political relations are excellent, but our economical relations need to be strengthened. In addition, I do hope that visa requirements will soon be abolished for Latvian citizens who wish to travel to the United States as they are for other EU countries. The same can be said of Canada, another important friend and ally of Latvia and her Baltic neighbours, which I had the pleasure and privilege of visiting on an official State visit. For my family, and me, it was a moving experience to revisit places where we had spent so much of our lives.

The maintenance of strong transatlantic links is vital for both Europe and North America. By working closely together, our countries can mitigate such common security threats as terrorism and the spread of weapons of mass destruction. And by adopting a coordinated stance we can have a truly positive impact on resolving crises in different parts of the world, including the Middle East.

In Lebanon, the government needs the support of both Europe and North America, as well as the constructive involvement of Syria for achieving stability.

The painstaking work that has been invested in achieving a durable peace between the Israelis and the Palestinians must continue in earnest, despite a number of discouraging developments that have taken place over the past year. We hope that the current ceasefire between the two sides will be upheld and that the search for long-term solutions will be continued on the basis of dialogue.

The situation in Iraq has become particularly alarming. While some degree of progress has been achieved in certain areas, the dream of a stable, democratic and secure Iraq governed by Iraqis seems like a more distant reality than it did a year ago. Nevertheless,

and despite the fact that two Latvian servicemen recently lost their lives, Latvia will maintain its involvement in Iraq in 2007. We foresee a gradual phasing out of our presence there, as Iraqi government forces take over the responsibility for their own country's security. The troops that we withdraw from Iraq will be sent to bolster peacekeeping operations in Afghanistan.

In 2006, the Iranian authorities continued to challenge the international community by going forth with their uranium enrichment program and by preaching Holocaust denial. UN Security Council Resolution 1737 on Iran, which was adopted just before Christmas, has shown the readiness of the international community to address the issue jointly and steps up pressure on the Iranian authorities to engage in a meaningful dialogue.

Excellencies,

As you know, last autumn I submitted my candidacy for the post of the UN Secretary General. I should like to express my special appreciation to the Governments of Estonia and Lithuania for proposing my candidacy jointly with Latvia. I felt it as a moral obligation to provide a genuine and qualified alternative – a woman and an Eastern European – neither of which have ever been in this post or even been proposed as candidates for decades. I was satisfied with the strong support that my candidacy received at the Security Council. At the same time, I was fully aware of the wish of a large group of countries to have a representative of Asia in the post, and I have personally pledged my full support, as well as that of my country, to the new Secretary General, Mr Ban Ki-moon.

Despite the immense efforts that have been invested in the reform of the UN over the past years, only limited progress has been achieved. The disappointing start of the Human Rights Council shows a dangerous precedent, where well-intentioned changes have not brought greater unity among the UN member States. The world and its most disadvantaged need a United Nations that is strong and credible. Our countries must all work together to strengthen the UN.

Excellencies,

This is the last time for me to be addressing the annual New Year reception of ambassadors accredited to Latvia, as the eighth and final year of my presidency is entering its second half. As President of the Republic, it has been my privilege to be at the head of a country that has undergone so many fundamental changes, achieved such impressive progress and participated in so many events of historical importance. With the help of its international partners, Latvia has achieved two of its most important foreign policy goals during that time, becoming a full member State of the EU and NATO.

Accession to these two organisations represented a new beginning for my country, which obtained new rights as well as new obligations. Latvia is committed to increasing its involvement in multilateral endeavours to make this world a better place, including peacekeeping operations, wherever they may be required. We also see it as our moral duty to pass on our successful reform experience to other countries that are still undergoing change.

Over the course of my presidency, I have benefited from the professionalism, diplomatic skills, and I dare say the friendship, of the Ambassadors of many countries. I am grateful to each and every one of you for your dedication to the advancement of the relations of your countries with Latvia. In concluding, may I wish to all of you a successful and happy New Year, as well as peace and prosperity to your nations and you all.