

European interview
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"Russia's aggressive revanchism towards Ukraine has paramount impact on Europe's security as a whole".

Interview with Laimdota Straujuma, Prime Minister of Latvia.

1. The 4th Summit of the Eastern Partnership launched in 2009 took place in Riga in May. Given the importance of the present situation on the Union's borders in the East, how do you review this Summit and what will the major strategic focus be over the next few months?

The Riga Summit was successful and it reaffirmed the Eastern Partnership (EaP) policy's strategic role for both the European Union (EU) and partner countries. The Riga Summit confirmed that the EU and its partner countries are interested in further cooperation and that the EaP objectives are still valid.

The EaP will remain a single and inclusive platform with advanced differentiation of the EU's relations with each partner. We shall work in close cooperation with the partners to maintain unity.

The Riga Summit confirmed our commitment to support the implementation of the Association Agreements and DCFTA that will play an important role in the future development of the EaP and, at the same time it provided for a further individual approach in relations with those partner countries which prefer a less ambitious level of cooperation with the EU.

The Riga Summit sent out a strong message to the people of Georgia and Ukraine that visa liberalization will come in the near future, provided that their governments fulfil the remaining recommendations to finalise their respective Visa Liberalization Action Plans (VLAP).

Looking at the EaP in the future it is important

to have a focused and meaningful agenda for a further development of the multilateral cooperation which will continue to keep the Eastern partnership together.

The Riga summit has established four priority fields of cooperation until the next Summit in 2017: strengthening institutions and good governance, mobility and people-to-people contacts, market opportunities and interconnections.

In the future

The EaP should remain an attractive framework for cooperation for all partners. For the EaP's future development it is important to continue further differentiation, with a flexible individual, supportive approach.

We are committed and have a common interest to continue developing strengthened, closer, differentiated relations together with our partners:

- a) by supporting the implementation of the EU and Georgia, Moldova and Ukraine AA/DCFTA and, encouraging the completion of the ratification processes by those who are still working on it,
- b) by developing new a legal framework with Armenia and Azerbaijan,
- c) and by continuing a critical engagement policy with Belarus.

Progress regarding mobility matters between the EU and partner countries would be mutually beneficial, especially in terms of people-to-people contacts. In this regard it is important to complete visa liberalization with Georgia and Ukraine swiftly and continue working with other partners.

The Eastern Partnership's visibility should be

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increased and shared ownership strengthened. In this respect it is important to maintain a high level of active engagement on the part of civil societies.

We stress that the Eastern Partnership is not directed against anyone and is designed to promote relations with the neighbours of our neighbours. At the same time it should not be done at the expense of the EU's decision-making sovereignty or that of our partners.

The current situation in the region and the discussions over the Riga Declaration also reveal the necessity to strengthen the EaP partners' security capabilities and improve its resilience, which we should bear in mind while developing our partnership further.

2. Developments in the Ukrainian crisis as well as Russia's threatening stance have brought the issue of the European Defence Policy back to the table. How do you see this?

Russia's aggressive revanchism towards Ukraine, including the illegal annexation of Crimea 15 months ago, as well as the continuous deviance from previously agreed rules have paramount impact on Europe's security as a whole.

Latvia's Presidency of the Council of the EU, both in its preparatory phase as well as over the last six months, devoted much attention and effort to supporting the EU High Representative and strengthening resilience of the EU members and partners against emerging and hybrid threats of war.

Therefore, since the inception of the strategic review process Latvia has supported the review of the 2003 European Security Strategy. We have organised seminars, conducted formal and informal meetings and we have used every opportunity, during bilateral and multilateral meetings, to contribute to generating consensus on this issue. As a result, Latvia was more than delighted by the consensual decision taken at the June European Council to draft the first ever EU global strategy on foreign and security policy issues in time for June 2016. This will allow the EU to assess transformations in the strategic security environment and recalibrate our

tools and policies to generate greater EU clout on global affairs and ensure that Europe is whole, free, and at peace once again.

Russia's actions have also served as a catalyst for our Presidency to initiate EU work to counter hybrid warfare threats and challenges. In this regard, the March European Council bid the formation of a special task-force, which developed an Action Plan on strategic communications to counter Russia's propaganda and disinformation campaigns in time for the June European Council. Moreover, the May Foreign Affairs Council (Defence) and the June European Council tasked all relevant EU bodies to develop a joint framework for countering the hybrid threats.

We believe that the EU should put greater focus on developing situational awareness, early warning and response capabilities, in close cooperation with NATO but autonomously when necessary, to respond to a wide range of challenges stemming from both the Southern and Eastern neighbourhoods. Finally, this was also why both the May FAC and the June EC meetings were used to recall the need to develop ever-closer ties between the EU and NATO regarding hybrid threats, and beyond.

3. What are the results of the Latvian Presidency of the Council of the EU? What are its successes? Which points was it not possible to complete and why?

My list of achievements are EFSI, the general approach on Data protection regulation, the Telecom Single Market regulation, the agreement in the Council to start negotiations on an inter-institutional agreement and keeping the Eastern Partnership well on track. But first and foremost – our main achievement concerns the involvement of our people. Preparing the presidency and conducting it enabled the development of knowledge, skills and abilities of all Latvian civil servants and other persons involved. After the presidency we will be more competent to deal with everyday issues at both EU and national level.

4. Regarding "Competitive Europe" a great deal of progress has been made such as with

the investment plan for example. Germany, Spain, France, Italy, Luxembourg, Poland and Slovakia have announced their contributions to the EFSI. What about Latvia? Is your country intending to contribute to this??

The European Fund for Strategic Investment (EFSI) agreement is one of the greatest achievements of the Latvian Presidency. We did our best to reach a consensus amongst the EU Member States and then with the European Parliament to provide the necessary legal basis for the Fund to start operating this autumn already.

Latvia is also doing its own homework in terms of the broader use of EFSI financing – we have tasked our National Promotional Bank "Altum" to be a contact institution for cooperation with the EIB to promote EFSI financing opportunities. Our institutions are seeking new prospective projects to submit to the EIB for EFSI financing. Our National Promotional Bank is ready to explore ways of participating in the Investment Plan at the investment platform level in cooperation with the EIB.

5. Other issues deserve to be explored further such as for example Energy Union or the completion of the Single Market. What in your opinion are the next strategic stages to complete regarding these issues?

The establishment of Energy Union and a proper start to the implementation of the strategy was one of the main priorities of Latvian Presidency in the energy sector.

We started the Riga process to establish Energy Union by organising an open exchange of views at a high-level conference in February. This allowed the Commission to define the strategy, incorporate views of stakeholders and Member States at the very beginning of the process before publication of the communication.

When the Energy Union was established and endorsed by heads of State and government, it was important to launch the implementation process correctly. Latvian Presidency pursued this direction and in June the Council adopted implementation conclusions with

a particular emphasis on empowering consumers and attracting investments. This reflects the main aim of action implementation as suggested by the Strategy – to give EU consumers (households and businesses) secure, sustainable, competitive and affordable energy.

Currently Energy Union still has to be implemented. From the Latvian perspective we have to deepen and develop the following axes further – consumers, investments and governance. Firstly, the core of the EU energy policy should be consumer interests. Secondly, investment climate and access to financing in the energy field are crucially important for the implementation of all five dimensions of Energy Union. Thirdly, to make all the ideas work there is a need for a reliable and transparent governance system.

6. On 15th June the 28 Justice Ministers agreed on the regulation regarding data protection and now negotiations can start with the Parliament on this legislative text. What will this text really bring in terms of protecting the data of European citizens and businesses?

On 15th June 2015, the Council reached agreement on a general approach on the general data protection regulation that establishes rules adapted to the digital era. The twin aims of this regulation are to enhance the level of personal data protection for individuals and to increase business opportunities in the Digital Single Market.

Personal data protection is a matter that concerns us all. It is a fundamental right since the right to the protection of personal data is closely related to the right to privacy.

With the world becoming more digitalized, more personal data is processed and as a result the need for personal data protection has increased immensely. To adjust to today's digital challenges we require a new legislative basis that would better serve the needs of people and those of the industry – new legislative instruments that would help to resolve litigation among data owners and users. It has to ensure that data is processed lawfully, fairly and in a transparent manner.

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Strengthened data protection rights give data subjects more control over their personal data:

- easier access to their data.
- more detailed information about what happens to their personal data once they decide to share it: data controllers must be more transparent about how personal data is handled, for example by informing individuals about their privacy policy in clear, plain language.
- a right to erasure of personal data and «to be forgotten», enabling anyone for example to require that a service provider remove, without delay, personal data collected when that individual was a child.
- a right to portability enabling easier transmission of personal data from one service provider, for instance a social network, to another. This will also increase competition among service providers.
- limits to the use of 'profiling', i.e. automated processing of personal data to assess personal aspects, such as performance at work, economic situation, health, personal preferences etc.

The Regulation also provides a possibility for the data subject to receive compensation from the controller for damages suffered as a result of data processing which is not in compliance with the Regulation.

To ensure improved legal redress, data subjects will be able to have any decision taken by their data protection authority reviewed by their national court, irrespective of the Member State in which the data controller is established.

A single set of rules, valid across the EU and applicable both to European and non-European companies offering their on-line services in the EU will prevent conflicting national data protection rules from disrupting cross-border exchanges of data. Moreover, increased cooperation between the supervisory authorities in the Member States will ensure coherent application of those rules throughout the EU. This will create fair competition and encourage companies, especially small and medium-sized enterprises, to get the most out of the Digital Single Market.

The one-stop shop is a new tool creating one cooperation mechanism for the data protection authorities. Three principals were incorporated into this process – legal certainty, proximity to data subjects and jurisdiction of data protection authorities. So each individual will be able to submit a claim to the data protection authority in his country and obtain a decision from it, even if the controller is from another country. This principle will be applied to companies also. In transnational cases where several national supervisory authorities are involved, a single supervisory decision will be taken. This one-stop-shop will also allow a company with subsidiaries in several Member States to limit its contacts to the data protection authority to the Member State where it is established.

7. In terms of your Presidency which made the digital industry one of its priorities, does the strategy presented by the Commission on 6th May seem adequate? Do you think an agreement might be found notably with the Member States over issues such as geo-blocking, copyright and even the "ambitious revision of European telecommunication regulation?"

On 6th May, the Commission adopted a Digital Single Market (DSM) Strategy setting out a list of targets, including the review of the telecoms regulatory framework. Latvia considers it important to continue work towards the overall goal of increasing the competitiveness in the telecoms sector, at the same time providing maximum benefits for every-day consumers. The Commission's proposals regarding the improvement of the telecoms sector are ambitious enough given that some elements (e.g. spectrum management, regulatory fragmentation) have already been addressed and rejected during negotiations over the proposed Telecom Single Market regulation. Hence it is important to learn from these lessons.

During the Latvian Presidency the Member States demonstrated a great spirit of collaboration and we reached agreement with the European Parliament on the Telecom Single Market regulation in the night of 30th June.

The issue of geo-blocking is a complex one and covers a wide range of policy areas including copyright, consumer protection, parcel delivery aspects, etc., which involves the varying interests of market participants and is linked to the regulatory differences in the Member States' national legislation. The in-depth impact assessment is crucial for the identification of practices, which are considered to be unjustified and which should be expressly prohibited so that EU consumers and businesses can take full advantage of the single market in terms of choice and lower prices. We look forward to seeing how this issue will be tackled and reflected in the upcoming Commission's legislative proposals.

In regard to geo-blocking in terms of digital content, during the European Council of 25th 26th June 2015 it was concluded that action must be taken to guarantee the portability of and facilitate cross-border access to online copyright protected material, while ensuring a high level of protection of intellectual property rights and taking into account cultural diversity, and helping creative industries to thrive in a digital context. We hope that these guidelines provided by the leaders of the European Union will serve as a basis for further agreements and decisions to be taken by the Member States on such important issues as copyright and geo-blocking related access to creative content.

8. Your priority of "committed Europe" notably planned for the conclusion of the TTIP negotiations by the end of June 2015. But the postponement of the resolution vote on 11th June at the European Parliament proves that this deadline will be difficult to meet. What solutions do you think might be found to overcome the main stumbling blocks? When might the ratification of the TTIP be planned?

The Latvian Presidency made every effort to achieve substantial progress in the TTIP negotiations. Talks on the TTIP gained new momentum during our Presidency – not only at the negotiation table, but also in terms of transparency and engagement with stakeholders and public.

An initial level of political will to reach a comprehensive

agreement was maintained on both sides of the Atlantic. In the EU, institutional discussions on the TTIP have become very inclusive, thereby enhancing active involvement of the European Parliament that is working on recommendations. If there is approval, it will considerably strengthen the EU's position in the TTIP negotiations. On the other side, in the US, the Trade Promotion Authority (TPA) was granted to the President, providing him with the authority to negotiate international trade agreements that will anchor political engagement. During the G7 Summit at the beginning of June, state leaders reconfirmed their commitment by assuring progress in negotiations to reach agreement preferably by the end of this year.

Significant work has been undertaken during our Presidency to reform the investment protection mechanism. The Council discussed the concept of ISDS reform presented by the Commissioner Malmström, which might serve as a strong basis to achieve a balanced reform acceptable to all stakeholders.

In the upcoming 10th round of the negotiations, it is crucial to address technical issues so that the political assessment of the negotiations can be undertaken after the summer break for us to be able to move towards a conclusion of negotiations during President Obama's term in office.

9. The European Council of 25th and 26th June was intense with the presentation of the Presidents' Report, the negotiation of an agreement with Greece, demands made by Britain, the Franco-German proposal for greater euro zone integration and migratory issues on the agenda. What is your opinion of the real results produced by this Council?

The European Council was dominated by long and conflicting discussions on migration, mainly – the relocation and resettlement of refugees. The heads of State and government confirmed the voluntary approach and participation by all Member States in relocation and resettlement, and tasked the Luxembourg presidency to continue discussions towards a decision in July. The European Council

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also agreed on a list of measures to prevent illegal migration, which is endangering people's lives—to strengthen the return and readmission policy and actions, to enhance cooperation with countries of origin and the transit of migrants and to include the EU development policy.

Taking into account recent dramatic changes to the security situation in Europe, the EC tasked VP/HR, in close cooperation with the Member States, to prepare a new EU global strategy on foreign and security policy issues by June 2016 and agreed on the main elements to be addressed by the strategy. The European Council also concluded the annual cycle of the European Semester by endorsing Country Specific Recommendations, welcomed the Digital Single Market Strategy and pointed out the

measures to be specifically and rapidly addressed and took note of the 5 Presidents' Report on the deepening of EMU.



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