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The Three Seas Initiative after the Riga summit: a new status of cooperation with Ukraine and the support of the United States

On June 20-21, 2022, Latvia organized the 7th summit of The Three Seas Initiative (3SI). Riga emphasized the intra-EU and transatlantic dimension of the format. The first of them was reflected in the decision not to include Ukraine in the Three Seas Initiative, but to grant it a special status of a participating partner. The second is the declaration of the American support for the Three Seas Initiative Investment Fund (3SIIF) with the amount of USD 300 million, which is an important signal for global investors in the context of the increased investment risk of the countries in this region.

A new status of cooperation with Ukraine. The Riga summit was held in the shadow of the ongoing Russian-Ukrainian war. A breakthrough in politics was the regulation of relations between the 3SI countries and Ukraine. Different scenarios were considered: from fully participating in this initiative to becoming an observer ("IEŚ Commentaries", no. 619). Despite the confirmation by President Volodymyr Zelensky – during his remote speech at the summit – of interest in active participation in the Three Seas Initiative, Ukraine was not included in this format. Instead, it was decided to create a special, new type of partnership – a participating partnership – aimed simultaneously at all countries in the region aspiring to join the EU. According to the declarations of the summit participants, the countries that will have or will be on the way to obtain the status of candidate for the EU will also be able to obtain the partnership status under the 3SI.

In the joint declaration adopted at the summit on June 20, it was recognized that the Initiative should be a platform supporting the reconstruction of Ukraine. The readiness to involve this country in the implementation of infrastructure projects in the region was maintained. The topic of helping Ukraine was also an important point of the 3SI Business Forum, whose guest of honor was the vice-president of the Ukrainian Supreme Council, Olena Kondratiuk. A special place in the debate was also occupied by the issue of solving the food crisis caused by the blocking of Ukrainian ports on the Black Sea. Support for Ukraine's pro-European ambitions was also maintained. In addition, further support was declared for efforts to bring the Western Balkans closer to the EU. President Andrzej Duda announced that his Slovenian counterpart, Borut Pahor, had requested support for Bosnia and Herzegovina's efforts to obtain EU candidate status. Moldova's and Georgia's applications for EU membership were also welcomed.

The support of the United States. The Latvian vision of the Three Seas Initiative was dominated by a pragmatic approach, focusing on economic cooperation. In this context, the declaration of the American agency DFC (U.S. International Development Finance Corporation) on a capital commitment in the Three Seas Initiative Investment Fund in the amount of USD 300 million, which was announced during the 3SI Business Forum by its president – Scott Nathan, should be treated in terms of success. On the one hand, it strengthens the transatlantic links with the Three Seas Initiative region, and on the other, it is an important signal for global investors in the context of the current geopolitical situation of the Three Seas Initiative countries, which are treated as front countries with potentially increased investment risk.

In addition, 3SIIF announced its fourth investment – the acquisition of shares in BMF Port Burgas EAD, which is the main port operator in the Burgas port in Bulgaria (without obtaining a majority stake, which will still be owned by Advance Properties OOD, from which some shares were purchased). The investment in Port Burgas, connecting the Three Seas Initiative region with Central Asia and the Middle East, is another measure aimed at improving the infrastructure in this region. Previously, investments were made in the following companies: Industrial Division – operating on the locomotive rental market, Greenergy – building a data center in Estonia, and Enery – dealing with renewable energy sources in Austria.

3SI declaration priorities. The document emphasizes that the priority of the Initiative remains the economic dimension and closer economic integration of the region within the EU. At the same time, the desire to extend the subjective and objective scope of the 3SI cooperation was emphasized. The organization of the 3SI Business Forum accompanying the summit was positively assessed, where once again representatives of the



world of politics, entrepreneurs and representatives of financial institutions met. Among them were, among others representatives of the European Commission, the International Monetary Fund, the Organization for Economic Cooperation and Development, the European Investment Bank and the European Bank for Reconstruction and Development. In order to intensify economic cooperation, a meeting of 3SI countries' chambers of commerce was organized. During the summit held in Riga, the activity of the Polish-Latvian Chamber of Commerce was inaugurated.

During the summit, it was declared that 3SI remains open to expanding cooperation with new regional and global partners with whom "the same democratic values, goals of European and transatlantic orientation, and common interests" are shared. The Initiative Leaders also declare the development of 3SI as a cooperation platform aimed at strengthening cohesion and convergence within the EU. The active involvement of Germany is to contribute to the achievement of these goals.

The willingness to organize the next editions of the 3SI Civil Society Forum, the first meeting of which was held at the initiative of the Latvian side on May 21 in Riga, was sustained. The need to strengthen the 3SI intergovernmental cooperation in order to implement the priority projects more effectively was recognized. This is to be achieved, among others, by joint meetings of national coordinators of the Three Seas Initiative. The second edition of the 3SI Parliamentary Forum was organized in Riga and the willingness to develop scientific, educational and technological cooperation in the region was also declared. The summary of the declaration announced the organization of the next 3SI summit in Romania.

Conclusions

- An important political event of the 3SI summit in Riga was granting Ukraine the special status of a participating partner. This offers an opportunity to deepen the dialogue with all the Eastern Partnership and Western Balkans candidate countries. At the same time, the intra-EU character of the 3SI cooperation was preserved. The new form of partnership proposed in Riga is a kind of compromise between direct admission to the Initiative of non-EU countries and limited cooperation on selected priority projects. A participatory partnership can also prepare the countries involved in it for integration with the EU structures.
- Another important event was the support of 3SIIF by the American DFC agency. It is long-awaited real support from the US administration for the 3SI project, as well as a positive signal sent to potential investors around the world. The Riga Summit emphasized the particular importance of the US economic presence in 3SI, which is to contribute to the strengthening of transatlantic ties and security in the region. The fourth project implemented under the Fund was also announced, which will concern the port of Burgas in Bulgaria.
- The next 3SI summit is to be held again in Romania. On the one hand, this shows the involvement of the Romanian side in the development of 3SI cooperation, and on the other, the lack of interest in the format of the Initiative countries in those countries that have not organized such an event so far (Austria, the Czech Republic, Lithuania, Slovakia and Hungary). In the Czech Republic, the low intensity of involvement in the 3SI can be explained by the health problems of President Miloš Zeman and the upcoming presidential election at the beginning of 2023. In the case of Lithuania, it was probably due to the decision not to organize the summit in another Baltic state year after year. Hungary, on the other hand, was not taken into account due to the lack of military aid for Ukraine and the current energy policy. Less obvious is the lack of involvement in the eventual organization of a summit of Austrian and Slovak heads of state.