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Security cooperation in the Baltic Sea region is undergoing profound internal change at the same time as the broader shifts in NATO's strategic environment are transforming the region's role and status in the Alliance. Sweden and Finland's accession will open new opportunities for closer security cooperation, just as Germany, Poland, and the Baltic States are increasing their defence spending and adjusting their defence plans in the wake of the Russian war on Ukraine. The Russian aggression has united and mobilized NATO allies not only to support Ukraine, but also to strengthen NATO's eastern flank, which includes all allies on the east shore of the Baltic Sea. With the accession of Finland, the very concept of NATO's eastern flank may undergo a transformation. Moreover, the Baltic Sea region partially overlaps another area of increasing importance to the Alliance – the Arctic, where Russia and increasingly China are important actors and competitors.

Consequently, the states around the Baltic Sea are directly involved in some of the key discussions on the present and future of the Alliance. With this in mind, defence officials and experts from all nine states of the Baltic region – Denmark, Estonia, Finland, Latvia, Lithuania, Germany, Norway, Poland, and Sweden – gathered in Vilnius to participate in a discussion facilitated by the Eastern Europe Studies Centre in September 2022, and to work towards building a shared understanding of the threats, opportunities, and priorities in Baltic and NATO security. This paper is the result of this exercise in Baltic consensus-building, presenting a shared assessment of the strategic environment of the Baltic Sea region and outlining the shared priorities regarding the future of regional and NATO security cooperation.

No discussion on Baltic and NATO security can be meaningful without addressing the Russian war on Ukraine, but it would also be incomplete without also considering the broader trends shaping global politics. As such, the assessment of the Baltic strategic environment (Part I) covers both the most urgent challenges facing the region today and the key medium- and long-term trends affecting Baltic security. The section is structured around three issue areas: (1) the impact and likely trajectories of Russia's war on Ukraine, (2) the changing regional security landscape around the Baltic Sea, and (3) the global trends affecting the dynamics of transatlantic security cooperation.

Part II outlines the contours of a shared Baltic vision for future regional, European, and transatlantic security cooperation. The nine Baltic Sea states all agree that Russia cannot win – and that the Western allies must help Ukraine attain peace on its terms. They also agree that Russia will remain a direct threat to Baltic and European security for the foreseeable future, which will require NATO to reconfigure its deterrence policy across the eastern flank and to commit long-term to the economic and political restrictions on Russia. The collective defence efforts will be greatly aided by the eventual accession of Sweden and Finland to NATO, provided the process of integration is managed in a timely and coordinated manner. Beyond new opportunities in intra-regional cooperation, the Baltic Sea states will continue to seek other allies to engage in the region, especially the US. Recognizing the need to strengthen the European pillar of the transatlantic alliance, the Baltic countries will continue to support the EU's efforts to be an enabling factor for NATO in Europe.

The views expressed in this publication do not necessarily reflect those of NATO or its member nations.

Part I: Strategic Environment

This part presents the shared assessment of the key factors and trends that shape the strategic environment of the Baltic region. The assessment covers both direct and indirect influences on the environment in which the Baltic countries operate, highlighting both the threats and the opportunities they generate. The analysis is structured around three issue areas: (1) the impact and likely trajectories of Russia's war on Ukraine, (2) the changing regional security landscape around the Baltic Sea, and (3) the global trends affecting the dynamics of transatlantic security cooperation.

1. Russia's war on Ukraine

Russia's decision to launch a war of aggression on Ukraine in February 2022, eight years after its illegal annexation of Crimea and unprovoked invasion of Eastern Ukraine, signals the end of the post-Cold War European security order and presents a significant challenge to global welfare. Russia's aggression against Ukraine violates multiple international agreements to which Russia is party, as well as the underlying rules and norms on territorial sovereignty, legality of military interventions, and appropriate conduct of warfare. Since February, Russia has illegally occupied around one-fifth of Ukraine's territory, while Moscow's military campaign has been marked by widespread destruction of densely populated areas and civilian infrastructure, causing a large-scale humanitarian crisis in the country, and prompting millions to flee Ukraine to neighbouring countries, especially in Europe. While ostensibly a regional conflict, the war also has notable global repercussions, especially with regard to its effect on global food security due to Russia's blockade of Ukraine's grain exports.

As such, Russia's aggression against Ukraine presents a multi-faceted disruption of the strategic environment in which the Baltic Sea countries operate. It challenges the rules and norms that help make the global security environment predictable, which is especially relevant for the relatively small states around the Baltic Sea. This makes it impossible to

rule out a direct military attack on the countries in the region. By eroding regional stability, disrupting normal economic ties with Ukraine, and creating a refugee crisis, it also imposes a direct strain on the countries' economies and societies. Lastly, by increasing the risk of global food shortages, Russia's war also heightens the probability of new large-scale migrant flows from developing countries into Europe, which may have further destabilizing effects on the continent's politics and security. Notably, the imperatives to properly address the disruption of global norms and to restore regional and global stability are not inherently harmonious, as satisfying the first requires punishing Russia for its illegal actions, whereas the second requires ending the conflict as quickly as possible.

The nine Baltic Sea countries all share the position that it is up to Ukraine to decide when and on what terms the conflict should end. Any peace agreement acceptable to Ukraine must first and foremost involve the recovery of the territories occupied by Russia. However, a sustainable peace in Ukraine would require not only credible security guarantees against further Russian aggression, whether through NATO or bilateral agreements with Western powers, but also addressing such publicly stated Ukrainian concerns as reparations and the prosecution of war crimes. Given the tight preconditions for an acceptable peace, it is unlikely that the active phase of the war will terminate soon.

Moreover, the situation on the ground remains dynamic. While Russia's invasion has failed to achieve its original strategic objectives and the Russian military has experienced significant setbacks on the battlefield in the recent months, Moscow appears committed to retaining control of its occupied territories in Eastern Ukraine, and willing to accept a prolonged conflict. In particular, Russia's recent escalation of attacks on Ukraine's civilian (especially energy) infrastructure and its increased signalling of the willingness to deploy tactical nuclear weapons, strongly suggests that Moscow focuses on reducing both the Ukrainians' will to continue the war effort and the Western willingness to support it. As such, in assessing the future trajectory of the Russian war on Ukraine and its impact on the Baltic, European, and NATO strategic environment, it is necessary to seriously consider such scenarios as the war evolving into a protracted and costly frozen conflict or reaching an unstable stalemate that could increase the risk of further conflict in the future.

Ukraine can only avoid these suboptimal scenarios if it is in sufficiently strong position vis-à-vis Russia to negotiate peace on its own terms. Kyiv cannot secure this position without Western military, economic, and political support. While the Baltic Sea countries commend the unity with which Western democracies and their partners provided direct and indirect assistance to Ukraine, maintaining and upscaling the support may become more difficult as the war goes on. On the one hand, years of underinvestment in defence have created shortages in military and defence industry capabilities in some NATO members, restricting their ability to provide military aid. On the other hand, the precarious situation in many European economies may make maintaining the sanctions regime on Russia and continuing support to Ukraine more politically difficult for European governments.

Despite the increasing costs, countering and constraining Russia will remain urgent tasks because Moscow will continue to pose a direct and urgent threat to Baltic and NATO security in the foreseeable future. Even if the war effort has depleted a significant share of Russian military capabilities, Moscow retains both a large and diversified nuclear arsenal and a wide range of hybrid and cyber warfare capabilities with which it could threaten the West. Further, while Russia's ability to restore its military capabilities to the pre-war level will be hampered by the Western export restrictions, Moscow has shown the ability to circumvent Western sanctions in the past and may substitute some of its technology imports by increasing defence cooperation with non-Western countries.

A deeper reason for Russia's continuing threat to the West is political. There is little evidence to support the belief that the aggression against Ukraine is only "Vladimir Putin's war". First, while Putin's announcement of partial mobilization in September may have increased the Russian population's dissatisfaction with the war effort, large-scale civil resistance against the war remains lacking, whereas the regime has only intensified its efforts to control the information space and suppress any potential opposition since the beginning of the war. Insofar as this process further entrenched the position of the security apparatus within the Russian political elite, it also reduces the likelihood of an elite-driven regime change that would install a government interested in improving relations with the West. Thus, while any change in Russia can only come from within, this would take years if not decades – whereas in the meantime, both authoritarianism and a confrontational attitude towards the West are likely to remain strong.

In short, even if weakened by the war and the Western sanctions, Russia will remain a threat to European and transatlantic security. Indeed, Russia's weaker capabilities may only increase its aggressiveness due to its perceived insecurity vis-à-vis NATO. Further, as this war shows, Russia is capable of waging an aggressive and highly destructive war even when lacking the capabilities to achieve its strategic aims. As such, the prospects of a weaker Russia should not become cause for downgrading the Russian threat to the security of NATO and of the Baltic Sea region in particular.

2. A changing Baltic security landscape

The disruption of the post-Cold War security order in the wake of the Russian war on Ukraine has prompted a profound rethinking of NATO and European security policy, in particular regarding the Baltic Sea region. Most notably, Moscow's aggression has significantly shifted public and elite opinion in Sweden and Finland regarding NATO membership, leading the two countries to formally apply to join the Alliance in May 2022. While Sweden and Finland have long been trusted and constructive partners of the transatlantic Alliance, and the accession is consistent with their broader foreign and security policy, membership will nevertheless mark a qualitative change in the institutionalization of defence cooperation in the Baltic region. It will also strengthen the region's voice in NATO. As such, the planned accession of Sweden and Finland is a highly welcome development, supported by all other NATO allies in the Baltic region.

Sweden and Finland's accession will reconfigure the geopolitical landscape in the Baltic region in several ways. First, it will change the status of the Baltic Sea itself, turning it into a strategic link between the allies. Second, with the integration of Swedish and Finnish capabilities, NATO will gain access to the two countries' strategic air bases, allowing for a reconfiguration of regional defence plans. Third, the accession will change the geopolitical position of the Baltic States from its north easternmost point to the middle of its eastern flank. The Baltics will thus gain a new strategic depth, especially with the greater possibilities for maritime and air defence. Fourth, with the changing role of the sea, Gotland Island will become a new critical point in regional security, like the Suwałki corridor is now. Lastly, the Finnish accession will add 1340 km to the NATO–Russia border, more than doubling its current length.

The twin accession of Sweden and Finland will create new security dilemmas for Russia. The changing strategic geography will create new vulnerabilities. Russia's strategic military complex in the Kola Peninsula is connected to the mainland via one line of communication, which will become directly exposed to NATO upon Finland's accession. Further, both of Russia's two windows to the Baltic Sea – the Gulf of Finland and the Kaliningrad Oblast – will be surrounded by NATO countries, severely limiting the potential for the effective deployment of the Russian Baltic fleet. Relatedly, this will also create new security challenges for both Saint Petersburg and Kaliningrad.

While Finland and Sweden's accession will strengthen NATO and its positions in the Baltic region, it will not necessarily offset some of its present vulnerabilities. For one, it will not change the fundamental time and space problems regarding the defence of the Baltic States, and so they will remain vulnerable to the threat of a rapid and destructive military campaign. Further, Russia will retain its existing anti-access/area denial (A2/AD) capabilities in the Baltic Sea. The persistent security gaps in the region, as well as the new security dilemmas affecting Russia's behaviour, will necessitate a thoughtful deterrence and defence policy long after the Finnish and Swedish accession to the Alliance.

3. Global trends shaping NATO's strategic environment

The present geopolitical crisis is unfolding against the backdrop of an emergent structural conflict between autocratic and democratic systems in world politics. The key driver in this trend is the growing power and increasing geopolitical ambitions of China. In the last decade, Beijing has become both more repressive at home (e.g., by engaging in large-scale human rights abuses against the Uighur population, by pursuing regulatory crackdown of its leading businesses, and by curtailing the political rights in Hong Kong) and more aggressive abroad (e.g., by engaging in so-called "wolf warrior diplomacy" and pursuing geo-economic expansionism through state-backed investment in strategic sectors abroad). Since the COVID-19 pandemic, China has also intensified efforts to reduce its own dependence on global supply chains. Consistent with these efforts, Beijing has worked to contest the normative commitments to the

rule of law and individual human rights underlying the so-called liberal international order.

These shifts in China's global posture have been received with concern in the West, leading some countries, especially the United States, to considerably harden their stance towards Beijing and increase their engagement in the Indo-Pacific region. In the last few years, the US has both expanded its security partnerships with such regional powers as India, Australia, and Japan, and imposed severe restrictions on certain Chinese economic practices and sectors (most notably and recently, on China's semiconductor industry). The European Union has similarly revised its cooperation with Beijing, focusing especially on levelling the playing field in economic competition and regulating Chinese foreign investment. At the same time, the EU has expanded its own efforts to invest in strategic infrastructure development in the developing world. The Western economies have also begun addressing their own economic dependence on China by expanding ties with other markets, relocating some supply chains from China to neighbouring friendly countries, and focusing more on national (or European) industrial policy.

The intensifying geo-economic competition between China and the Western democracies will create new incentives for other countries to choose a side – or attempt to play one side off another. Either way, the emergent conflict poses a risk to the open, rules-based, and multilateral economic order, with severe potential repercussions on global welfare. Knowing that liberal or full democracies represent only about a quarter of the global population and that their share of the global economy is projected to shrink, it may become increasingly difficult for the leading democratic countries to maintain their relative power and attractiveness vis-à-vis their competitors.

The systemic confrontation with China will also pose a complex challenge for NATO, especially if it changes the willingness and the ability of the US to remain engaged in European security. The rising tensions over Taiwan will be an especially important factor for ordering Washington's geopolitical commitments, especially if the likelihood of a military conflict rises. The character and depth of transatlantic cooperation will also depend on the outcome of the 2024 presidential elections in the US. The resulting uncertainty regarding Washington's future foreign policy strategy will increase pressure on European countries to invest more in national and collective defence capabilities.

NATO's strategic environment will also be affected by climate change, which will act increasingly as a threat multiplier and constraint on state action. First, climate change will create new theatres of geopolitical competition – especially in the Arctic, but also over the control of critical resources needed for the development of green technologies. Future developments in the Arctic, where both Russia and China are positioning themselves as important players, will be especially sensitive to the Nordic and Baltic countries. Second, climate change is also likely to have a destabilizing effect on Northern and Sub-Saharan Africa, resulting in a greater probability of humanitarian crises, civil unrest, and mass migration into Europe. As such, climate change will add further strain on both the northern and the southern NATO boundary, raising the importance of solidarity and compromise between the transatlantic allies situated in different geopolitical zones.

Part II: Baltic Positions

This section presents the shared position of the Baltic Sea states on the strategic priorities in regional and NATO security and defence policy. The overview follows the structure of the previous section, first discussing the Baltic priorities regarding Russia's war on Ukraine, then addressing intra-regional security cooperation around the Baltic Sea, and finally presenting the Baltic position on broader questions regarding the future of European security. The section also highlights questions and issues requiring further discussion, both within and beyond the Baltic region.

1. Regarding Russia's war on Ukraine

Sharing the commitment to support Ukraine until it is ready to enter peace negotiations, the Baltic Sea states will continue to provide Ukraine with all the assistance it requires. At the present stage of the active conflict, continued and increased military aid remains the most urgent priority. In particular, more artillery supplies and air support are essential to empower Ukraine to regain the territories occupied since the beginning of the war and to increase its bargaining position in any potential negotiations with

Russia. Given the prospect of a prolonged conflict, the Baltic Sea states highlight the need for NATO and its partners to develop a long-term military aid plan for Kyiv that would include the production of military capabilities specifically designated for Ukraine, instead of the current strategy of sending surplus equipment to Ukraine. Relatedly, assistance in military training is increasingly important to ensure Ukraine's long-term capacity to defend itself.

The Baltic Sea states commend the unity and coordination exhibited by NATO and its partners in providing military assistance to Ukraine. However, in view of the continuing conflict, it is important to set up dedicated defence supply programs to assist Kyiv in ensuring sustainable supplies of required arms and equipment. Better use of existing capabilities is equally important, and European powers especially can and should take the lead where possible. For example, given that multiple EU member states possess some variations of the Leopard tank, an EU-wide Leopard supply program could be initiated (possibly coordinated by Germany) to maximize the supply to Ukraine while ensuring optimal defence capabilities in the provider countries.

The Baltic Sea states also stress the continuing importance of providing non-military and economic assistance to Ukraine. In particular, more effort should be spent on speeding up the delivery of the already pledged aid. The recent upsurge in Russian attacks on Ukrainian civilian and energy infrastructure underscore that the Ukrainian population is facing a high risk of an energy and humanitarian crisis in the winter, and the Western partners should scale up the efforts to strengthen Ukraine's energy resilience. In addition to the aid in the form of grants and loans, the EU partners should make greater use of assistance through integration in specific areas of technical and economic cooperation. Mobilizing private partner support remains a high priority, especially with a view of the future reconstruction of Ukraine.

The Baltic Sea states commend the wide-ranging program of economic and political restrictions on Russia and the unity with which the Western allies implement them. While difficult in the short term, the decision to end Europe's reliance on Russian fossil fuels by 2027 is the right response to Russia's aggression and will enhance the West's position in eventual negotiations on future relations with Russia. With the sanctions and the broader economic isolation starting to show its negative effects on Russia's economic and military performance, it will become increasingly important to constrain Moscow's ability

to circumvent the sanctions as well as to deter third parties from assisting Russia. The Baltic Sea states also recognize the national security concerns that led several countries in the region to impose a tourist visa ban on Russia.

The Baltic Sea states acknowledge the adverse economic costs of maintaining the economic sanctions on Russia on the populations in the sanctioning countries, as well as the immense challenges related to the cost-of-living crisis across many Western states. Effective solutions to these problems must be urgently found to prevent further pain to our societies, which could engender a constraining domestic environment for continued support to Ukraine. In the meantime, governments must be proactive and open in their communication to the public, and it is vital that public messaging about the war is sensitive to the different thresholds of pain and levels of war fatigue in different Western populations.

The Baltic Sea states understand that there is no return to the status quo ante in relations between Moscow and the West in the foreseeable future. The Russian war on Ukraine has reshaped the Russian state, society, and public ideologies to produce a more dangerous political environment, with further centralization of power, suppression of civil liberties, and propaganda. This both reduces the likelihood that Moscow could credibly commit to any peace terms acceptable to Ukraine and signals that Russia will continue to present a threat to NATO in the upcoming years.

The lessons learned from the Russian war on Ukraine and the prospects of a continuing confrontation with Russia require a significant rethinking of NATO's deterrence policy in its eastern flank, including the Baltic region. The prospect of Sweden and Finland's accession to NATO creates an opportunity to reconsider the definition of its eastern flank and to harmonize the decision-making and optimize the military coordination among the Allies sharing a border with Russia. To make use of this opportunity, the allies will have to supplement its current model of deterrence by punishment with capabilities and policies that enhance the element of deterrence by denial. Given Russia's ability to quickly mobilize large-scale operations across multiple terrains and wage a highly destructive campaign, it is essential for credible deterrence that the NATO eastern flank can be defended from the very beginning to minimize any potential Russian tactical gains in the early stages of the attack.

Certainly, a full transition to deterrence by denial would take a long time and has its own risks, especially in the rapidly changing geopolitical landscape of the Baltic Sea region. Any new deterrence arrangements have to be carefully designed to limit the risks of miscalculation or a pre-emptive strike by Russia. The ongoing efforts by NATO and the EU to increase military mobility across Europe and the recent decisions by several NATO members to dedicate brigades to the defence of the Baltic States are consistent with this imperative and should be expanded.

Carefully assessing Russian power – i.e., avoiding both underestimating and overestimating its capacity for war – and investing in intelligence will become increasingly important for successful deterrence, especially given the growing isolation of Russia from the West. In particular, close monitoring of Russia's cooperation with third countries, especially China, Iran, and other authoritarian regimes, will be crucial to devising appropriate strategies to limit Russia's capacity to wage war. More broadly, the global dimension of Russian power, including its influence and relatively good reputation in the Global South, must be taken into account when assessing Russian foreign policy decision-making and risk perceptions.

Any possible stabilization of relations between NATO and Russia, and any potential negotiations regarding the terms of future relations, may only take place when Moscow can provide a credible commitment to cooperate with NATO and to not wage aggression on its neighbours. No such process can be legitimate without involving Ukraine, which should approve any new significant agreement on NATO–Russia relations. The Baltic Sea states strongly support further deepening cooperation and integration with Ukraine, welcome the EU's decision to grant Ukraine member candidate status, and remain committed to the discussions regarding Ukraine's potential membership in NATO.

2. Regarding the priorities for security cooperation in the Baltic region

The Baltic Sea states welcome Sweden and Finland's decision to join NATO and are committed to supporting them during the accession process. The membership of the two important Baltic partners in NATO creates an opportunity to strengthen and streamline regional defence cooperation structures and proce-

dures. Nevertheless, the accession will also generate new risks by altering the Baltic geopolitical landscape. At the same time, Sweden and Finland will face certain practical challenges in integrating their defence systems into NATO structures (preparing to host allied forces, building the required military and logistics infrastructure, etc.), which will require further investment and institutional learning. It is essential to build on the history of successful security cooperation and deep trust between the older NATO partners and Sweden and Finland to manage these challenges as quickly as possible.

With the significant changes in the geopolitical landscape of NATO's north-eastern corner following the Sweden and Finland's accession, the Alliance will need to draw up new regional defence plans. First, the accession will qualitatively expand the northern dimension of the Alliance, effectively creating a new NATO region in the Arctic Circle. Second, by bringing all Baltic Sea countries (except Russia) into NATO, the accession will prompt a realignment of the hitherto divergent understandings of the strategic status of the Baltic Sea in individual countries of the region. The shift in the strategic mentality, while ultimately beneficial to all regional states, will present a real challenge in the short-term, given that the Baltics and the Nordics have historically struggled to think and act as a united region due to differences in threat perceptions, strategic cultures, and capabilities. Third, as mentioned above, Finland's accession will also allow for expanding the understanding of NATO's eastern flank and reassessing its defence plans.

It is important that the Baltic Sea states develop a harmonious approach to the specific dynamics of the partially overlapping and partially divergent political geographies intersecting in the region. This will manifest in different tasks for different countries. For example, the Baltics will have to get more familiar with the security situation in the Arctic, whereas the Nordic countries may need greater exposure to the dynamics of the southern portion of NATO's eastern flank. New regional cooperation formats may be necessary to complete this task. Further, the shifts in the geopolitical landscape will also affect NATO's command structure, raising the question whether one command centre should cover both the Baltic and the Nordic regions or whether separate structures should be established and where, and what other structures (e.g., a multinational division or air force) should and could be created following Sweden and Finland's accession. These questions should be a priority item in the discussions on the future of NATO European strategy.

Properly coordinated, the integration of Finnish and Swedish capabilities into NATO can significantly improve the collective defence efforts in the Baltic Sea. Finland has a highly capable army, state-of-the-art tanks, and one of the strongest artillery forces in Europe. While smaller, Finland's navy and air forces are technologically advanced, and more platform and fleet upgrades are scheduled in the short-to-medium term, including the planned purchase of fifth-generation F-35As. (As nine other European allies have plans to purchase the same fighters, this will also help ensure a high degree of interoperability among partners.) Similarly to Finland, Sweden hosts highly advanced air and navy services, including advanced submarines, in addition to a wide range of land-based capabilities. As such, both countries can help strengthen A2/AD capabilities over the Baltic Sea region and contribute to NATO's air policing efforts in the Baltics (with Gotland Island as a key strategic asset in this context). Both countries can expect to commit troops to the eastern flank and NATO's Enhanced Forward Presence mission in the Baltics. The Baltic and NATO allies should also focus on realizing new opportunities for information gathering and sharing offered by closer cooperation with Sweden and Finland's highly capable intelligence services.

Consequently, the Swedish and Finnish accession will also create new opportunities – as well as new questions – for regional defence capability planning and development. An effective and farsighted coordination of defence capability acquisition and development is all the more urgent as Sweden launched a massive effort to expand and modernize its forces in 2021 after several decades of relative underinvestment, and multiple other Baltic Sea states, most notably Germany, have committed to significantly expanding their defence spending. The maritime strength of both Finland and Sweden may also impact the decision-making in the Baltics, especially Lithuania and Latvia, regarding the relative efficiency of investing in national naval forces versus concentrating further on land-based capabilities. To ensure complementarity and interoperability between the national forces of the regional NATO allies and to create added value to the collective defence in the Baltic region, such questions must be coordinated closely among the Baltic Sea states, as well as with NATO partners from outside the region. Cooperation on infrastructure projects to improve military mobility will be equally important. To this end, the Baltic Sea states should make greater use of the existing NATO and EU formats for conducting joint defence procurement, research, and development efforts.

While close regional cooperation in both defence planning and joint capability development are extremely important for the future security of the Baltic Sea region, this should not translate into prioritizing regionalization over open cooperation with allies outside the region. While, as noted above, a certain level of Baltic self-sufficiency is required to ensure credible deterrence posture vis-à-vis Russia, the strategic support provided by the US and the UK, especially in terms of the nuclear umbrella, remain fundamental and indispensable to regional security. The Baltic Sea countries enjoy fruitful and friendly relations with both the United States and the United Kingdom and sees ensuring Washington's and London's continued engagement in the region as a priority. While the region is generally well-positioned to strengthen cooperation both with the US and the UK, especially with the growing importance of the Nordic dimension in regional security, searching for ways to further entrench the transatlantic relation will remain high on the agenda for the Baltic Sea countries. At the same time, the Baltic Sea countries affirm the importance of deepening security cooperation with France, both by encouraging Paris' greater engagement in the region and by building greater awareness of France's security concerns, particularly in NATO's southern neighbourhood.

3. Regarding the future of European security amidst global change

The Baltic Sea countries recognize that the future of European security will be profoundly impacted by the deeper shifts in global politics, and especially the growing strategic competition between China and the US. While the Russian war on Ukraine reaffirmed Washington's commitment to European security, its increasing engagement in the Indo-Pacific region confirms a long-term reorientation of American foreign and security strategy. At the same time, the efforts to counter Russia have proved that Europe remains deeply dependent on American strategic deterrence, military support, and leadership. Building towards the capacity to defend itself while simultaneously keeping the US engaged in a sufficient and sustainable manner will be the defining task for NATO's European pillar.

A greater use of joint projects and operations among European allies, as well as deeper defence integration, will play a crucial role in realizing this goal. In addition to its other lessons, the Russian war on Ukraine has also highlighted the complementary relationship between the EU and NATO and largely dismissed the concerns that greater European defence integration would necessarily compete with or duplicate NATO efforts. As it reassesses its foreign and security policy in the wake of the war, the EU should continue to focus on being an enabling partner for NATO in Europe. In particular, the EU should continue to develop and deploy policy instruments that encourage investment in defence capabilities, military mobility, and defence R&D. The EU should also take the lead in areas where it has relative advantages in terms of capability or scope, such as countering hybrid threats, building cyber resilience, and defending critical infrastructure.

However, ensuring mutually enhancing European security cooperation will also require an increased effort to recognize the multiplicity of security threats affecting European states and to seek compromise between divergent security priorities. Beyond the increasing geopolitical importance of the Indo-Pacific region, other developments will also increase the diversity of security concerns within NATO. The impact of the COVID-19 pandemic, the global food and cost-of-living crisis caused by the Russian war, and climate change have and will continue to add instability to world politics. Instances of civil unrest, political instability, and regional conflict may become more frequent in NATO's multiple neighbourhoods, as well as in other strategically sensitive areas across the Global South. These developments may have hard-to-predict and uneven spillover effects on different European states, depending on geographical proximity and patterns of interdependence. The proliferation of security concerns among NATO's European allies will put a strain on their resources and capacity to engage in some areas of collective defence. Having proved their ability to facilitate compromise-seeking, devising credible commitment mechanisms, and aiding the implementation of joint efforts, both NATO and the EU will remain indispensable in this effort.

Conclusions

The exchange between defence officials and experts from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, and Sweden was organized to gain an impression of what the Baltic Sea security landscape looks like from what could be called a 'Baltic Sea perspective'. Building on the exchange, the shared assessment of the Baltic strategic environment (Part I) and the overview of the shared security priorities (Part II) offer insight into how robust, comprehensive, and detailed this shared perspective currently is.

Unsurprisingly, the paper confirms that the Baltic Sea countries agree on many strategic priorities in terms of regional, European, and NATO security. All nine countries stand united in their support for a Ukrainian victory in the current war and are committed to continued military and economic support to Kyiv. They recognize that Russia will remain a direct threat to Baltic and European security for the foreseeable future and that this will require a rethinking of NATO's deterrence policy and eastern flank security strategy. They all welcome increased intra-regional cooperation in the Baltic region following Finland and Sweden's accession to NATO. All nine underscore the importance of the transatlantic relationship and, in particular, continued American involvement in European and Baltic security – yet all also recognize that the European pillar of NATO must become increasingly capable of defending itself in the future.

The preceding discussion also suggests several areas where greater intra-regional defence cooperation could be pursued, and how. Most fundamentally, the Baltic countries agree that increased regional security coordination should not come at the expense of openness to working with other NATO allies, within and beyond the region. At the same time, recognizing the existing differences between national security policies and capabilities, efforts to deepen intra-regional cooperation should proceed incrementally, focusing on concrete and deliverable issues, and accepting differentiated integration between regional countries on a per-issue basis. Building on the overview of the shared priorities regarding intra-regional cooperation presented in Part II, several specific recommendations can be provided for priority medium-term actions:

1. The lack of coordination in defence capability planning and development will constitute a key constraint on greater regional cooperation and its potential contribution to Baltic collective security. With the newly intensified efforts to increase defence spending in the wake of Russia's war on Ukraine, the Baltic Sea countries must closely coordinate national capability development plans with collective security priorities to ensure interoperability, and to realize opportunities of scale or joint projects.
2. The pursuit of closer coordination in defence capability planning should be oriented towards building a new deterrence and defence posture in the Baltic Sea region. This will require significantly expanding weapon systems required for high-intensity warfare, as well as ensuring sufficient stocks of ammunition and other material.
3. Multiple non-synchronized command structures in the region may limit the gains from enhanced security cooperation. The changing Baltic geopolitical landscape may also require a new regional NATO command structure. The Baltic Sea countries should have a dedicated coordination format to achieve greater synchronization of regional command structures and achieve a united regional position on potential NATO command structure in the region.
4. The Baltic and NATO allies should work to further increase intelligence exchange and cooperation to build a more robust shared assessment of security threats.

Works consulted:

The content of the paper is informed primarily by the contributions by the Baltic defence officials and experts during the “Building Baltic Consensus” conference held on September 9, 2022, in Vilnius, Lithuania. Where necessary, the following documents and articles were consulted to substantiate or contextualize the material gathered during the conference:

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