

Country Represented: The Baltic States (Estonia, Latvia, Lithuania)

Commission: EU AI Council, AI Commission

“How can we frame the development and use (of artificial intelligence) in the European Union, in order to maximize economic and social benefits while guaranteeing the respect for fundamental rights, the safety of all citizens and full transparency of these new Artificial Intelligences?”

The Baltic States (Estonia, Latvia, and Lithuania) have become leaders in digital innovation in the European Union. Estonia, with its famous e-Estonia initiative, has developed digital governance and artificial intelligence integration into public services. Latvia and Lithuania have also significantly advanced in AI applications, particularly in logistics, FinTech, and cybersecurity.

Geographically, the Baltic States are located in Northern Europe, along the eastern coast of the Baltic Sea. Estonia (45,339 km²), Latvia (64,589 km²), and Lithuania (65,300 km²) together form a crucial geopolitical and economic corridor between Western Europe and Russia. Their capitals are Tallinn, Riga, and Vilnius. These countries have used their maritime access to enhance trade and digital connectivity.

As former Soviet republics, the Baltic States regained independence in 1991 and have since worked hard to follow European regulations, especially in technology. Their commitment to digital sovereignty has led to investments in AI and digital infrastructure. This transformation has not only modernized public administration but also increased economic resilience. Politically, they are stable parliamentary democracies, with Estonia led by President Alar Karis, Latvia by President Edgars Rinkēvičs, and Lithuania by President Gitanas Nausėda.

The rapid advancement of AI presents several challenges, including ethical concerns, data privacy, cybersecurity risks, and economic disruptions caused by automation. AI-driven governance must align with EU values, ensuring transparency, responsibility, and fairness. Furthermore the EU still faces urgent challenges in developing AI talent and following regulations.

One of the primary concerns surrounding AI is its ethical implications, especially in decisions that impact citizens. Issues such as prejudice in AI algorithms, data protection, and systems without human involvement, require strict regulatory oversight. Also, as AI is used more in important areas like energy and healthcare, there are concerns about security risks and cyber threats. The Baltic States have recently disconnected from Russia's energy grid to fully integrate with the EU network, proving that they understand the importance of technological independence and security in digital infrastructure.

The Baltic States support a balanced approach to AI regulation, ensuring innovation while confirming EU ethical and security standards. The AI Act, introduced by the European Commission, is an important law that sorts AI systems by their risk levels, making sure there's strict control over high-risk AI while allowing more flexible rules for low-risk AI. Estonia, Latvia, and Lithuania strongly support this law, seeing it as a way to make AI rules consistent across Europe and build trust with citizens and businesses.

Economically, the Baltic States have seen rapid development, with Estonia's GDP at \$41.2 billion, Latvia's at \$39.5 billion, and Lithuania's at \$78.7 billion (2023 estimates). They have successfully moved to service-based economies, with strong technology, finance, and logistics industries.

Membership in the EU, NATO, and the OECD has facilitated foreign investment and economic stability. Their strategic location and developed infrastructure make them attractive for AI-driven industries.

The Baltic States have already taken significant steps toward AI governance:

Estonia: The e-Estonia initiative integrates AI into digital governance, making Estonia a model for AI-driven public administration. The use of AI in public services, such as automated tax filing and digital identification, has simplified government operations.

Latvia: The country has invested in AI-powered logistics solutions, improving efficiency in supply chain management. Additionally, Latvia has explored AI applications in healthcare, with machine learning models helping in disease diagnosis and treatment planning.

Lithuania: She is becoming a growing FinTech hub and has adopted AI-based financial solutions that follow EU rules. AI tools for risk assessment have improved financial security and fraud detection.

Future initiatives :

Cross-border AI research collaboration: Strengthening partnerships among EU nations to amplify AI research and development. Increased funding for joint projects will facilitate innovation and knowledge sharing.

AI talent development programs: Investing in digital education to cultivate AI expertise in the region. Universities and technical institutions in the Baltic States are expanding their AI-focused curricula to prepare the next generation of AI professionals.

Strengthening AI in cybersecurity: intensifying resilience against cyber threats through AI-driven security solutions. Given the geopolitical challenges faced by the region, advanced AI-driven cybersecurity measures are crucial to protecting critical infrastructure.

Ethical AI governance: The Baltic States propose the establishment of an EU-wide AI Ethics Board to ensure compliance with ethical guidelines. This initiative would reinforce public trust in AI technologies and prevent abuse.

The Baltic States are dedicated to AI development that aligns with European values and regulations, supporting the AI Act and advocating for a balanced approach that promotes innovation while ensuring ethics and security. Their proactive role in AI governance shows their commitment to shaping EU AI policy. As pro-European nations, they prioritize deeper integration with the EU's digital strategy, investing in AI, digital governance, and cybersecurity to ensure technological progress and safeguard democratic values. On the global stage, as NATO members, they contribute to regional defense and international digital diplomacy, positioning themselves as key players in EU technological policies.