

Research Article

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Mitigating Risks of Hybrid War: Search for an Effective Energy Strategy in The Baltic States

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Abstract: Meanwhile, energy security is threatened in new domains – maritime and cyber. In the maritime domain, military operations target construction works of the new objects as well as operating interconnectors, cables, LNG terminals, and other strategic assets. Regular situational awareness in the Baltic Sea region is lacking, as is sufficient naval and civilian maritime cooperation. In the cyber realm attacks become more frequent and more complex, critical infrastructure being the main target. As cyber security expertise and exercise are lacking and integration into European natural gas and electricity systems is not completed, blackout scenario in the Baltic States remains possible.

Keywords: hybrid threats energy.

1 Introduction

For the sake of political stability and independence, energy supply in the Baltic States region must remain safe, stable and affordable. For Lithuania, Latvia and Estonia, this safeguards political autonomy, mitigates risks of blackmailing and ensures sustainable development. The key elements of the strategy for achieving it are clear over the long run: the Baltic States strengthen regional cooperation, create functioning single gas and electricity markets, interconnect energy systems with the European ones and jointly resist external pressure from the third countries. Clear progress has been achieved: power bridges to Finland, Sweden and Poland turned the Baltic States into full-fledged members of the European electricity trade market. After opening a liquefied natural gas (LNG) terminal in Klaipeda, the whole Baltic region escaped the risk of gas shortage. Launching a regional gas market and regional trade in natural gas and LNG will ensure the best use of the infrastructure that has been built. All this significantly complements the Baltic States' national security.

However, many tasks still must be accomplished. They are mostly of European dimension: establishment of European solidarity, as well as enhancing both the bargaining power of the European Union (EU) and resilience to those who apply the 'divide and rule' principle against the EU member states. At the political level, exchange of information on energy is quite robust both within the EU and among the Baltic States, which signals a certain lack of trust among the partners. This leads to diverging priorities, and sometimes even visions hindering cooperation, on issues such as synchronisation, construction of new infrastructure, fight against disadvantageous projects in the third countries and hostile propaganda in energy affairs.

Meanwhile, energy security is also threatened in new domains – maritime domain and cyberspace. In the maritime domain, military operations (sometimes covered under exercises) target construction works of the new objects as well

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as operating interconnectors, cables, LNG terminals and other strategic assets that are located along the coast and offshore areas. Regular situational awareness in the Baltic Sea region is lacking, as is sufficient naval and civilian maritime cooperation. In the cyber realm, attacks become more frequent and more complex, critical infrastructure being the main target. As cybersecurity expertise and exercise are lacking and integration into European natural gas and electricity systems has not been completed, a blackout scenario in the Baltic States remains highly possible.

The set of the mentioned risks to the states' energy security can be titled as a set of hybrid risks. Or, in other words, energy can be considered as one of the instruments useful to conduct hybrid warfare against Europe and the Baltic States. Interruptions in electricity and energy services can easily destabilise the society. General public ignorance in this field represents even greater security risk. Therefore, the Baltic States need not only to maintain a diversity of resources to ensure security but also to include energy instruments into the comprehensive response to hybrid warfare. This would help to reduce the general risks stemming from Russia and Belarus.

This article is aimed to explain the role of the energy dimension in hybrid warfare between the Baltic States and Russia. After the short introduction of the nature and experience of using energy for political and military purposes, this article continues on Russian tactics against Lithuania, Latvia and Estonia. It answers the question of how Russia uses energy tools against the Baltic States and how it creates military risks by using energy tools. The article also provides a brief overview of how the Baltic States respond: successful inclusion of the European Commission into the solving of the issue of the Baltic States' synchronisation with Continental Europe and de-synchronisation from Russia, as well as joint opposition to the Ostrovets nuclear power plant (NPP).

2 Energy as an element in hybrid warfare

The concept of hybrid warfare is usually defined by the term 'ambiguity', which refers to the situation between peace and a real military conflict. It includes such elements as manipulation of the media, terrorist actions, absence of a clear hierarchy and structure of the opponent, as well as the use of asymmetric tactics of military, economic, financial, energy-based and social pressure.⁴ It may also include the coordinated implementation of secret military, paramilitary and civilian measures. In other words, hybrid war includes actions that exploit the vulnerability of a country or region that is aimed to be affected or destabilised. Ukrainian and Georgian experiences have, of late, demonstrated that this kind of pressure, coupled with propaganda and provocations, may become a preparatory stage to conventional aggression.⁵

In this context, an increasing number of experts describe the energy sector as an actual or potential target for conventional or unconventional attacks aiming to achieve hostile geopolitical aims. A proper debate on energy as a tool of hybrid warfare started after the war in Ukraine. That conflict had clearly demonstrated what the 'Gerasimov doctrine' 'enounced' in 2013⁶ would have meant in practice: in addition to military aggression, the Kremlin deprived Ukraine from natural gas transit income, nationalised the Ukrainian energy company in Crimea and organised cyberattacks that caused blackouts. In 2015, two international staff officials of the North Atlantic Treaty Organisation (NATO), Rühle and Grubliauskas (2015: 2), stated that while initially the Russo-Ukrainian disputes over gas had been slightly overlooked, it later became clear that 'energy was – and continues to be – a far more important factor in hybrid warfare than is commonly acknowledged'.

As the authors underline, Russia not only occupied the Crimean (and neighbouring) gas fields, but 'exerted economic pressure on Ukraine, including by gas cut-offs, while trying to deter other European countries from assisting Ukraine with reverse gas supply' (Rühle and Grubliauskas 2015: 2). Paradoxically, Russia at the same time managed to disseminate a narrative overemphasising its role as an 'irreplaceable' gas supplier. As Slobodian (2016) later noted, 'to achieve its political goals, Moscow has used against Ukraine the energy factor in three-dimensional format - political, economic and information', and energy proved 'one of the key tools for the creation of a 'hybrid war'.

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/647776/dar_mcdc_hybrid_warfare.pdf

⁵ Lanoszka A., 'Russian hybrid warfare and extended deterrence in eastern Europe', *International Affairs*, Issue 92, No. 1, 2016, <http://www.alexlanoszka.com/LanoszkaIAHybrid.pdf>, 2018 11 01.

⁶ For a clarifying overview of the so-called 'Gerasimov doctrine', see: Galeotti (2013).

The relevant institutions, since then, proved able to propose measures for countering hybrid threats and the energy dimension in it.⁷ The EU's 'Joint Framework for Countering Hybrid Threats' (EU: 2016: Par. 4.1.1) declares that 'an essential element for countering hybrid threats is to further diversify EU's energy sources, suppliers and routes, in order to provide more secure and resilient energy supplies' and, in the subsequent part of the same document, energy security is considered under the lenses of its cyber vulnerability (EU 2016: Par. 4.4.2). Still, some of the most salient features of hybrid warfare remained uncovered. As, for instance, the non-violent subversion operated by hostile actors through the use of information warfare and propaganda, or cases of bribery and illegitimate lobbying in the energy sector. There is no proper tactic designed to spot and tackle those manoeuvres in the energy sector that are in fact a matter of infowar, propaganda or kleptocracy.

In fact, as Grigas (2017: 6) noted, while 'hybrid threat risk assessments should include the energy sector as a strategically important element', the 'analysis of propaganda' often excludes this domain, 'which is falsely assumed to be driven by government policy or private sector economic cost-benefit analysis'. It should instead be taken into account how much the manipulation of public opinion could result in the hostile hetero-direction of national energy policies. The most recent analysis of the energy sector hybrid vulnerability tries to be more specific in this sense. Ratsiborynska (2018: 3) writes: 'employing energy is a hybrid form of political, societal or economic coercion to meet political ends that can expose vulnerabilities of energy dependent countries'. She also stresses that 'energy dependency establishes a geopolitical dimension to energy relations', which ultimately result in a challenge to the state sovereignty (Ratsiborynska: 2018: 3).

Not only academics but also politicians include energy element among the ones that may be used in hybrid warfare. As, for instance, in May 2018, during the NATO Parliamentary Assembly in Warsaw, the Polish PM Morawiecki defined North Stream 2, 'a weapon of hybrid warfare that Moscow wants to use to undermine European energy security and the solidarity of the European Union and NATO'.⁸ In June 2017, the Lithuanian President Grybauskaitė defined the Belarussian Ostrovet's NPP a 'geopolitical weapon', and in the same month, the Lithuanian Parliament approved a law that labelled it a national security threat.⁹ Concerns are being raised not only by NATO's Eastern flank countries, but from the United States (US) too. A report of the US Senate in January 2018 extensively treats the problem of denial of energy supplies as a form of political leveraging (US Government: 2018). At the Munich Security Conference in February 2018, US senators contended that 'Russia uses its energy power, its ability to bully and bribe and intimidate', along with 'propaganda and information distribution', to exert political power on other States.¹⁰

Finally, it is not only experts and practitioners who express their concerns about energy element being a part of hybrid war. The civil society shares these concerns too. Particularly deserving to note is the letter addressed by a group of Eastern European intellectuals to the Obama administration, which was published in the Polish newspaper 'Gazeta Wyborcza' as early as 16 July 2009. It says that Russia 'uses overt and covert means of economic warfare, ranging from energy blockades and politically motivated investments to bribery and media manipulation in order to advance its interests and to challenge the transatlantic orientation of Central and Eastern Europe. The threat to energy supplies can exert an immediate influence on our nations' political sovereignty also as allies contributing to common decisions in NATO'.¹¹

3 Using the 'energy weapon' towards a political end in the Central and Eastern European (CEE) region

The dominating Baltic concern in terms of energy affairs is that Russia will misuse the old ties (factual dependency on infrastructure and legal agreements among network operators) to win political concessions and effectively restore its

⁷ See the EU and NATO actions from 2015 onwards.

⁸ See: AAPP (28 May 2018).

⁹ See: Bankauskaite (2017).

¹⁰ See: Gutterman (2018).

¹¹ [Signed] by Valdas Adamkus, Martin Butora, Emil Constantinescu, Pavol Demes, Lubos Dobrovsky, Matyas Eorsi, Istvan Gyarmati, Vaclav Havel, Rastislav Kacer, Sandra Kalniete, Karel Schwarzenberg, Michal Kovac, Ivan Krastev, Alexander Kwasniewski, Mart Laar, Kadri Liik, Janos Martonyi, Janusz Onyszkiewicz, Adam Rotfeld, Vaira Vike-Freiberga, Alexandr Vondra, Lech Walesa.

former sphere of influence in the Baltics (Rutland 2008). The reason for this fear is the fact that the Baltic States are all linked to the old Soviet electricity grid. This means that they (first of all, Lithuania) not only import significant amount of electricity from Russia but also must obey contractual obligations under the Integrated Power System/Unified Power System (IPS/UPS) framework, which is coordinated by the Electric Power Council of the Commonwealth of Independent States, having its seat in Moscow. In other words, their daily management of electricity systems is dependent on Moscow's centralised control over frequency.

3.1 Electricity as 'Achilles' heel'

The membership of the Baltic States in the IPS/UPS framework is problematic due to several reasons. The first of them is more symbolic, related to the completion of the Baltic integration into the West: participation of Lithuania, Latvia and Estonia in the post-Soviet electricity system means that the Baltic States are not fully integrated into the Euro-Atlantic geopolitical space, despite their institutional and political membership in the EU and NATO. The second is a practical one, which relates to the continuing distinction between energy policy-making and the management of the electricity sector. Although energy policy in the Baltic States is shaped by both national solutions and legally binding EU energy policy provisions, the day-to-day operation of the electricity system is largely driven by centralised Russian governance. This may lead to 'unexpected' repair of certain lines in Russia or Belarus or the introduction of a fee-for-services system.

If, one day, Russian decisions are not coordinated with those of the Baltic States and there is no effective legal dispute-solving mechanism, this may lead to serious disruptions of electricity supply or the complete shutdown of the Baltic States' electrical systems. The Lithuanian transmission system operator calculates that a blackout in 2025 for the Baltic States would cost from 1.3 to 2.1 billion euros (which is more expensive than the Baltic States' synchronisation via Poland). Being not able to influence administration of the network and having no legal leverage to defend national interests in clear dispute resolution mechanisms would undoubtedly have economic, social and political implications. The probability that Russia would wish to prevent the Baltic States from synchronisation with continental Europe has been confirmed by Vladimir Putin, who spoke against de-synchronisation from the IPS/UPS on a number of occasions.¹² For instance, during an interview with an Italian newspaper, he specified that de-synchronisation of Baltic States' electricity grid would cost Russia from 2 to 2.5 billion euros – much more than the figures presented by the Russian Energy Minister and the Inter RAO 'Gothia Power' study.¹³

Considerable improvement of Russian energy generation and transmission capacities offshore, as well as in Kaliningrad, Western part of Russia and Belarus, does little to assuage these fears. The point is that after making their infrastructure ready, Russia and Belarus may decide to disconnect the Baltic States from the IPS/UPS framework sooner than the Baltic States will be ready to join the European electricity system. When viewed in tandem with clear instances of Russian intervention in the internal politics of neighbouring and Western countries, it is clear that this vulnerability can be used as a political tool. Actually, the key question is not whether this weapon will be used, but how successfully it can work: if it can be used with damage to the Baltics and without damage to Russia and Belarus, it will be most probably enacted. In other words, it is not so much Moscow's political will, but, much more, the resilience capacities of Lithuania, Latvia and Estonia that determine the probability of this scenario.

Another tension is created by the NPPs serving as unconventional weapons and being implemented or planned by Rosatom in Belarus and Kaliningrad. Lithuanian authorities warn about the potential negative impact to the territory and population. Lack of trust is determined by many reasons: there has been no coordination on the site selection, political decisions have clearly prevailed over expert-based solutions, no early warning mechanism has been established and the nuclear safety regulatory authority in Belarus was and remains incompetent. Unqualified (due to the low safety culture) NPP construction works have already resulted in several incidents and caused deaths among the personnel.

¹² In the context of the 70th UN General Assembly, Putin told a Columbia Broadcasting System (CBS) journalist: "we will have to reform the system, spending billions of dollars, as well as our European partners who will also have to spend billions of dollars to integrate the Baltic countries into their power grid. <...> What for?" Please see: <https://sputniknews.com/politics/201509291027695060-putin-interview-charlie-rose-transcript/>.

¹³ Baltics Threaten to Unplug Russian Region. *Politico*, 2015. Please see: <http://www.politico.eu/article/baltics-threaten-to-unplug-russian-region-power-kaliningrad-electricity-interconnectors-lithuania-poland-sweden/>.

As a result, bad management and inadequate financing for the whole NPP life cycle represent a serious threat for the Baltic States' national security. The more so because if the new transnational interconnections (Estlink, NordBalt and LitPol link) are loaded with electricity produced in the Ostrovets NPP for transiting electricity to Western and Northern Europe, electricity trade between the Baltic States and the West will be limited and dependency on supplies from Russia will increase.

As a geopolitical tool, the Ostrovets NPP has already been used well: it helped Russia to discredit one of Lithuanians' strategic projects, which is their own Visaginas NPP. Now, it is further used by Kremlin for economic profit and political gains. Regarding the economics, electricity from the Ostrovets and Kaliningrad NPPs would keep the Baltic States importing Russian electricity and services. On the political side, the process of installing power plants close to the EU border was meant to end the diplomatic isolation of Russia: involve the counter-partners into endless negotiations without results and lead to positive concessions in other spheres. Besides that, the development of power plants allows Russia to successfully apply the divide-and-rule principle even among the closest partners: cargoes for railways and ports are being promised for those Baltic States that do not oppose the NPPs. This, of course, negatively affects the common voice when the Ostrovets NPP's safety and security issues are being discussed at the regional and European levels, in addition to creating friction within even the national political establishment.

What is even more important in the light of the ongoing hybrid warfare in the region is the fact that in the case of geopolitical tension, an act of self-sabotage in Ostrovets may be used as a non-conventional method of area denial operations. In other words, the Ostrovets NPP prevents any military activity close to it as it would possibly harm the nuclear object and cause uncontrolled damage to the environment and society on both sides of the border. Second, the NPP is a challenge for NATO because of the risk of exposure to radioactive material. The power plant represents similar risks as the river dams in conflict-torn Iraq: if damaged, it would bring death and destruction not only to civilians but also to the military force, which would become incapable of taking any action. And finally, Western forces – or Lithuania, in particular – could be blamed for every incident in and around the NPP with the purpose of pushing the tension and justifying subsequent military actions.

One must admit that the probability of intentional damage to the NPP is comparatively low, but creation of the information fog of uncertainty around the NPP, which can lead to a disinformation operation, is a highly possible challenge. Even a faked news about a major incident in the NPP could trigger the evacuation of Vilnius and its surroundings – a huge operation that has been never tested, and the success of performing this task is unknown. Induced panic could endanger the functioning of the state and represent a serious challenge to its social and political order. This scenario has already been tested in the US: according to *The New York Times*, 'trolls' from Saint Petersburg were responsible for the 2014 Columbian Chemicals Plant explosion hoax, in which rumours were spread that the Islamic State of Iraq and Syria (ISIS) was responsible for an explosion at a chemical plant in Centerville, Louisiana.¹⁴

3.2 Energy promoter and justifier of Russian geo-strategy

In terms of gas, all three countries import from Gazprom, since they are still connected to the post-Soviet network of pipelines as a result of geographical location and historical inheritance. This dependence means that threats of supply disruptions or blackmailing via energy pricing strategies could be useful, and therefore tempting, to apply. The political-economic-military interests of Russia are implemented by using the natural gas sector in the following way:

- *Pressuring through strong negotiating position*: cheaper final price on natural gas is proposed for the concessions associated with approval of the Nord Stream project – both in 2009 and 2018.
- *Pushing alternative supply projects/initiatives out of the market*: kick-off of the LNG business in Russia's Far East meant, first of all, to push out of market competitors from the US;
- *Compromising political leadership*: distancing from Russia, the political leadership of Lithuania decided to invest into the Klaipeda LNG terminal, which will soon face not only informational attacks but also competition from Russian LNG objects in the Baltic Sea.
- *Bribing liberal governments*: selling the natural gas cheaper than other suppliers on European markets means not only pushing other suppliers out, but also certain bribe of the governments that agree to have relations with Russia under a sanctions regime.

¹⁴ <https://www.ibtimes.co.uk/arsonists-attack-infamous-russian-troll-factory-1588642>

Political and economic interests are not the only ones that Russia tries to reach in relations with the Baltic States. The energy dimension (both electricity and natural gas aspects) is important for strengthening the *military* presence and using the Russian Baltic Fleet, stationed at the Kaliningrad exclave. Vladimir Putin once openly told that the Russian Baltic Fleet ‘has the task of safeguarding our economic interests in the Baltic Sea during the construction of Nord Stream’ (*The Guardian* 2010). Another proof that energy becomes a target of military activities has been documented in 2015, when a Russian naval ship tried to hinder the laying of the NordBalt undersea power cable between Lithuania and Sweden at least four times. According to the then Minister of Energy, R. Masiulis, ‘*the cable-laying ship was asked to leave the site. Sweden and I protested. After these protests, they (the Russians) retreated and allowed the work to proceed*’ (*Baltic Times*, 2015).¹⁵

Ostrovets is also being used as a cover for the deployment of additional military capabilities to the NATO border. As for instance, at the end of 2016, a new military base was deployed: according to official Belorussian statements, a military unit of a battalion size was deployed to ensure the security of the NPP and the supply of nuclear fuel. This military unit has been trained in Russia and may be strengthened by Russian force in the future. On the same grounds, Belorussian air defence is being strengthened on Lithuanian (meaning also NATO and the EU) border. All of these happenings represent clear military threats to the Baltic States.

Thus, aside from political and economic pressure using energy as a tool, projects in the Baltic Sea allow Russia to increase its surveillance in the region and gain critical intelligence regarding the course of actions of one or another NATO and EU Member States (Lin 2009: 4). This kind of militarisation of energy affairs will most probably continue with Arctic energy exploration and include not only the Baltic, but also the Northern Fleet, and the formation of certain ‘brigades for protection’ should not be excluded.

4 The Baltic States respond: from national to regional and EU-wide

Currently, there are two natural gas suppliers for the consumers in the Baltic States – Russia’s Gazprom and the Lithuanian LNG terminal in Klaipeda. There is also an option of Latvian underground gas storage in Incukalna, but the origin of the gas from the storage is either Russian or delivered from Klaipeda. In addition to that, Estonia, Latvia and Finland demonstrate an interest to build small-scale as well as regional LNG terminals: in Estonia, mainly in Paldiski and Muuga, terminals are on the table, yet the timeframe of the projects is yet to be decided (Elering, 2016). Hereof, the LNG terminal in Klaipeda starts to create competition for Russian gas. True, competition is of a different scale: although LNG makes up around half of the consumed gas in Lithuania, in Estonia, LNG represents only 10%–15% of the Estonian market. In addition, until May 2016, one of the shareholders in Eesti Gaas was Gazprom. Therefore, the current situation, at least in Estonia (in Latvia as well, as it is similar), remains worrisome: the Estonian Competition Authority pointed out that ‘due to the single market dominant natural gas importer, who was at the same time also the retail seller in market dominant position, in 2016 there was no sufficiently liquid retail market of gas in Estonia yet’ (*Konkurentsiamet*, 2017: 69).

Nevertheless, generally talking, the Klaipeda LNG terminal (opened at the end of 2014) ended a six-decades-long Russian gas supply monopoly in the Baltic States (lowered Russian gas imports by half in Lithuania) as well as ensured secure and diversified natural gas supplies at competitive prices to the whole region (decreasing average price to Lithuania by 55% in 2014–2016). What is politically important is that Klaipeda’s terminal opened the gates for LNG suppliers to the North/East Europe gas markets (the Baltic States, Poland, Ukraine, Finland and Sweden) and promoted LNG use in maritime and transport sectors as an alternative fuel for ships, trucks, public transport and trains. In addition, new power links from the Baltic States to Poland and Sweden were inaugurated in 2015, and gas interconnection between Lithuania and Latvia has been upgraded in 2016. As a result, the Baltic States are ranked as the countries able to provide sustainable energy through such dimensions as energy security, energy accessibility and affordability, as well as environmental sustainability. As, for instance, the World Energy Council’s Energy Trilemma

¹⁵ https://www.baltictimes.com/russian_naval_ship_tried_to_halt_nordsea_power_cable_between_lithuania_and_sweden/

Index tool ranked Latvia, Lithuania and Estonia at the 25th, 31st and 40th places, respectively, among 125 states,¹⁶ which is a comparatively good result for countries regarded as ‘energy islands’ only a few years ago.

Another important achievement of the Baltic States is the European Commission’s decision to launch an investigation about the possible abuse by Gazprom of a dominant position in the Central Eastern European markets. In 2015, the EC stated that Gazprom violated EU antitrust rules as part of a joint strategy aimed at breaking up gas markets in the CEE countries, for instance, by reducing the customer’s ability to resell gas to other countries. In other words, the EC stated that Gazprom could have been charged for setting an unfair price for some countries. Due to the possible \$8 billion fine, Gazprom proposed some changes that should abandon restrictions on geographical sales (allowing importers to resell gas to other countries – the possibility of exchange or at least partial diversification); the CEE countries are offered the opportunity to change gas delivery points (between five import points); to include hub indexes into the formula for calculating gas prices and so on. Of course, Gazprom’s proposals to the European Commission do not substantially reduce Russia’s influence in the EU and, the more so, do not compensate for the losses incurred. Concessions are not relevant for those countries that have diversified their supply by leveraging LNG and are not seeking long-term agreements with Gazprom. Nevertheless, the Baltic States managed to create a European-wide pressure on Gazprom, and this, by no doubt, qualifies as their psychological victory.

Removal of infrastructural isolation from the EU Member States, electricity generation in Latvia and Estonia exceeding consumption, liberalisation of electricity markets in the same countries,¹⁷ recognition (from the European Commission and also Germany, Sweden, Finland and Poland) that synchronisation contributes to achieving a functional internal energy market of the EU constituted a real success and a ‘game changer’ for energy pricing and the security of supply purposes. This fact and the consistently declining dependency rate (in Estonia, it was only 6.8% in 2016 [Truuts, 2018]) made the countries quite energy independent and, at the same time, shifted the countries’ perception of energy from that of a permanent security challenge to energy as a business opportunity. In other words, the completed infrastructure allowed the Baltic States to focus on the next tasks in the area of energy security, such as synchronisation of their electricity systems with continental Europe, creation of regional electricity and gas markets, LNG bunkering and profiting from the related know-how.

For the mobilisation of the international community against the unsafe NPP in Ostrovets, Lithuania did its ‘homework’: adopted two laws and several governmental decisions that will prevent/limit import of electricity from the Ostrovets NPP. Internationally, Lithuania is also quite successfully requiring adoption of the so-called ‘level playing field’ principle, which is aimed at respecting the EU, International Atomic Energy Agency (IAEA), Espoo and Aarhus rules. The problem is with other EU countries’ position, which is more modest and may be explained by some economic interests. The European Commission does not want the relations with Russia to deteriorate as well; therefore, it limits itself to requirements for the implementation of the so-called stress tests. The IAEA, which is strongly influenced by Russia, has no mandate to independently and critically assess nuclear energy projects, nor does it lack instruments to investigate incidents or penalise offenders. Nevertheless, the Implementation Committees of the Espoo and Aarhus Conventions have provided insights into possible violations of international law, which once again is because of the active and firm policy of the Baltic States.

Successful cooperation between the Baltic States may be also observed in the context of synchronisation. First of all, two critical studies were completed in 2018 by transmission system operators: a dynamic study clarified the impact of synchronisation on the whole European system; and a frequency study reflected the agreement on the needed capital and the operational costs of synchronisation. This made the political agreement between the three Baltic States, Poland and the European Commission possible, which was concluded in June 2018. All sides agreed on the road map that leads to the preparation of the catalogue of measures by the European Network of Transmission System Operators for Electricity (ENTSO-E) – a symbolic step that irreversibly leads to the synchronisation process and initiates the preparation for discussions with Russia and Belarus on the Baltic States’ de-synchronisation from the IPS/UPS. In 2018, the Baltic States also managed jointly to apply for Connecting Europe Facility (CEF) financing, which is needed for modernisation of their internal energy lines, and are getting prepared for the island operation test of their electricity system (scheduled for summer 2019).

¹⁶ Energy Trilemma Index webpage: <https://trilemma.worldenergy.org/>

¹⁷ For example, Estonia opened its electricity market for all, including physical consumers in 2013, providing possibility for them to choose their service provider as well as the package they preferred. For the moment there are more than 10 service providers in the market.

It must be admitted that Russia takes decisions in response to these positive changes. As, for instance, the LNG terminal in Kaliningrad would eliminate Kaliningrad's dependence on gas transit through Lithuania and Belarus. As a result, Russia's asymmetric power in terms of Lithuania as a transit state would increase – a review or termination of the recently signed natural gas transit agreement becomes possible. Russian LNG exports to the Baltic States, and even Poland, may become another reality, which will bring back the dependency and increase the maintenance costs of the Klaipeda terminal (if LNG to the Baltic States is shipped from the Polish LNG terminal via the Gas Interconnection Poland–Lithuania [GIPL] pipeline between Poland and Lithuania). For achievement of its geopolitical aims (described earlier), the LNG terminal in Kaliningrad may not necessarily use the LNG of Gazprom origin: buying LNG on the market from Statoil or Cheniere, operators of the Kaliningrad LNG terminal, could possibly reduce the supply of LNG to the Klaipeda terminal.

5 Conclusions

Interconnected infrastructure related to electricity and gas, as well as dependencies on gas, electricity and oil supplies, led to the quarter-century strategic dependency of the Baltic States on Russia. Therefore, securing energy independence and strengthening their resilience to hybrid threats is of extreme importance, but it still remains a challenge for the Baltic States. One of the key aspects while facing the hybrid threats is establishing a strong regional cooperation with regional priorities. It has been very visible when all the Baltic States have criticised the Nord Stream 2 gas pipeline in spite of Russia's pressure, but achieving agreement over common regional infrastructural projects, such as building a regional LNG terminal, integrating with the EU electricity systems or the Visaginas NPP issue, have faced more (political) obstacles, leading to loss of valuable time or sometimes failing to have positive results at all.

Kremlin has been and will keep using energy as a weapon until there are possibilities. Their direct interference in the domestic affairs of these countries has already become complicated due to the implemented EU Third Energy Package; therefore, instruments of 'punishment' had to become more delicate and less evident. Thus, in 2009, Russia started the Ostrovets NPP project aimed at reducing the attractiveness of the NPP project initiated in Lithuania by the three Baltic States and Poland. Finally, the Visaginas NPP project had to be abandoned, which caused damage to economy, image and reliability of Lithuania, first of all. What became even more important is the dual role of the Ostrovets NPP: although the production of electricity has not started, the power plant operates as a non-conventional weapon for area denial, risk of exposure, deployment of additional troops, justification of military activities or creation of uncertainty purposes.

Kremlin's military aims are being reached by exploiting constructions of energy infrastructure not only inside, but also outside Russia and Belarus. Russian naval ships hinder the laying of the NordBalt undersea power cable and 'protect' the construction of the gas pipeline in the Baltic Sea. Russian hackers constantly attack strategic energy generation, transmission and distribution networks. The troll army targets energy policy decisions that make the Baltic States safer and more distant from Moscow. Maritime and cyber aspects of energy (in)security, coupled with shortage of contingency exercises, potential information fog and uncertainty, lack of infrastructure and uncompleted integration into European systems leave the Baltic States' governments and societies at large unprepared for major crises situations. We are not even talking about the dangerous 'post-Nord Stream 2' situation: then both Russia and the West will become fully independent from the natural gas transit via Central European States; the assertive policy of Moscow and the possible 'blindness' of the West could cause even greater security challenges for the Baltic States.

Thus, the question that arises is how the Baltic States should react in the future to the use of energy instruments within this type of hybrid warfare? Leaving less room for political pressure and establishing more space for market relations could be the answer that must be addressed internationally. Creation of common gas and electricity markets in the Baltic States and opposition to Rosatom's and Gazprom's infrastructure projects – which deepen EU's dependency on Russia – contribute to the security of the whole EU. After completing almost all interconnection projects that will end energy isolation, the Baltic States must complete full integration into European structures and energy systems. Second, the Baltic States' vulnerability would be lessened if the EU negotiation power vis-à-vis external energy suppliers is strengthened. And third, the Baltic States must seek to ensure a level playing field vis-à-vis energy producers from the

third countries, including establishment of de facto import limitations based on competition reasons for electricity coming from unsafe power plants.

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