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TITLE: Three Seas Region – shared history, shared future.

LEAD: The countries in the Three Seas Region were hit less by COVID-19 pandemic and are forecast to recover faster than the rest of the EU due to infrastructural investment, good economic location and highly-skilled workforce – writes Beata DASZYŃSKA-MUZYCZKA

The Three Seas Region has a huge potential with its 12 countries accounting for 30% of EU's area, 25% of its population and almost 20% of its GDP. Opponents of the Three Seas Initiative say that all we share is history and geography. In fact, we are linked by much more than that – we all have great ambitions, attract investors and enjoy dynamic growth. Although they say that we keep catching up with the West, we have actually managed to outstrip western countries in many aspects.

The Three Seas Initiative is a unique undertaking in this part of Europe. It is the first integration project that originates from within the region and has a long-term objective. For decades, decisions about the region were taken by outside players who were more interested in linking the territory to their own political, economic and infrastructural networks, caring less about intra-regional integration. This is why, today, it is easier to travel across Europe from east to west than from north to south, and trading within the Three Seas Region is of relatively little importance compared to commercial exchange with other EU members states. Tapping into that potential will benefit the entire European Union.

In order to do it, we need closer economic links between the Three Seas countries. No one has built them for us and no one will. We need to shoulder this responsibility ourselves as countries that make up the region. However, developing close ties will take time, heavy expenditure and a lot of joint effort.

It will take **time** because the Three Seas Initiative is meant to last decades. Today we are only defining objectives for the first ten years. One such objective is to bridge the infrastructural divide between the western and eastern parts of the EU. The objective is supported by the Three Seas Initiative Investment Fund whose originator, co-founder and main investor is the Polish State Development Bank, Bank Gospodarstwa Krajowego. The Fund supports commercial infrastructural investment in three areas of key importance for the Three Seas Region: energy, transport and digital economy.

It will take **heavy expenditure** because close economic links require shared infrastructure that is expensive to build. SpotData, a think tank, estimates that the cost of bridging the infrastructural divide in the EU alone will amount to €600 billion by 2030. The Three Seas Initiative Investment Fund will obtain extra investment, including from international financial institutions and private investors, that will add to budgetary spending in the Three Seas countries and EU Funds.

It will take **a lot of joint effort** because there are many perspectives and expectations to be reconciled. This is why the Fund prioritises those investments whose positive impact extends beyond the country of their location. Doing so, we will build a community of shared interests.

Today, when the entire world combats the consequences of the COVID-19 pandemic, infrastructural investments become crucial as a means of recovering from the economic crisis. Yet it is more difficult to obtain external capital to implement them. The Three Seas Initiative Investment Fund provides an answer to this challenge. It is attractive for investors as it gives them an opportunity to make more profit with less risk thanks to investing in a region with strong economic growth and high stability. At the same time, thanks to the Fund, foreign investors do not have to look for investment projects in

individual countries of the region or spend their energy and resources for the costly process of their assessment.

That the Three Seas Region economies are stable has been proved by the current crisis – the countries in the region were hit less and are forecast to recover faster than the rest of the EU due to infrastructural investment, good economic location and highly-skilled workforce. This represents an excellent opportunity to increase the importance of the region for the global economy after the pandemic. We will seize it by implementing smart solutions and investing in smart projects and smart infrastructure funded by smart money. The Three Seas Region is not only about shared history, but also about shared future.

Beata Daszyńska-Muzyczka

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