

29 December 2025 No. 1/1225-361

Mr Arvils Ašeradens Minister for Finance

Mr Jürgen Ligi Minister of Finance of the Republic of Latvia of the Republic of Estonia Mr Kristupas Vaitiekūnas Minister of Finance of the Republic of Lithuania

Dear Ministers,

On behalf of the Baltic Assembly, we would like to express our sincere appreciation to the Ministers of Finance for fostering cooperation of the Baltic States within your respective areas of responsibility, thereby strengthening sound budget governance, fiscal coordination, and the long-term economic resilience of our region.

On 12 December 2025, the conference of the Baltic Assembly "Health as an Investment in Baltic Security and Future" was held in Riga. During the conference, Baltic parliamentarians, representatives of respective ministries and experts discussed health being a powerful long-term investment. The Baltic States currently treat healthcare predominantly as an expense rather than a strategic investment. We believe that shifting this paradigm can unlock economic growth, enhance productivity, and ensure long-term prosperity for the region.

Unfortunately, the Baltic health systems lag behind the averages of the European Union (EU). Compared with the EU, the Baltic States collectively spend 7.4 % of GDP on health care, which is substantially lower than the EU average of 10.0 %. This represents health spending that is about 26% lower than the EU benchmark. As a result, compared with the EU average, the Baltic population experiences shorter and less healthy lives. Life expectancy in the Baltics is 76.9 years, while the EU average is 81.5 years. Baltic citizens also have approximately 5.9 fewer healthy years at birth than the EU average. Poor health outcomes in the Baltic States are linked to high economic costs from reduced productivity, early mortality, absenteeism, and presenteeism - annually, GDP losses across all diseases amount to 9.7 billion euros in the Baltic States, equal to 6.4 % of total Baltic GDP. These findings are of serious concern and underscore the importance of the active and close involvement of the Ministers of Finance in this process.

While representatives of the Ministries of Finance of the Baltic States were not able to participate in the conference, we would nevertheless highly value your perspectives on several key issues raised during the discussions:

- How do the Ministries of Finance currently assess health expenditure in the context of long-term economic growth?
- What tools or methodologies do the Ministries of Finance use or plan to develop to evaluate the return on investment of health initiatives across sectors, including productivity and labour market participation?
- Given the presented data on productivity losses, how can Ministries of Finance better collaborate with health authorities to quantify economic gains from improved population health?

- How do you envision stronger cooperation between the Ministries of Health and the Ministries of Finance, and other economic ministries to align health expenditure with economic and social policy goals?
- What steps can be taken to integrate health outcomes and return-on-investment metrics into multi-year fiscal planning and budget governance frameworks?
- Do you foresee adjustments to national budget priorities to support preventive health measures that demonstrate high economic return-on-investment?
- Would the Ministries of Finance support the development of a standardised regional framework for health return-on-investment measurement to enhance comparability and policy decision-making across the Baltic States?

We would greatly appreciate your replies by **2 March 2026** to ensure that the Health, Welfare and Family Committee of the Baltic Assembly can discuss the received answers at the meeting on 26-27 March 2026.

Please find attached the presentation of the WifOR Institute.

Sincerely,

President of the Baltic Assembly

Vice President of the Baltic Assembly

Vice President of the Baltic Assembly

**Jānis Vucāns** Republic of Latvia **Timo Suslov** Republic of Estonia **Giedrius Drukteinis** Republic of Lithuania

Chair of the Health, Welfare and Family Committee of the Baltic Assembly Vice Chair of the Health, Welfare and Family Committee of the Baltic Assembly Vice Chair of the Health, Welfare and Family Committee of the Baltic Assembly

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