

Priorities of the Czech Presidency of the Council of the European Union in 2022

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Introduction

Within the framework of the effective functioning of the European Union (EU), there is a regular change in the leadership (presidency) of the Council of the EU every six months. *The Council of the EU* is the main decision-making body of the EU. The Council has legislative power, which it shares with the European Parliament (*note: the European Council is a different body*). This is a politically important function, in which all the EU member states gradually take turns. Alternating of the presiding countries (PCs) is governed by the principles of equality and rotation. For the Czech Republic (CR), this presidency will be the second in history. While the first presidency of the CR took place in the six-month period from 1 January to 30 June 2009, this current one will perform from 1 July to 31 December 2022.

Background of the Issue

The basic task of the presidency is to ensure the continuity of the functioning and direction of the EU. The presiding country (PC) acts as a moderator of the negotiations in the given period, which limits the promotion of national interests in the negotiations. However, the country holding the presidency has the opportunity to influence the direction of discussions in the EU over the presidency period, highlighting key issues from its point of view. Successful holding of the presidency has an impact on a member state's prestige and influence within the EU. The forthcoming presidency is thus a chance to present the country within the EU and beyond its borders.

Before taking over the presidency of the Council of the EU, each incoming PC must determine its priorities, which it will pursue during its six-month presidency. These priorities must respect a number of factors. These include, in particular, the European Commission's program, the legislative proposals already submitted and the priorities of the other partners of the "presidency trinity" (representing three consecutive PCs). The PC will forward these priorities to the Council of the EU and the European Parliament. There is mutual coordination between countries whose successive presidencies follow each other. They are preparing a joint program in which they present the joint agenda of all three successive presidencies to ensure continuity and efficiency in the preparation, discussion and implementation of individual legislative proposals. The Presidency's program reflects both the common priorities of the "trinity" and the issues currently being addressed at European level. That is why a joint program of the "trinity" seeks to strike a balance between their national interests and the demands of the other partners. This was no different in the case of the first Czech Presidency (CP), which created a joint program with France and Sweden.

Picture 1: Czech Presidency - Logo



Source: <https://czech-presidency.consilium.europa.eu>

Figure 1 shows the logo of the CP on the left. The motto of the CP is: "Europe as a task: rethink, rebuild, repower".

Governance of Czech Presidency

It is obvious that *the Czech Presidency of the Council of Europe* will not be easy for the government. The complexity of both domestic and foreign policy situations (both within and outside the EU) will require a prudent response to a complex and dynamic environment. The government will have to take into account not only its priorities, but also the appropriate interests of the individual EU member states. As has been shown in the past, this balancing of interests has sometimes not been easy, even in much quieter times, and will not be easy even in these more difficult times. The role of the country holding the Presidency is mainly to set the agenda and priorities of the EU Council. The representatives of the country holding the Presidency shall chair meetings of certain Council formations, with the exception of those chaired by *the Permanent Chairman of the European Council* or by *the High Representative of the Union for Foreign Affairs and Security Policy*. The PC also works closely with *the Permanent Chairman of the European Council* and his team. In total, the Presidency will take the lead at almost 195 Council working groups, including the *Permanent Representatives Committee (COREPER)*.

Agenda of Czech Presidency

The Czech Presidency wishes to bring a new quality to relations between the countries of Central and Western Europe, especially in terms of economic and political interests. Balancing the challenges of energy security and social stability due to rising prices of goods and services and the challenges of ambitious environmental goals are a difficult task. If in 2021 it was assumed that the main tasks of the CP would be to address the economic and social consequences of the Covid-19 pandemic, then the situation in Ukraine significantly modified these ideas. The disruption of energy stability and the associated rise in the prices of energy, food and other goods, and the arrival of a large number of refugees in the CR and other member states, disrupted the expected scenario of implementing the expected priorities of the CP. The original challenges included:

- coping with the social and economic consequences of the Covid-19 pandemic;
- efforts to address the effects of rising inflation;
- pressure to limit the growing indebtedness of member countries due to the loosening of fiscal rules.

Based on an inter-ministerial discussion of experts and in cooperation with the social partners, the basic starting points for the Presidency's priorities were proposed. This should reflect current events. The priority topics for the CR before the official priorities were announced were the following five: *Europe interconnected by internal market, modern and prosperous* (with 7 sub-areas); *Europe strong and secure* (9); *A healthy and sustainable Europe* (4); *A cohesive and solidarity Europe* (4) and *A smart and creative Europe* (5). The above ideas on priorities were collected by the end of June 2020. The proposals were then submitted to the Strategic Communication Group for consideration and subsequently the final selection (revised with regard to changed conditions at home and abroad) was made at government level and presented in mid-June 2022. During its second Presidency, the CR will thus focus on **five priority areas (PAs)**:

- 1. Managing the refugee crisis and Ukraine's post-war recovery**
- 2. Energy security**
- 3. Strengthening Europe's defense capabilities and cyberspace security**
- 4. Strategic resilience of the European economy**
- 5. Resilience of democratic institutions**

Priorities of the Czech Presidency in 2022

PA 1: Important economic task of the CP – besides coping with refugee issue - will be the post-conflict reconstruction of Ukraine, focusing on e.g., restoring critical infrastructure or ensuring basic services.

PA 2: The CP will put emphasis on the EU's energy security issues, which are currently more pressing than the energy transition and on the accelerated implementation of initiative *REPowerEU*, stressing diversification of sources including logistics, energy savings and acceleration of the transition to low-emission/renewable energy sources. The CP is ready to work on the regulation of gas reserves (e.g., filling storages, voluntary EU joint purchases). The decarbonization of the EU industry and the transition from natural gas to hydrogen require the development of hydrogen infrastructure, storage and terminals. The CP will also deal with energy efficiency, development of energy infrastructure (strengthening the EU's energy resilience) and the use of renewable energy. Finally, the CP will deal with the role of nuclear energy in ensuring the EU's energy security and meeting the EU's climate goals. The CP will concentrate on reducing emissions, promoting environmentally friendly modes of transport and infrastructure for alternative fuels. It will focus on the development of *the Trans-European Transport Network*. The CP will work on implementing an appropriate mix of instruments (including social measures) that will reduce the negative impact of high-energy prices and allow the transition towards carbon neutrality. Energy savings are becoming increasingly important in view of rising energy prices.

PA 3: Given the growing global instability, the CP will focus on reinforcing security and defense capabilities, in particular in partnership with NATO. Simultaneously, the CP will address cyber threats

and the geopolitical context of new technologies. It will also focus on the fight against disinformation and the security of cyberspace. The CP will pay attention to the cybersecurity of EU institutions, bodies and agencies and to the EU space-based secure communication system.

PA 4: The Covid-19 pandemic and Ukraine conflict have led to an inflation shock, increased market uncertainty and higher fragility of global supply chains. The result is substantial disruption of commodity markets. The EU must reduce its dependence on unstable markets, but full self-sufficiency does not seem to be an immediately viable option for the EU. To strengthen strategic resilience, targeted support for technological competitiveness based on own production capacities is essential. Supply chains resilience and security must be strengthened. The availability of strategic raw materials and components must be secured for firms. The CP will work on deepening transatlantic cooperation within *the EU-US Trade and Technology Council*. Accelerating the digitalization/automation of European industry is also essential. A more efficient circular economy will contribute to reducing the need for imports of primary materials. There is also a need to support the development of the skills of Europeans to adapt to changing circumstances. Support through EU investment policies, in particular cohesion policy, will play a crucial role in all these areas. The internal market needs to be deepened, especially in services and the digital economy. The CP will strive for the adoption of a pan-European tool for the secure and trustworthy proving of a citizen's identity, „*the European Digital Identity Wallet*“, and the creation of an efficient data market.

PA 5: The CP will focus on strengthening the resilience of institutions that have a major influence on maintaining and developing values of democracy and the rule of law in the EU. These include, e.g., transparent financing of political parties, the independence of mass media and an open dialogue with citizens.

Preparation of qualified staff for the successful performance of the Presidency's tasks was performed by the Institute of Public Administration in Prague. A key part of the Presidency is its program content and priorities. Until the end of June 2020 Czech citizens could also participate in their formation via an online form. The country holding the Presidency largely sets the agenda for the EU Council. Because of the Presidency, the CR will have the opportunity to promote its interests in the EU. This will be implemented through setting the agenda for working meetings and by choosing the topics of informal meetings and accompanying events. During its Presidency, the CR will act as an impartial mediator trying to find solutions that are acceptable and beneficial to all EU citizens. During the CP, a significant part of the current European Commission's proposals will already be in an advanced stage of legislative negotiations, which will enable the CR to influence the form of the resulting legislation.

Within the Presidency, the PC organizes a number of events, including the main event (a summit, an informal meeting of the heads of state and government of the member states). This is followed by formal and informal meetings of the various Council formations and many other lower-level events, such as meetings of Council working groups. Many events will take place in the CR during the Presidency (one summit, 14 informal ministerial councils, 69 working groups, 52 conferences, meetings of the Czech government with the European Commission and the European Parliament). By the end of the presidency, 378 various events will be held. Most of them will take place in the CR (216), some others in Belgium (118), France (5), Luxembourg (6) or online. The implementation of the

actions will require significant financial resources from the presiding country. The approved budget for the CP amounts to EUR 72.7 mil. plus additional funds allocated for individual ministries. Expenditures on the CP thus amount to EUR 92.9 mil. The highest share of funds will be provided for events and ensuring their security (59 %).

Future Expectations

The Czech Republic will face considerable challenges in the next six months of its Presidency. These challenges will be complex and evolving dynamically. They will represent a situation that requires the coordinated efforts of many actors - not only the Czech government and domestic actors, but also actors of other EU member states. Since the beginning of the presidency, several events have already taken place, such as conference "Importance of Modern Technologies for European Defense and Security" held in Prague (July 19-20), informal meeting of competitiveness ministers or informal meeting of Working Party on Trade Questions (Prague, July 19). At present, it is still premature to assess the CR's ability to manage successfully its Presidency.

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