

THE CZECH PRESIDENCY OF THE EUROPEAN UNION

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This briefing outlines the circumstances surrounding the Czech Presidency of the European Union which commenced on 1 January 2009. It goes on to describe the priorities of the Presidency within the context of the 18 month programme shared with the preceding French Presidency and subsequent Swedish Presidency. In particular, it considers those priorities which are of most interest to Scotland.

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THE CZECH PRESIDENCY OF THE EUROPEAN UNION

With the failure to ratify the Treaty of Lisbon the presidency of the European Council continues to be rotated around Member States. The Czech Republic took on the Presidency of the European Council for six months starting on 1 January 2009. It is the first time the Czechs have held the Presidency of the European Union (EU). This paper outlines the circumstances surrounding the Presidency and highlights the Czech Presidency priorities, and in particular those of most interest to Scotland.

18 MONTH PRESIDENCIES

In 2006, Member States agreed to adopt work programmes which encompassed three presidencies rather than one. This meant that each work programme was for 18 months and ensured a greater level of continuity from one presidency to another. The first programme was agreed between Germany, Portugal and Slovenia whilst the current programme incorporates the presidencies of France, the Czech Republic and Sweden. In partnering the Member States who joined the EU in 2004 with more established Member States, the EU hopes to ensure the first Presidencies of the new Member States run smoothly.

The [18 month programme](#) for the French, Czech and Swedish Presidencies was published on 30 June 2008. The programme outlines the over-arching themes which the trio thought would be important over the eighteen month period. These themes include tackling climate change, energy policy, the Lisbon strategy, competitiveness, sustainable development, agricultural policy and the development of an area of freedom, security and justice. Another theme, particularly emphasised by the Czechs is that of enlargement and Europe's relations with its neighbours.

Whilst these themes are likely to remain as priorities during the Czech Presidency, recent global events mean that addressing the economic crisis is likely to become a key issue for the new Presidency. This perspective was stated by the Czech Prime Minister, Mirek Topolánek, when he launched his country's presidency website:

“Together with France, which will hand over the Presidency to the Czech Republic, and Sweden, which will take over the Presidency in the second half of 2009, we have elaborated the 18-Month Trio Presidency Programme. All of this has been necessary in order to make the Presidency a success and achieve real results.

Thanks to these preparations, I can say that the priorities of the Czech Presidency are not only national priorities, but the priorities of the entire European Union. The motto of the Czech Presidency, “Europe without Barriers”, reflects the four basic freedoms: the free movement of goods, capital, workers, and services. We intend to uphold these freedoms to their fullest.

The main priorities of the Czech Presidency can be summed up as “the 3 E's”: Economy, Energy and External Relations.” (Czech Republic Presidency of the Council of the European Union)

As a newer Member State taking the Presidency for the first time, the Czechs are clearly keen to show they can take forward the priorities agreed by all the Member States (those of the economy and energy) whilst at the same time taking advantage of their position to push forward the European agendas on free movement, enlargement and neighbourhood policy.

DEVELOPMENTS DURING THE FRENCH PRESIDENCY OF THE EU

The issues facing the Czech Presidency have largely been shaped by the progress made by the predecessor French Presidency. Indeed, it is normal for issues at EU level to roll over from one Presidency to another.

This meant that, up until the European Council on 11 and 12 December 2008 the Czech Government would have been uncertain as to the issues that they would be faced with upon taking over the Presidency on January 1 2009. This made it difficult for the Czech Government to prepare for its Presidency and to set its priorities which had to reflect the situation at the closure of the French Presidency.

According to the French Presidency under whom the Council was held:

“The European Council on 11 and 12 December 2008 approved a European Economic Recovery Plan, equivalent to about 1.5 % of the GDP of the European Union (a figure amounting to around EUR 200 billion). The plan provides a common framework for the efforts made by Member States and by the European Union, with a view to ensuring consistency and maximising effectiveness. The European Council also reached agreement on the energy/climate change package which should enable this package to be finalised with the European Parliament by the end of the year. This decisive breakthrough will enable the European Union to honour the ambitious commitments entered into in this area in 2007 to maintain its leading role in the search for an ambitious and comprehensive global agreement at Copenhagen next year. The European Council demonstrated its intent, through concrete decisions, to give new impetus to the European Security and Defence Policy in order to meet the new security challenges. Lastly, the European Council discussed the factors designed to respond to the concerns expressed during the Irish referendum and established an approach to enable the Treaty of Lisbon to come into force before the end of 2009.” (Council of the European Union 2008a)

Reaching agreement on the way forward, both in terms of a financial rescue package for the European economy and in addressing the future of the Lisbon Treaty, was good news for both the European Union and arguably the incoming Czech Presidency. Both issues had threatened to dominate the Presidency and the agreements allowed the Czech Government to concentrate on implementing the agreements whilst at the same time progressing its own agenda on the key issues of the economy, energy and external relations.

Another issue which was agreed shortly before the conclusion of the French Presidency was a new energy and climate change package. Following the agreement at European Council level, the European Parliament backed the plan on 17 December 2008.

THE CZECH PRESIDENCY PRIORITIES

In the past, incoming EU Presidencies have revealed their work programme ahead of taking over the role. In the case of the Czech Republic however, it was different. The Czech Government unveiled their work programme in Prague on 6 January 2009. By publishing it at this stage it allowed the Czech Presidency to take account of developments which took place late in the French Presidency.

As had been widely trailed by the Czechs in the preceding months, the main priorities were the economy, energy and the European Union in the world. Alongside these top line issues the Czechs also highlighted a number of other areas where they hope to make progress. The rest of this paper looks at the issues highlighted by the Czech Presidency which are likely to be of most interest to Scotland over the coming six months. These broadly reflect the Scottish Government's [long term EU political objectives](#) of fisheries and aquaculture, the EU budget review, justice and home affairs, EU energy policy and agriculture alongside the Government's 20 [specific EU policy priorities](#) which the Minister for Europe and External Affairs presented to the European and External Relations Committee on 7 October 2008.

“EUROPE WITHOUT BARRIERS”

The Czech Government’s work programme for its Presidency is titled “Europe without Barriers”. The aim of the Czech Presidency is to promote the freedom of movement for people, goods, services and capital as espoused in the EU Treaties. According to the Czech Government:

“Only an economically strong and cohesive EU without internal barriers, building on its values and roots, will be able to address complex global issues and establish its position in today’s world.” (Government of the Czech Republic)

Following on from this, the priority areas for the Presidency will be economy, energy and the European Union in the world.

Addressing the European Parliament on 14 January 2009 the Czech Prime Minister, Mirek Topolanek, explained why these were adopted as priorities by the Czech Presidency and what he felt his country could contribute in the role:

“As a country dependent on imports of natural gas and oil and as a former Eastern Bloc country, we understand very well the importance of energy security as a requirement not only for economic wellbeing, but also for a free and independent foreign policy.

As a new Member State with experience of totalitarianism, we appreciate our membership of the community and consider it our moral duty to strengthen cooperation with those who have remained outside its doors. Just as France put its know-how to use regarding the Mediterranean, we want to convince the EU of the importance of the Eastern Partnership.

The third contribution that I want to mention is our experience with the crisis in the banking sector, which we went through at the end of the 1990’s. We can contribute to the current debate through our prescriptions and experts. Because of the stabilisation of our financial institutions, we are one of the few countries today that did not have to pump taxpayers’ money into rescuing banks affected by the financial crisis.” (Czech Presidency of the European Union online)

ECONOMY

Following on from the agreement of a European Economic Recovery Plan at the December European Council meeting, the Czech Presidency has stated that its primary aim in this area will be to “prevent any further deepening of the crisis and to revive the economic growth of the EU economies” (Government of the Czech Republic).

In addition to this the Czech Presidency will be responsible for representing the European Union at the G-20 Summit being held in London in April to discuss the economic crisis.

According to the Czech Presidency, the way in which it will attempt to lead the EU in revitalising the European economy is through providing greater financial support for education and research and development. In addition, the Czechs have suggested that any barriers which are still preventing the internal market operating properly should be removed to provide a boost to the economy.

ENERGY

The Czech Presidency has committed to continuing the work of previous presidencies by developing the EU's energy policy. According to the Czech Government it will do this by adopting, as a priority, the implementation of the 2007-2009 Action Plan: An Energy Policy for Europe. In addition, the Czechs will also take the lead in incorporating the outcomes of the debates from the Review into the conclusions of the 2009 Spring Council. The Spring Council is also likely to begin development and preparation of the second action plan for 2010-2012.

Another issue highlighted by the Czech Presidency was energy security and reliability. This issue has become even more important following the recent dispute between Russia and Ukraine which saw gas supplies to south east Europe cut off. The Czech Presidency (writing before the dispute took place) stated:

“The Presidency intends to contribute to its strengthening, [energy security] primarily in three respects: by identifying priority infrastructure projects, based on a medium and long term analysis of supply and demand; by supporting the development of energy infrastructure and initiating a debate on the possibilities of improving the existing processes in terms of legislation and implementation; and by creating and developing contractual relationships with third countries and regions, with the aim of ensuring permanent supplies and actively contributing to the diversification of energy sources and transit routes.” (Government of the Czech Republic)

Another area of energy policy which the Czech Presidency has committed to taking action in is that of energy efficiency and low carbon energy sources. Its primary focus in this area will be to try to reach agreement on the proposed framework directive determining requirements for the 'Eco-design' of products, and to make progress on consumption related measures such as the labelling of household appliances and tyres with energy labels, and increasing the energy efficiency of buildings. The Czechs have also expressed support for the use of clean coal technology and demonstration projects for carbon capture and storage.

Energy security was also identified by the Czech Presidency as being a key issue. According to the Czechs “energy security is a necessary prerequisite for the EU's economic development and political stability”. The Czech Presidency identified three ways in which it aimed to strengthen energy supply and security:

- Identifying priority infrastructure projects, based on a medium and long-term analysis of supply and demand;
- Supporting the development of energy infrastructure and initiating a debate on the possibilities of improving the existing processes in terms of legislation and implementation, and;
- Creating and developing contractual relationships with third countries and regions, with the aim of ensuring permanent supplies and actively contributing to the diversification of energy sources and transit routes. (Government of the Czech Republic)

REVIEW OF THE EU BUDGET

The Czech Presidency has said that progress on the EU budget will depend on when the European Commission publishes its Budget Review White Paper. If the White Paper is published during the Czech Presidency and there is time for it to be discussed, the Czechs will summarise those discussions in a progress report.

ECONOMIC AND SOCIAL COHESION POLICY

The Czech Presidency has pledged to continue discussions on the shape of the EU's economic and social cohesion policy post 2013. The Presidency will also attempt to build upon the European Economic Recovery Plan which was agreed at the December Council under the French Presidency. Finally, under this theme the Presidency will look at the possibility of simplifying the administration of structural funds. This would appear to be linked to the desire to provide a stimulus for the European economy.

THE LISBON PROCESS

The Spring European Council is used by Member States to evaluate the progress being made against the Lisbon Strategy targets and objectives both at EU and national level. The Czech Presidency will be responsible for leading discussion on this.

With the Lisbon Strategy due to end in 2010, the Czech Presidency will be responsible for leading the start of discussions on the form the Strategy will take after 2010. The future of the Strategy after 2010 will be discussed by National Lisbon Coordinators in April and the Czechs have responsibility for taking any actions forward.

CLIMATE CHANGE

The major work to be undertaken by the Presidency in relation to climate change will concentrate on preparatory work in an effort to reach a global agreement on setting targets for reducing greenhouse gas emissions after 2012, the aim of this being to keep the maximum increase of the average global temperature at no more than 2°C by 2050.

At the Spring European Council, the Presidency will lead Member States in a discussion of possible mechanisms for financing the fight against climate change. The Presidency will also initiate discussions on the Communication on adaptation to climate change.

The informal meeting of Ministers for the Environment to be held in June 2009 will discuss the introduction of other adaptation measures which will take into account other aspects such as biodiversity and soil protection.

CROSS BORDER HEALTHCARE

The Czech Presidency has expressed its support for the European Commission's proposal on cross-border healthcare. This support is behind the Czech Presidency's proposal to push forward negotiations in the European Council on the Cross Border Health Directive whilst being mindful of the need to take into account the quality and safety of healthcare regardless of which Member State it is provided in.

AGRICULTURE AND FISHERIES

One of the priorities of the Czech Presidency is to "actively build" on the discussions on the future of the Common Agricultural Policy (CAP) after 2013. According to the Czech Presidency it will:

“stimulate a debate on the search for instruments of the future CAP that will lead to a more effective use of financial resources, increase the competitiveness of farmers and lay down the foundations for the long term strengthening of the position of the European agriculture and food processing industries on the open global market. These topics are closely related to the debate on the future of direct payments and the entire first pillar after 2013.”
(Government of the Czech Republic)

The Presidency has also proposed initiating a discussion on the redefinition of the Less Favoured Areas, following a Commission Communication on the issue. The Presidency is looking to stimulate “a constructive debate that will lead to the definition of uniform procedures and methodologies for the delimitation of these areas”.

Under the Common Fisheries Policy (CFP) the Presidency will work towards obtaining a European Commission Communication on promoting sustainable development of aquaculture. In addition the Presidency will host a debate on the future reform of the CFP following on from the publication of the European Commission’s Green Paper on the issue.

JUSTICE AND HOME AFFAIRS – SUCCESSOR TO THE HAGUE PROGRAMME

During 2009 the five year term of The Hague Programme will come to an end. This will mean a new multi-annual programme addressing existing and future problems in the field of Justice and Home Affairs will need to be agreed. In the first instance, the European Commission is expected to publish its proposals for a new programme in May 2009; the Czech Presidency has pledged to participate in the preparation of this document.

THE SWEDISH PRESIDENCY

Following on from the Czech Presidency of the European Union, on 1 July 2009 the Swedes will take on the Presidency. According to the Scottish Government’s European Union Forward Look for 2009, the key issues likely to be taken forward by the Swedish Presidency will be climate change and in particular coordinating and representing the EU position at the UN climate change conference in Copenhagen in December 2009. Alongside this, other issues likely to be prioritised by the Swedish Presidency are the future of the Lisbon Strategy, continuation of the EU Budget Review and agreeing the successor to the Hague Programme for Justice and Home Affairs.

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