



Policy Paper

2022 CZECH PRESIDENCY: A SURPRISING SUCCESS

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About EUROPEUM

EUROPEUM Institute for European Policy is a non-profit, non-partisan, and independent think-tank focusing on European integration and cohesion. EUROPEUM contributes to democracy, security, stability, freedom, and solidarity across Europe as well as to active engagement of the Czech Republic in the European Union. EUROPEUM undertakes original research, organizes public events and educational activities, and formulates new ideas and recommendations to improve European and Czech policy making.



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Introduction

The second ever Czech presidency of the EU Council took place in the second half of 2022, a period in which the EU was under considerable pressure following the Russian invasion in Ukraine. What many predicted would be another regular presidency, became a half a year of crisis management. Over and above these new challenges, the Czech Republic's 2009 presidency had ended in disarray following the collapse of its centre-right government halfway through the term, effectively evaporating any credibility that had been built. Hence, prior to the 2022 term, Czechs had not proven their ability to handle the responsibilities imposed by the presidency, nor their capacity to set aside internal disputes while leading the EU.

This time, the Czechs invited controversy by allocating significantly less of the budget to the Presidency than in 2009. This resulted in a depleted workforce, with public servants' tasks streamlined solely to the Presidency. Furthermore, the Czech government decided to 'hire' an extensive number of interns to fulfil roles normally conducted by junior staff. Additional problems were caused by the parliamentary elections in 2021, leading to a change in government. As a result, preparatory work was delayed; it took Czech politicians and public administration several months to finalize all personnel changes and establish a management structure. Finally, the full-scale Russian invasion of Ukraine meant that the original presidency programme, its narrative and political priorities had to be reworked from scratch on short notice. European partners, as well as critics, grew increasingly anxious when April passed, and new intentions had not yet been communicated.

That being said, the Czech presidency ultimately turned out to be well lead, successful, and without significant missteps. Some could even argue that Czech term outperformed the average presidency. The Czech Republic managed to finalize 41 pieces of new legislation and keep the EU united through 2022. The

former is well above what the Czech public administration had estimated in terms of new legislation; with an initial target of 15 finalised proposals.

Understanding the role of the presidency

In order to analyse the success of a presidency, its role on two levels must first be recognised. The first level, the political, consists of a written presidency programme establishing a narrative of the presidency, what the leading country aims to achieve, and how it understands European integration.

The second level is the European legislative process as such. The primary goal of each presidency is to facilitate negotiations and close as much new legislation as possible. It is important to mention that space for manoeuvring is significantly constrained by the logic of the EU's legislative process, including the exact time within the legislative term of the EP and Commission. Thus, the first presidencies usually try to initiate negotiation processes, while those presidencies at the end of the legislative term aim to finalize discussions.

The Czech Republic held its rotating presidency during the second half of the current legislative period, and thus its role was rather not to begin new negotiations, but to push forward already existing legislative proposals.

The political level

The Czech political programme had to be rewritten on short notice to reflect the political priorities of a new cabinet, as well as the impact of the full-scale Russian invasion of Ukraine. Since the start of the war, the Czech Republic has presented itself as a resolute supporter of Ukraine. Simultaneously, it has abandoned its former cabinet's rhetoric of 'protecting Czech national interests against Brussels', and placed emphasis on the political cohesion of the EU and NATO. These priorities are mirrored in the Czech programme as well as the official slogan 'Europe as a Task'.

The Czech presidency established five priorities: 1) Refugee crisis and reconstruction of Ukraine; 2) Energy security; 3) EU Defence and Cyber protection; 4) Strategic resilience of the EU economy; 5) Resilience of Democratic institutions¹. Excepting the final point, all priorities were intentionally responsive to the Russian invasion. The predominant narrative was describing the EU as a community in solidarity with Ukraine and addressing the impacts of the ongoing war. This was very deliberately established; the Czech government's primary goal was to keep Ukraine at the centre of discussions and avoid any diminishing interest in the war within the EU.

Retrospectively, this goal was achieved. The EU's political discussions revolved around the Russian invasion and its ramifications for European security. Czech negotiators managed to keep the Union united and efficient in its decision making. In this respect, the presidency can be particularly applauded for the EU interventions on the energy market, as well as mandatory savings of gas consumption.

Secondly, the Czech presidency managed to conclude political discussions over the state of Hungarian rule of law². In December 2022, the Council triggered the new budgetary provision enacted in 2021, partially depriving Hungary of EU funding. This decision was significant given an initial reluctance on the Czech side to address such a controversial issue, with Czech experts predicting that the government would try to kick the can down the road, as the saying goes, and leave the decision to Swedes.

Finally, the Czech government managed to introduce energy security as one of the central themes supporting decarbonization. Even before 24 February 2022, the first drafts of the Czech political programme described energy transition as a

¹ <https://czech-presidency.consilium.europa.eu/cs/program/priority/>.

² <https://www.bloomberg.com/news/articles/2022-12-23/eu-freezes-almost-22-billion-in-hungary-funds-in-blow-to-orban>.

means to achieve energy independence from external suppliers. The goal was to stress that the EU should not only strive to limit CO₂ emissions, but also secure a stable and reliable energy supply. Indeed, energy security generally holds greater weight in the Czech and generally CEE context, where it is seen to be more tangible than lofty normative goals aimed at saving the planet by a reduction in greenhouse gas emissions.

The legislative level

The Czech administration opted for a 'Brussels-based' form of presidency. Except for several informal Council meetings, most negotiations took place in Brussels. In this regard, Czech diplomats were given a free hand in finding consensus and did not have to wait for concrete and detailed assignments from the capital. This allowed them to steer the entire process as they saw fit and perform tasks with greater flexibility.

Another effective decision was to eschew the usual rotation of Czech diplomatic staff after 3 or 4 years. This meant that already well-established and motivated personnel remained in the Czech Republic's Permanent Representation. While there were some doubts around the amount of the staff³, this did not ultimately appear to hamper the legislative process.

Looking at its legislative impact, the Czech presidency managed to make significant (and unexpected) progress in the Fit for 55 package. The Council agreed on the revision of the EU ETS system to include areas currently outside of this framework. COREPER also managed to reach a general approach about the emission limits for passenger cars after 2035, effectively banning all ICE vehicles from the market. Finally, the Council concluded LULUCF regulation and established the Social

³ https://www.euractiv.com/section/politics/short_news/czech-eu-presidency-to-be-run-by-erasmus-paid-trainees/.

Climate Fund and Carbon Adjustment Mechanism (CBAM)⁴. In total, around XX legislative proposals were moved further down the line of the legislative process.

Alongside the Fit for 55 package, the Czech presidency had significant success in managing the European energy crisis. The first important step was an agreement about mandatory energy savings, concluded just two weeks into the presidency. After the energy price shock of August 2022, the Czech government decided to move forward with new legislation aimed at capping prices of electricity and gas. Czech minister Jozef Síkela initiated several Council meetings dedicated almost exclusively to this topic. The first success came in October with caps on electricity prices, with the discussions about regulating gas prices concluded in December 2022.

In the realm of Digital policy, the Czech presidency reached general approach on AI Act harmonizing rules for artificial intelligence utilization. The same also applies to a reworked Chips Act. Finally, Czech negotiators also agreed on a Digital Decade Policy Programme, and introduced a new, negotiated Cyber Resilience Act⁵.

In total, the Czech presidency managed to finalize 41 drafts⁶ in their first reading, and two in an early second reading. This figure greatly exceeded initial expectations for the Czech term. Several government officials privately stated that this disparity was at least partially caused by worries around whether or not the Swedish presidency would work efficiently. A new government in Stockholm generated uncertainty among EU member states who, it was argued by some, wanted to stick with an already proven and well-functioning Czech presidency.

⁴ https://czech-presidency.consilium.europa.eu/media/zoypplad/naplnovani-priorit-cz-pres_cs.pdf

⁵ Ibid.

⁶ Note of the General Secretariat of the Council of the EU, 8 February 2023.

Conclusion

Evaluating a presidency, and determining whether it was successful or not, is always challenging. Typically, a presidency either did its job as expected or was embroiled in internal disputes. In this respect, the Czech performance can be considered as a standard, successful presidency. The legislative process worked well, and the presidency programme managed to bring other perspectives to EU political narratives. The green transition and energy policy was enriched, for example, by an energy security dimension. Following the failures of its 2009 term, and disputes over the infamous refugee quotas, the country has proved it can be constructive at the EU level and reliably preside over the EU Council.