



TEPSA Brief:

Priorities and Challenges of the Czech EU Presidency - Recommendations from the TEPSA network
December 2008

ISSUE 4/ 2008

The text was drafted by the members of the Board of TEPSA Iain Begg, London School of Economics, Nikos Frangakis, Gunilla Herolf, Stockholm International Peace Research Institute and Hanna Ojanen, Finnish Institute of International Affairs.

Presented by Nikos Frangakis, President and Director of the Greek Centre of European Studies and Research (EKEME), at the Conference "Priorities and Prospects for the European Union", organized by the Institute of International Relations (IIR) in Prague (4th-5th December 2008) on behalf of the Trans-European Policy Studies Association (TEPSA), EU-CONSENT and the Jean Monnet Centre of Excellence in European Studies, Prague.

The motto of the Czech Presidency calls for a Europe without Barriers – a Europe making full use of its economic, human and cultural potential and therefore capable of holding its own against global political and economic competition. Given the current turbulent situation on the financial markets and the slowdown of economic growth, this challenge acquires an unprecedented strategic importance for Europe. The dismantling of barriers that hamper Europe's potential must go hand in hand with protection against illegal actions that threaten the security and interests of Europeans. It is the achievement of these fundamental objectives that will be the ultimate goal of the six months' Presidency while carrying out the three priority objectives code-named as the Three E's – Economy, Energy and External relations: A Competitive Europe (Economy), Tackling Energy and Climate Change (Energy) and An Open and Secure Europe (External relations).

TEPSA has a long tradition in offering recommendations from some of its members to future Presidencies. We do not have the audacity to believe that our ideas are always so brilliant or innovative; but we do hope that our experience, acquired Presidency after Presidency, can be of help.

Our recommendations for the Czech Presidency are the following:

1. TEAM PRESIDENCY

France, the Czech Republic and Sweden are the 2nd pre-established group of Member States to hold the current 18-month "Team Presidency". The world financial crisis that occurred during the French Presidency has no doubt disrupted any previously drafted team programme. Nevertheless, the very idea of "Team Presidency" presupposes a joint *strategic framework* followed by a list of *priorities* and, finally, a *comprehensive programme* of objectives and actions for the three Presidencies; an idea instrumental to the new concept of institutional checks and balances aimed at moderating differences between consecutive holders of the office, thus ensuring stability and continuity for the Union.

The strategic framework of the present Team Presidency should maintain in its general features the so-called two-track approach to the development of the Union: (1) addressing existing and new challenges facing the EU and (2) taking forward the reform process. Under the circumstances, to lead the EU's policy agenda is not an easy task, especially while the institutional future of the Union remains unsettled after the Irish referendum. Like in every team, divergences exist between the three countries. Each of them naturally has specific interests, but it is essential that they all, bigger and smaller states alike, act in concert in an effort to deliver on the EU's key policy challenges, thus proving that the Team Presidencies' concept offers more than the previous solitary model.

2. BUDGET

The EU budget review, scheduled for 2008/9, has made only slow progress, with the consultation phase taking six months longer than originally planned. The review offers a once-in-a-generation opportunity to re-shape the budget, last substantially reformed in 1988, to meet the aims of the EU of today and tomorrow, rather than yesterday. But it risks running out of time if early action to advance it is not taken. We therefore urge the Czech Presidency to accelerate the review and to ensure that it has real substance.

3. ENERGY

EU energy policy has to reconcile conflicting aims in bringing together a package that simultaneously offers a coherent response to climate change, while assuring security of supply and competitive prices for energy. The second strategic energy review published in November 2008 put forward many valuable new ideas, but does little more than set out the many challenges that will have to be confronted beyond 2050. The Czech Presidency could, while continuing resolutely to implement the medium-term agenda of Kyoto and the 20-20-20 policy, advance longer-term obligations the EU has to face by taking early steps to develop the 2050 roadmap proposed by the Commission and by linking Neighbourhood and Energy policies more explicitly.

4. AREA OF SECURITY, FREEDOM AND JUSTICE

The Czech Presidency has committed itself to the development of the area of security, freedom and justice as a goal of common interest of the EU, with the emphasis on internal security. Care should be taken, though, to keep the necessary balance between the security and freedom of European citizens and to observe the principle of proportionality when their privacy is at risk.

5. EU NEIGHBOURHOOD POLICY

In the end the safety and prosperity of all of Europe is only won through openness rather than barriers towards neighbouring areas. The ultimate prospects for each neighbourhood country may not be the same, since there are crucial differences between the northern and the southern dimension of the ENP and, again, in the South the totally different situation of its European / W. Balkan flank from the S-E Mediterranean / mostly Muslim part. In any event the Czech Presidency should strive towards creating a European policy, characterised by freer movement and liberalised trade as well as further efforts aimed at the removal of religious and cultural prejudice.

6. UNION FOR THE MEDITERRANEAN

The Union for the Mediterranean, one of the priorities of the outgoing French Presidency, is now taking shape on the basis of the guidelines approved by the Euro-Mediterranean foreign affairs ministers a month ago. Since its newly created co-presidency entails an active role for the EU Presidency, the (non-Mediterranean) Czechs have an excellent opportunity to promote the strategic priorities of this initiative in general and to develop its trans-European significance in the ambit of a wider notion of the ENP. The Middle East peace process is the main priority to be dealt with and certainly requires a more significant EU involvement in terms of peace-keeping presence and crisis management.

7. TRANSATLANTIC RELATIONS

Taking into account both the fact that transatlantic relations are among the top priorities of the Czech Presidency, and the new US Administration, the Presidency should seize the opportunity for developing and strengthening the relations between the EU and the US. These should be furthered at Union level instead of continuing the old bilateral relations between single EU member states and the US or using NATO as a vehicle for transatlantic relations. One way of strengthening the EU-US relations is to institutionalise them to a greater extent than has previously been the case. Also, a EU strategy on transatlantic relations could be appropriate to delineate what the EU's goals and ambitions are in this respect. The recent joint efforts to tackle the global financial and economic crises offer a good example of what the two sides should do together on a more systematic basis.

8. RELATIONS WITH RUSSIA

Russia and the neighbourhood are central for the Czech Presidency as they are for the EU as a whole. While not neglecting the current political processes, such as the negotiations on a new agreement with Russia, fresh emphasis should be put on the increase of free movement - as also put forward in the presidency motto "Europe without barriers" - as well as exchange possibilities for students, academics and journalists between the EU and Russia in order to nurture people-to-people and society-to-society contacts and ensure a firmer anchoring of relations between the EU, its members and Russia.

9. CREDIT CRISIS

The unfolding of the financial crisis has revealed severe shortcomings in the quality and reach of prudential supervision of financial intermediaries. One of the solutions now on the table is to move towards EU level prudential supervision of those financial intermediaries that present the greatest threat of systemic problems. We call for the launch of a process to establish such a supervisory body at EU level. It is clear by now that nation-centric efforts to fight a global crisis of such magnitude are not sufficient.

These were our recommendations regarding the priorities to be dealt with during the next semester. There is no doubt that the Czech Government has done its best to prepare well for the country's first Presidency. But as for any other country, the Czech Republic will need a certain amount of luck to be successful. The plans and priorities of any Presidency can be turned upside down at any moment by unforeseeable events on the international, the European or even the domestic scene. That is why flexibility and versatility is probably a priority that should never be underestimated if one wants to be ready to respond to all challenges.

TEPSA benefits from the support of the European Commission.

