

## **Czech Republic**

### **The EU New Member States as Agenda Setters in the Enlarged European Union**

**EuPI – European Policies Initiative  
Open Society Institute – Sofia  
[www.eupi.eu](http://www.eupi.eu)**

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The publication is a product of the Open Society Institute – Sofia within the European Policies Initiative (EuPI) and the project “The EU New Member States as Agenda Setters in the Enlarged European Union”. This EuPI project has been implemented in close partnership with EUROPEUM Institute for European Policy, with funding provided by the Open Society Institute – Sofia.

**About EuPI**

The European Policy Initiative (EuPI) aims at stimulating and assisting the New Member States from CEE to develop capacity for constructive co-authorship of common European policies at both government and civil society level. As a new priority area of the European Policies and Civic Participation Program of Open Society Institute – Sofia, EuPI will contribute to improving the capacity of New Member States to effectively impact common European policies through quality research, policy recommendations, networking and advocacy. The initiative operates in the ten New Member States from CEE through a network of experts and policy institutes.

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### About the publication

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The objective has been to map the positions and level of activity of the ten new EU Member States on a number of issues on the EU agenda; identifying the factors and drives behind these positions; looking at the level of political and public consensus and the influence of major stakeholders; outlining coalition patterns within the EU and, finally, trying to provide an outlook on possible change of these positions.

The countries have been classified on each of the policy issues as “Policy Takers”, “Policy Killers” or “Policy Drivers”, depending on their particular position and level of activity. In the classification of this study, Policy Takers are those states that usually follow the mainstream in the EU and in general accept whatever is offered from the EU. The Policy Driver is a country that assertively promotes an issue at EU level. A Policy Killer is a country that actively opposes the policy in question.

The research has been carried out by individual researchers in each of the ten new members on the basis of specially designed methodology, developed by EUROPEUM and major input from EuPI/OSI-Sofia. The seven policy areas under research are: I. Internal market/Lisbon Strategy; II. Minority integration and citizenship issues; III. Energy and climate change; IV. Budget review and CAP Health Check; V. EU foreign policy and enlargement; VI. Freedom, Security and Justice; VII. Institutional issues.

The research was carried out primarily in the period September 2008 – December 2009, but there may be references beyond this period. Some positions and circumstances described in the reports may have changed since the information was last made available to the researchers or reached the stage of publication.

The researchers’ findings are published in ten country reports on each of the New Member States: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

The structure of the country reports includes an overview of the country’s performance as an EU member and seven chapters following the seven broad policy areas. Each chapter contains an overview of the position of this country in the area, including the top three national priorities. Then the chapters provide in-depth analyses, information and prognoses on a set of issues (defined as general and specific) within each of the seven policy areas.

A comparative report, based on the ten country reports, was produced to highlight the project’s findings.

The views expressed in the reports are those of the authors and do not necessarily reflect the views of the Open Society Institute – Sofia.

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**Country Report**

**April 2009**

## **Czech Republic**

**The EU New Member States as Agenda  
Setters in the Enlarged European Union**

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#### **About the author**

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## The Czech Republic in the EU: An overview<sup>1</sup>

After the consensual aim of Czech foreign policy, i.e. NATO and EU membership, was reached and the country joined the EU, the splits and differing opinions on the European integration process and agenda have naturally materialised with greater visibility in the domain of politics but also in the academic as well as other spheres of public life. The EU agenda and issues have a potential to polarise the Czech political scene and the positions of the Czech political parties have been gradually getting "Europeanised" in terms of alignment with the cleavages known from "old" EU countries. The Czech Republic as a relatively new Member State has been pursuing a rather reactive policy on many issues with a relatively small number of own initiatives to be tabled at the EU level. It is well able to articulate its interests and positions on most of the EU agenda but not so often to formulate or push through policy alternatives. Its administration is still in the process of learning and the capacity to develop and implement an initiative and to create a critical mass of support in favour of its proposals among the EU Member States is still rather limited, especially in some domains (depending largely on the efficiency and quality of management of a given sectoral ministry responsible, too); also the supportive analytical capacities within the public administration are generally underdeveloped. Overall, the country has learned how to use the checks and breaks (blocking mechanisms) of EU policy making but not so much how to pursue its interests actively, impacting the EU policy formulation cycle at its different stages. It is expected that the 2009 Czech EU Presidency will help the Czech administration to achieve a further level of maturity, effectiveness and experience.

In terms of policy priorities, the Czech Republic currently focuses and aims to act as a Policy Driver on the following issues: economic liberalisation, energy security and EU in the world, namely in the domains of the enlargement, Eastern policy and relations with Russia. As to the first agenda segment, the Czech Republic focuses on free movement of workers (and services, if the political context allows for it); competitiveness and the Lisbon Strategy; liberal trade policy. In addition to this the Czech government puts an emphasis on the Research and Development agenda with regard to competitiveness. As to the energy agenda, focus is placed on the external dimension of energy security and relations with Russia and Ukraine (the Czech Presidency has engaged actively in solving the January 2009 gas crisis; in the Czech reading of the situation, by the January gas cut-off Russia aimed at dividing the EU Member States again, especially regarding their attitudes towards Ukraine, and thus undermining and pre-empting the emerging Eastern Partnership. It seems, however, the crisis could help to deliver on the issue of external dimension of the energy security and energy policy, which is a major priority for the Czechs not only for their 2009 Presidency tenure); transmission networks, and further liberalisation of the energy markets and to nuclear energy to certain extent. However, the internal discussion in the government is quite complicated because there is a strong "nuclear cleavage" – the Greens vs. ODS. As to the enlargement and the Eastern policy, the top priorities include Eastern Partnership and its upgrade to the level of EU policy; de-blocking of the Slovene-Croatian dispute and developments in Serbia. As to the external relations in general, an emphasis is put on transatlantic relations and relations with the new US administration and re-definition of the EU's democracy and human rights policy concept, with an accent on democracy promotion.

Most likely, the current ruling coalition will not last until the end of its regular mandate (2010) and there will be an alternation in power with the social democrats (CSSD) taking over governmental responsibility after the next general elections. The chances of at least one of the junior coalition parties, the Greens, to enter the Parliament again are disputed by opinion poll results; also the Christian democrats (KDU-CSL), another junior member of the coalition government, are experiencing a crisis and decreasing preferences of the electorate. The disappearance of the Greens from the Czech political landscape would especially impact the field of energy policy (nuclear energy

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<sup>1</sup> The Czech Republic is holding the EU Council Presidency in the first half of 2009, which explains why the country often has a policy position on a given agenda. As to the domestic process of deliberation on the EU proposals and agenda, the Czech Republic has a standard way of adopting a position. There is a parliamentary reservation within the system - both parliamentary chambers can raise it separately, thus preventing the government from voting on the issue in the EU Council until the chamber's position is formulated. However, the government is not obliged to reflect the parliamentary position fully in its deliberations in the EU Council once the position of a chamber is reached.

development) and parts of the environmental agenda. The ability of the smaller political parties to enter the Parliament is crucial; if unsuccessful, the Czech political milieu would develop into two catch-all parties (CSSD, ODS) and a half party system (KSCM) with possibly changing coalition potential of the Communist party. In terms of EU policy-making, it is questionable what impact such a development would have especially on ODS's EU policy; that is, whether a moderate attitude experienced under PM Topolánek would prevail or whether the party would swing back towards more Eurosceptic attitudes. At the moment, there are new Eurosceptic political parties emerging in connection to the elections to the European Parliament; the upcoming EP elections will prove their viability in the Czech context and their election results can also influence the developments within the ODS. In several policy areas (energy, agriculture, justice and home affairs) the role of the stakeholders (business, interest groups, and ministry) is rather strong and no U-turns in policies are envisaged. With CSSD in power, the accent put on the liberal agenda in the EU would be most probably decreased. At the moment, it also seems the two major issues connected to the EU and foreign policy, i.e. Lisbon Treaty ratification and the missile defence treaty ratification, are stalled; the un-blocking of those two issues is not envisaged in the short run, some say not even until the end of the 2009 Czech EU Presidency.

There is no overarching pattern the Czech Republic would follow in forming coalitions in the EU; the coalitions are permeable, agenda-based and agenda-driven. As to the "new" Member States forming coalitions, there were or still are certain issues which "naturally" call for such alliances (free movement of workers, etc.). On the other hand, Czech officials are well aware of the fact that for any initiative to be successful at the EU level, support from "old" and if possible "big" EU Member State(s) is crucial. There were several Visegrad-4 country initiatives, usually supported by other EU Member States too. However, it is more an option rather than a general rule ("V4-first") to follow in terms of coalition-making for the Czechs; in many cases, the positions of V4 countries are not even coordinated despite the fact it could be beneficial to all parties involved. The Czech Republic has also been part of several coalitions of like-minded (small but "old" and "new" together) countries, especially formed on some parts of the EU's institutional reform agenda; however, no general pattern in this sense is observable either. Overall, the Czech Republic quite often finds itself over-voted in the EU Council or being a member of the blocking minority, a fact that also says much about coalition-making behavioural patterns.

## **I. Internal market and Lisbon Strategy**

(Growth and jobs in EC work plan and policy strategy)

1. Overview
2. General issues:
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  - 2.2 Free movement of workers across the EU and transitional periods
  - 2.3 Positions on the Strategic Review of the "Better Regulation" package (COM(2006) 689) and ECOFIN Conclusions, 22 January 2008; EC Simplification Rolling Programme after screening the acquis
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### **1. Overview**

The Czech Republic is a dynamic economy with rapid growth stimulated by its participation in the single market. The Czech political and economic stakeholders welcome the fact that Lisbon Strategy (growth and jobs agenda) is one of the key priorities of the incumbent Commission and possibly of the next one, too.

The Lisbon Strategy (under the title "Competitive Europe") was going to be one of the three main priorities of the Czech Presidency of the European Union in the first half of 2009. Current financial and economic crisis brought even more attention to these issues and "Economy" as a whole has become of the "three Es" priorities of the presidency (Economy, Energy and EU in the World).

Such a choice is a matter of consensus amongst relevant actors and stakeholders.<sup>2</sup> For these reasons, the Czech Republic can be considered as a Policy Driver and is likely to remain Policy Driver in the area of competitiveness or Lisbon Strategy.<sup>3</sup> Of course, there are some areas to which this judgment doesn't apply.

Tackling the financial crisis is an obvious agenda but it is not clear what measures will be advocated by the Czech presidency, also given the fact that the situation on financial markets and in real economies is now changing all the time. For the time being, the top three priorities of the Czech Republic are the following: 1) Free movement of workers (and services, if the political context allows for it); 2) Competitiveness and the Lisbon Strategy; 3) Liberal trade policy. In addition to this the Czech government puts an emphasis on the Research and Development agenda with regard to competitiveness and providing SMEs with an access to defence markets.

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<sup>2</sup> When this chapter (Lisbon Strategy section) refers to a consensus amongst political and economic actors/stakeholders of the Czech Republic, it usually means without or except for the Communist Party.

<sup>3</sup> This is also valid for ECOFIN conclusions of 22 January 2008.

**Table of national positions**

\*please, refer to the methodology disclaimer in the supplements

<b>Issue</b>	<b>Definition and Outlook</b>	<b>National Consensus</b>	<b>EU mainstream</b>
Top three priorities	Policy Driver; likely to remain Policy Driver	General consensus, position not likely to change substantially	In progress
Review of merger regulations	Policy Taker; likely to remain Policy Taker	Consensus on the general policy	Within the mainstream
Free movement of workers	Policy Driver; likely to remain Policy Driver	Consensus on the general policy	In progress
Strategic review of "Better Regulation" and Simplification Rolling Programme	Policy Driver (with an exception of the Simplification Rolling Programme where the country is rather a Policy Taker); likely to remain Policy Driver	Consensus on the general policy	In progress
Free movement of services	Policy Driver; likely to remain Policy Driver	Consensus on the general policy	In progress
Taxation harmonisation	Policy Taker on indirect taxation and tax base harmonisation; Policy Killer in the area of direct taxation harmonisation; and likely to remain so	Consensus on the general policy	Within the mainstream
Small Business Act	Policy Driver; likely to remain Policy Driver	Consensus on the general policy	Within the mainstream
Financial retail services	Policy Taker; likely to remain Policy Taker	Consensus on the general policy	Within the mainstream

**General issues: Review of merger regulations****Definition: Policy Taker****Outlook: Policy Taker**

The Czech Republic has no specific stake in the review of merger regulations. The Czech authority for competition policy (*Úřad pro ochranu hospodářské soutěže*, UOHS), which is an independent body, advocates and conducts a benevolent approach towards mergers. It has blocked only a few of the proposed mergers during its 17-years existence. UOHS is cooperating fully with the European Commission and follows all its guidelines.

In the current debate on review of remedies,<sup>4</sup> the Commission seems to advocate structural remedies (divestitures, unbundling, etc.) instead of non-structural (behavioural) remedies such as guarantees of access to networks, guarantees of prices etc. On the other hand, UOHS has been promoting non-structural remedies and it has imposed such options on a number of merger projects. This preference of the Czech authority might be in slight collision with the Commission's preference even though this is a rather minor problem given the fact that national authorities are obliged to respect the guidelines of the Commission.

Czech economic actors seem inclined towards behavioural remedies, too, since those imply less important derogations from their merger projects. The Czech government does not have an official position on the question of remedies (competition policies both at national and European levels are a matter of independent authorities and it is an exclusive power of the European Community with no role of national governments). However, the Czech government has generally proven to be quite reluctant towards unbundling projects in terms of liberalisation of European markets.

Generally, the Czech government is an advocate of private enforcement in European competition law.

<sup>4</sup> [http://ec.europa.eu/comm/competition/mergers/legislation/merger\\_remedies.html](http://ec.europa.eu/comm/competition/mergers/legislation/merger_remedies.html)

## **2.2. Free movement of workers across the EU and transitional periods**

### ***Definition: Policy Driver***

### ***Outlook: Policy Driver***

Free movement of workers and the transitional period in force since the 2004 accession is a highly sensitive political issue in the Czech Republic. The transitional period was generally perceived as injustice and there is a widespread consensus on this.

The Czech government announced it was planning to profit from the Czech EU Presidency in order to achieve the end of the transitional period. Only two "old" Member States still apply it – Germany and Austria. However, these two countries are Czech neighbours and significant economic partners, so their insistence on the restriction is considered a very serious problem. The Czech government will develop pressure, together with the Commission, on these two countries so that the transitional period is not prolonged until 2011, although Germany has already announced it is planning to prolong the transitional period.

The Czech Republic's general approach towards labour force mobility is a liberal one (and there is consensus on this). In the long term, the country advocates removing all barriers in this regard, but rather within the EU than with third countries. This is why the recent Czech opposition to the Blue Card project for immigrant workers was a big surprise (see relevant chapter). Prague justifies its opposition to Blue Cards by the injustice which is still in place regarding workers from the New Member States (this position implies a possible role of Policy Killer in other policy areas due the transition period in place, see relevant chapter).

## **2.3. Positions on the Strategic Review of the "Better Regulation" package (COM(2006) 689) and ECOFIN Conclusions, 22 January 2008**

### ***Definition: Policy Driver***

### ***Outlook: Policy Driver***

Note: with an exception of the Simplification Rolling Programme where the country is rather a Policy Taker

The Czech Republic welcomed the Barroso Commission initiative regarding Better Regulation. There is consensus among policy and economic actors that better regulation is crucial for favourable economic environment. However, some political (ODS party) and almost all economic stakeholders equate better European regulation with less regulation. In their view the European Commission is over-productive in terms of regulation and this activity should be reduced to the necessary minimum.

The Czech government is a promoter of the Better Regulation initiative and it has included it into the EU presidency priorities. Following the guidelines of the Commission, the Czech government embraced the impact assessment method as a precondition before any new piece of national legislation is adopted (Resolution of the Government from 13 August 2007).

The Czech government advocates the impact assessment (in-depth analysis) principle at the EU level, too, which could potentially justify its opposition to some EU legislation projects. For example, it applies this argument in order to block strengthening of the FRONTEX prerogatives, when insisting that no analysis of the agency's real and potential outputs was carried out.

The Czech government joined the so-called Prague Declaration<sup>5</sup> from May 2008, signed by governments of the United Kingdom, Sweden, Denmark, Estonia, the Netherlands and Germany. The Declaration is an expression of a common will for further cooperation in Better Regulation and better business environment. It aims at reduction of administrative burdens on business by 25% by 2012. It also stresses the importance of impact assessments of proposed measures and the involvement of external parties in consultations during preparation of EU measures in order to increase openness and transparency.

EC Simplification Rolling Programme after screening the acquis is not an issue in the Czech Republic. Generally, the Czech government welcomes the Barroso Commission

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<sup>5</sup> For the Prague Declaration, please see (English version) <http://www.mvcr.cz/soubor/odbor-reformy-a-regulace-kvality-verejne-spravy-prazska-deklarace-pdf.aspx>

initiative for Better Regulation and less administrative burden. The Simplification Rolling Programme is supported, too. There are only some fears that a rolling programme of simplification of EC legislation could affect the Czech Presidency because there will be so many legal instruments to be repealed, codified, recast or reviewed during 2009. There are worries that the Czech Presidency is, therefore, likely to bear a special administrative burden.

#### **2.4. General views of the free movement of services as enshrined in the current service directive**

**Definition: Policy Driver (when the issue is re-opened)**

**Outlook: Policy Driver**

The Czech Republic is one of the most fervent partisans of absolute freedom in the movement of services within the EU. The country's economy and its economic stakeholders would largely benefit from completed liberalisation of services (estimations are: increase GDP by 1-2% and decrease unemployment by 0.5%).

The Czech government's approach to the Services Directive was very near to what the Commission had initially proposed:

- inclusion of all services (including those of "general interest"), with the exception of lottery games and taxes area
- strict application of the country of origin principle
- no transfer of health care costs
- liberal regime of dispatching of workers

The Czech Presidency will be pushing for appropriate implementation of the adopted Directive even though most Czech stakeholders (with the exception of Social Democrats) are not satisfied with the final compromise (they would expect more liberalisation). This is why most of the Czech MEPs voted against the Directive in the European Parliament.

All Czech political (except for the Communist Party) and economic stakeholders have an interest in reopening the Directive in order to broaden its scope and apply the country of origin principle fully.

#### **2.5. Positions on taxation harmonisation**

**Definition: Policy Taker on indirect taxation and tax base harmonisation, and Policy Killer in the area of direct taxation harmonisation**

**Outlook: Policy Taker on indirect taxation and tax base harmonisation, and Policy Killer in the area of direct taxation harmonisation**

Unification of indirect taxes (VAT, excise duties) is a matter of fact and the Czech Republic had to accept the idea when joining the EU. The Czech Republic negotiated a transition period for indirect taxes but it is now applying the EU rule, even with less reluctance than most of the "old" Member States. This is due to the fact that indirect taxation in the Czech Republic has been approaching the EU average or even heading above this average over the long term.

The Czech Republic does not oppose efforts to further harmonise indirect taxes. Following the EU mainstream, the country applies only two VAT rates (9% and 19%) unlike many other Member States. The Czech reduced rate (9%) is even above the allowed 5% or super reduced rates. This is why the Czech Republic was authorised to keep the reduced rate for buildings and construction until 2010.

On the other hand, the Czech Republic does not welcome efforts to harmonise direct taxation in the EU. This negative stance is a matter of consensus amongst economic and political stakeholders. Direct taxation (both corporate tax and personal income tax) in the Czech Republic is below the EU average and is likely to decrease further with the tax reforms aiming at further stimulating economic growth. Moreover, the Czech Republic has been offering tax incentives to investors in order to attract them. Therefore, the Czech Republic opposes efforts to harmonise direct tax rates in the EU.

Nevertheless, unlike Slovakia or Ireland, the Czech Republic is not *a priori* opposed to the Commission's idea of harmonisation of the tax base. The Czech Republic considers the idea that unification of the tax base and application of the same methodology for its calculation could be profitable for European business because it would simplify the

procedure (abolish complicating exceptions) and would render difference between rates more transparent. Tax competition would be thus more visible, which is favourable according to the Czech stakeholders. In this matter (tax base harmonisation), the Czech Republic seems to be a mainstream Policy Taker.

### **3.1. Specific issues: Small Business Act**

#### ***Definition: Policy Driver***

#### ***Outlook: Policy Driver***

The Czech Republic is generally supportive of the Small Business Act initiative. The most favourable (and concrete) opinion on this proposal was delivered by the Czech Chamber of Commerce<sup>6</sup> – the main Czech stakeholder in this area. The statement says that SMEs should be supported because they have not yet profited much from the single market, unlike the big players. SMEs should even be a target group of a sort of positive discrimination. The “think small first” principle should affect all EU policies. The Chamber conditioned its support to the bill by stressing that no new bureaucratic structure should be set up in order to promote SMEs.

The main points of interest of the Czech Chamber of Commerce are: facilitating access for SMEs to the market; adapted level of intellectual property protection for the SMEs; less bureaucratic burden in general; common definition of SMEs and raising the maximum accepted number of employees to 500.

The Czech Ministry of Industry and Trade delivered a positive opinion, too, serving as a mandate for the Competitiveness Council.<sup>7</sup> The Czech government also stresses the need for less bureaucratic burden by strengthening e-government and limiting the statistical obligations for businesses (one-stop-shop). It supports facilitation of SMEs' access to public procurement (no quotas, as proposed by other Member States).

The Czech government supports very cautiously<sup>8</sup> the European Private Company initiative (unified European legal form for firms and companies). The last two important points are: better conditions for the enforcement of delayed payments and reduced VAT rate for local services by SMEs.

### **3.2. Specific issues: Financial retail services**

#### ***Definition: Policy Taker***

#### ***Outlook: Policy Taker***

The Czech Republic supports the Commission's policy for 2005-2010 in the financial retail services (according to the joint statement<sup>9</sup> by the Czech Ministry of Finance, the Czech National Bank and the Czech Securities Commission – and supported by the Czech Senate – on the Commission's Green Paper for this area). The statement says that this policy is favourable in terms of deepening the common European financial market and the Lisbon Strategy.

The Czech position puts emphasis on good regulation which is needed in order to give the economic actors enough time to adapt, and on harmonisation of the oversight standards and cooperation among the regulatory bodies. Thorough impact assessment and a consultation process are also necessary before any new initiative.

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<sup>6</sup> Stanovisko HK CR k návrhu “European Small Business Act” (A Position of the Czech Chamber of Commerce to the proposal of the “European Small Business Act”, 17 December 2007, in Czech only) [http://www.komora.cz/hk-cr/zpravodajstvi/art\\_23902/stanovisko-hk-cr-k-navrhu-european-small-business-act.aspx](http://www.komora.cz/hk-cr/zpravodajstvi/art_23902/stanovisko-hk-cr-k-navrhu-european-small-business-act.aspx)

<sup>7</sup> Mandat pro jednání delegace CR na zasedání Rady EU pro konkurenceschopnost, konané dne 25. září 2008 v Bruselu (Mandate of the Czech delegation for the EU Competitiveness Council, available in Czech only) <http://www.mpo.cz/dokument51337.html>

<sup>8</sup> The Czech government underlines some unclear points in the initiative, such as what level of basic capital is needed, etc.

<sup>9</sup> Stanovisko Ministerstva financí CR, České národní banky a Komise pro ceně papíry k Zelené knize o politice v oblasti finančních služeb (2005-2010), (A joint statement by the Czech Ministry of Finance, the Czech National Bank and the Czech Securities Commission on the Commission's Green Paper, available in Czech only) [http://www.mfcr.cz/cps/rde/xbcr/mfcr/Stanovisko\\_CR\\_k\\_Zelene\\_knize\\_o\\_finacnich\\_sluzbach.pdf](http://www.mfcr.cz/cps/rde/xbcr/mfcr/Stanovisko_CR_k_Zelene_knize_o_finacnich_sluzbach.pdf)

## II. Minority integration and citizenship issues

1. Overview
2. General Issues:
  - 2.1. The emerging European Roma Strategy
  - 2.2. Other minorities' integration issues
3. Specific issues:
  - 3.1. Formulation of action plans to improve housing conditions, create possibilities for employment and guarantee affordable health care and education for Roma;
  - 3.2. Institutionalisation of European policy on Roma by establishment of a Roma Unit within the EC;
  - 3.3. Position and policies related to Commission Communication COM(2008) 420 final from 2 July 2008 on Non-discrimination and Equal Opportunities: A Renewed Commitment and also Community Instruments and Policies for Roma Inclusion, Staff working document accompanying Commission Communication COM(2008) 420.

### 1. Overview

The minorities issues fall primarily within the competence of the Minister for Human Rights and Minorities (Ms. Džamila Stehlíková), appointed in 2007, who works within the Office of Government. The Government's Council for Minorities also works within the Office of Government. There are competence disputes between different ministries (Ministry of Labour and Social Affairs, Ministry for Regional Development, etc.) responsible for parts of the policy (housing, social affairs) and the Office of Government, which take place on regular bases. The Czech Republic acknowledges twelve minorities: Bulgarian, Croatian, Hungarian, German, Polish, Roma, Russian, Ruthenian, Greek, Slovak, Serbian and Ukrainian (the Jewish minority is not mentioned in the status of the Committee but is eligible for funding). A Report on the situation of minorities is issued every year; a report on 2007 was endorsed by the government in June 2008.<sup>10</sup>

The Government's Resolution 98/2002 sets up the conditions for financing the activities of minorities in order to preserve their language, culture and traditions (grants for theatres, museums, libraries, etc.) and for supporting the integration of Roma. As of January 2008, the new Agency for Social Inclusion of Roma in Roma Localities has started functioning under Minister Stehlíková. However, the work of the Agency has been limited, namely by unsettled budgetary issues and the non-existent competence of this government body to grant funding (any funding or grant must be agreed by the whole government voting usually on a rolling basis); the future of the Agency, considered originally as a 400 staff unit, is rather unclear. The Monitoring Committee of the Agency (involving government and ministry representatives as well as Roma minority representatives and the NGO sector) selected 12 Roma localities for the Agency to focus on in 2008-2010, aiming at transforming the ghettos and improving the quality of the lives of the Roma living there in cooperation with the NGOs and local governments.<sup>11</sup>

According to Minister Stehlíková, the Czech Republic would like to see a common strategy for raising awareness of Roma integration issues at the EU level but would prefer the Member States to follow separate strategies of policy implementation due to big differences in each country's situation. Secondly, the Czech Presidency would like to raise Roma integration as a common problem of most of the New Member States (the contacts are currently on the level of NGOs only); however, the issue is not mentioned in the main Presidency priorities. Third, the Czech Presidency would like to strengthen the cooperation of the New Member States from CEE and the Balkan countries on minority issues, especially on Roma integration. How vigorously these priorities are

<sup>10</sup> See Zpráva o situaci národnostních menšin v České republice za rok 2007 (A Report on the situation of minorities in the Czech Republic in (2007); [http://www.vlada.cz/assets/cs/rvk/rnm/aktuality/zprava\\_definitivni\\_1.pdf](http://www.vlada.cz/assets/cs/rvk/rnm/aktuality/zprava_definitivni_1.pdf) (in Czech only)

<sup>11</sup> In terms of security issues, the country has been experiencing the growth of nationalistic movements and also anti-Roma manifestations such as a march of neo-Nazis on a Roma neighbourhood in Litvinov, which was stopped only by heavy police action. The number of serious criminal acts against Roma is dropping, however. The Czech Republic experienced a wave of Roma emigration, especially to Canada, in 2008; in the words of Roma minority representatives, the emigration was launched as a response to the worsening situation in the country in terms of racism.

going to be followed is, however, unclear, not least because Minister Stehlíková is likely to leave the government due to its post-election reconstruction.<sup>12</sup>

On the issue of deepening EU anti-discrimination legislation the Czech Republic adopts a reserved position; there is an ongoing inter-institutional dispute with the parliament, the President and several ministries opposing any moves in this direction on the basis of principles of subsidiarity and better-tailored national legislation. Before the elections of 2006, the relations between the national government and the Czech Commissioner Vladimír Špidla, who holds the employment, social affairs and equal opportunities portfolio, were rather uncomplicated since Špidla's agenda primarily corresponded with government goals. With the centre-right government which emerged in 2006, the smooth cooperation has rather disappeared, namely in the field of anti-discrimination.

### Table of national positions

\*please, refer to the methodology disclaimer in the supplements

Issue	Definition and Outlook	National Consensus	EU mainstream
Top three priorities	Not clear	Not clear	In progress
The emerging European Roma Strategy	Not clear, probably Policy Taker	Not clear	In progress
Other minorities' integration issues	Not relevant	Not relevant	
Formulation of action plans to improve housing conditions, create possibilities for employment and guarantee affordable health care and education for Roma	Not relevant	Not relevant	
Roma Unit within the EC	Not available		
Position and policies related to Commission Communication COM(2008) 420 final from 2.7.2008 on Non-discrimination and equal opportunities	Policy Taker or Policy Killer; likely to remain the same	No national consensus on the issue	Outside the mainstream

#### 2.1. General Issues: The emerging European Roma Strategy

**Definition:** *Not clear, probably Policy Taker*

**Outlook:** *Not clear, probably Policy Taker*

There is no official position on the emerging Roma Strategy since there is no agreement on the document at the European level at the moment (official reasoning). Minister Stehlíková however stated that the country is "ready to face this challenge". It seems there is a notion within the Czech administration that the European Roma Strategy cannot go beyond the following three issues: it is going to function as a platform for debate on experiences and best practices; the priorities for structural policy programmes could be debated and set there; the Roma issue could be incorporated into the policy of regional development through such a tool. Minister Stehlíková seems to hope that bringing the agenda onto the European level could help her to raise the profile of her agenda within Czech politics as well. Some of the Czech MEPs (Civic Democrats, ODS) voted against the Strategy in the European Parliament on the basis of its explicitly mentioning the Lety pig farm issue (the farm was built on the site of a WWII concentration camp for Roma).

Some civil society voices stated that with opening a political debate on Roma policies, the European Commission could unwillingly help the national governments shift the responsibility for the agenda to the European level. Given the state of affairs in the Czech Republic — namely the scandalous statements of Minister Jiří Čunek — nobody really wants to elaborate on Roma integration policy now; a shift of the agenda to the European level would thus help the Czech politicians to remain indifferent.

#### 2.1. General Issues: Other minorities' integration issues

Not applicable besides what stated on Roma minority.

<sup>12</sup> Ms. Džamila Stehlíková was replaced by Mr. Michael Kocáb in late January 2009.

### **3.1. Specific issues: Formulation of action plans to improve housing conditions, create possibilities for employment and guarantee affordable health care and education for Roma**

**Definition: n.a.**

**Outlook: n.a.**

Before the EU accession, Roma integration was a burning issue for the Czech Republic within the accession negotiations. The social democratic government adopted a "National Action Plan for Roma Integration" presented to European Commission in July 2004; followed by "Theses on the Conception of Roma Integration until 2025, an Implementation Plan of a Conception of Roma Integration 2006-2009", which includes a distribution of tasks for particular ministries and priorities in the fields of education, employment, social exclusion and housing, and health care; and an "Action plan of a decade of Roma inclusion 2005-2015".<sup>13</sup> Regardless of the good intentions, the programme of Roma integration has not been implemented fully and successfully. The system of governance does not allow the central government to put the programme priorities fully in place due to the often contradicting policies of the local (ghettoisation) and state authorities. The government has engaged in a thorough process of mapping of Roma localities since it seems the problems of Roma communities are not only social but also gradually territorial exclusion: out of the 330 excluded localities identified by an independent consultancy,<sup>14</sup> over 80% have emerged in the last 10 years.

Housing falls within the responsibility of Ministry of Regional Development. There is a "Conception of Housing Policy"<sup>15</sup> formulated by the Ministry, within which a special part is dedicated to Roma integration. The Ministry was also responsible for formulating the part on housing of the National Action Plan of a Decade of Roma Inclusion 2005-2015. The main aims include: prevention of a loss of housing of Roma families; re-integration of excluded Roma and Roma families, which is reflected in the "Programme of Funding of Supported Housing Construction"; and better access of low-income Roma families to rental housing, which is reflected in the "Programme of Rental Housing Construction for Income-eligible Persons". For the period 2005-2008 each of the programmes operates on a CZK 500 million (EUR 20 million) budget yearly. After 2009 the support should decrease gradually until 2014, when both programmes should be terminated. Besides the programmes mentioned, there are additional funds for rental housing construction available within the State Fund of Housing Development.

The Ministry of Labour and Social Issues is responsible for policy formulation in the field of employment; the targets and tools designed are part of the Action Plan of a Decade of Roma Inclusion 2005-2015.

Health care is generally accessible; the priority "health" within the Action Plan of a Decade of Roma Inclusion 2005-2015 states the improvement of the health conditions of Roma as a priority with a plan to implement a programme of "health and social workers" at the level of regions and communities as a policy tool. The pilot project started in 2005 and was supported by the European Social Fund.

The policy in the field of access to education is changing at the moment together with the attitude of the Ministry of Education towards excluded students; the Ministry started a process of mapping the situation in schools and development of new policy tools. The new policy has not been implemented so far and there are no data available allowing for assessing the success of the new policy.

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<sup>13</sup> Akcni plan dekadry romske inkluze (Action Plan of a Decade of Roma Inclusion 2005-2015), [http://www.vlada.cz/assets/cs/rvk/rzrk/Dekada\\_CZ\\_Akcni\\_plan\\_1.pdf](http://www.vlada.cz/assets/cs/rvk/rzrk/Dekada_CZ_Akcni_plan_1.pdf), Zasadly dlouhodobé Koncepce romske integrace do roku 2025 (Theses on Conception of Roma Integration until 2025), [http://www.mkc.cz/img/otevrena\\_skola/ke\\_stazeni/koncepce\\_dlouhodobé\\_integrace\\_romu.doc](http://www.mkc.cz/img/otevrena_skola/ke_stazeni/koncepce_dlouhodobé_integrace_romu.doc), Realizacni plan Koncepce romska integrace v letech 2006 až 2009 (Implementation Plan of a Conception of Roma Integration 2006-2009), [http://www.vlada.cz/assets/cs/rvk/rzrk/dokumenty/archiv/koncepcnimaterialy/2005/realizacni\\_pla\\_n\\_ODELSANO.doc](http://www.vlada.cz/assets/cs/rvk/rzrk/dokumenty/archiv/koncepcnimaterialy/2005/realizacni_pla_n_ODELSANO.doc)

<sup>14</sup> Gabal Analyses and Consultancy,

[http://www.gac.cz/html/index.php?action=show\\_content&content\\_id=46&lang=en](http://www.gac.cz/html/index.php?action=show_content&content_id=46&lang=en)

<sup>15</sup> Koncepce bytové politiky (Conception of Housing Policy) <http://www.mmr.cz/2-koncepce-bytove-politiky>.

### **3.2. Institutionalisation of European policy on Roma by establishment of a Roma Unit within the EC**

**Definition: n.a.**

**Outlook: n.a.**

Despite the proclamation of Minister Stehlíková at the Roma conference in Brussels in September 2008 that the Czech Republic would support the establishment of a Roma Unit within the EC, there is no official position of the government on the issue available to the author. The unofficial opinions voiced expressed reservations towards the initiative on the basis of a lack of tools and competences at the Commission level; the only indirect way the European Commission can influence national policies on Roma integration now is by formulating programmes and priorities within EU Structural Policies and the European Social Fund. With the succession of Minister Stehlíková within the government reconstruction, no progress or development of the Czech position in this sense is expected in the near future.

### **3.2. Position and policies related to Commission Communication COM(2008) 420 final from 2.7.2008 on Non-discrimination and equal opportunities: A renewed commitment and also Community Instruments and Policies for Roma Inclusion, Staff working document accompanying Commission Communication COM(2008) 420.**

**Definition: Policy Taker or Policy Killer**

**Outlook: Policy Taker or Policy Killer**

The Czech Republic has not transposed the EU anti-discrimination legislation so far; President Václav Klaus vetoed the Czech legislation accommodating the EU Directives on equal opportunities and non-discrimination on the bases of age, race, nationality, sexual orientation, health handicap, sex, religion or belief in May, stating the legislation is counterproductive. The Czech Republic faced the European Commission's legal action and lost the case before European Court of Justice. As to the new initiatives (Communication and Directive), the Czech Republic adopts a reserved position, not least because of the diverging views of the relevant actors. The Ministry of Labour and Social Affairs (on the basis of sufficient national legal provisions), together with both parliamentary committees (on the bases of ill-founded enlargement of the EU competences and better regulation possibilities at a national level) does not agree with further deepening of the antidiscrimination measures at the EU level. On the contrary, the Secretariat for human rights, under the Minister for Human Rights and National Minorities Džamila Stehlíková, whose employees are also representing the Czech Republic at the EU working level, rather supports the new proposals of the Commission. There is an ongoing clash over competences between the ministry and the Office of Government over the issue. The unified Czech position on the proposals has not been formulated so far.

### III. Energy and climate

1. Overview
2. General issues:
  - 2.1. Strategic energy review (2007) and positions towards 2010-2014 energy action plan
  - 2.2. The post-Kyoto/post-2012 proposals — the global dimension
  - 2.3. Commitment to meet the benchmarks for greenhouse emissions
  - 2.4. Strategy and commitment to increase the share of renewable sources
  - 2.5. Strategy towards nuclear energy
  - 2.6. Implementation of the revised Emission Trading Scheme
  - 2.7. External dimension of energy security
3. Specific issues:
  - 3.1. Liberalisation of the energy market — 3<sup>rd</sup> energy package (unbundling)
  - 3.2. Common rules for the internal market in electricity (COM(2007) 508), cross border exchanges in electricity (COM(2007) 531), common rules for the internal market in gas (COM(2007) 529), access conditions to the gas transition network
  - 3.3. Establishment of the Agency for Co-operation of Energy Regulators (COM(2007) 503)

#### 1. Overview

The Czech government identified the energy and climate change issue as one of the top three priorities of the Czech EU Presidency in the first half of 2009. Energy is one of the “three Es” the Czech government has announced as its three priorities (Economy, Energy and EU in the World).

Emphasis put on energy and climate change is mainly determined by the general context. Energy and climate change has become an imminent issue to be tackled in the near future. Two major stakes in this regard are the post-Kyoto negotiations (Copenhagen Conference in 2009) together with the energy-climate package, and final negotiations on the third energy liberalisation package. The Czech government believes (as its vice-premier Alexandr Vondra, responsible for EU affairs, put it) that, “a genuine external energy policy is not thinkable without a strong single energy market. The two complement each other and cannot be separated”.<sup>16</sup>

The climate change agenda’s importance has been, however, a little bit diminished since the major deal in this regard was done at the end of the French Presidency. The gas crisis between Russia and Ukraine has put forward external energy security, to the detriment of other issues.

The Czech Republic will have to discuss the Strategic Energy Review, which is currently being prepared by the Commission, and launch discussion on the new Energy Action Plan, on the basis of the Strategic Review. The discussion will focus mainly on external energy security, oil contingency stocks and the Green Book on the Trans-European Energy Networks, which are, together with the Agency for Co-operation of Energy Regulators, strong Czech interests.

The Czech Republic is also planning an informal Energy Council, gathering EU ministers and representatives of the supply countries.

The three most important issues of the Czech Presidency will be the preparation of the EU position for the Copenhagen Conference (coordination with Sweden is needed), the final phase of negotiations on the third energy package (electricity and gas liberalisation) and the agenda of external energy security.

The energy-climate (and Copenhagen related) issues are extremely complicated with many conflicting axes and cleavages between the Member States but also interest groups. From domestic point of view, the role of the Czech Presidency will be complicated, given the internal conflicts on these issues both within the government (the Green Party vs. ODS party and/or Ministry of Environment vs. Ministry of Industry and Trade) and between the Czech interest groups (energy companies, unions of industrial sectors vs. environmental groups etc.).

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<sup>16</sup> ANO pro Evropu - Energy Forum: Energy Security as a Priority of the EU Presidencies, 6 November 2007

**Top three priorities:**

- External dimension of the energy security;
- investments in transmission networks and;
- Agency for Co-operation of Energy Regulators.

**Table of national positions**

\*please, refer to the methodology disclaimer in the supplements

<b>Issue</b>	<b>Definition and Outlook</b>	<b>National Consensus</b>	<b>EU mainstream</b>
Top three priorities	Policy Driver; likely to remain Policy Driver	General consensus	In progress
Strategic energy review (2007) and positions towards 2010-2014 energy action plan	Policy Driver; likely to remain Policy Driver	General consensus	Within the mainstream
The post-Kyoto/post-2012 proposals – the global dimension	Policy Taker; likely to become Policy Driver due to Czech EU Presidency	Weak consensus	In progress
Commitment to meet the benchmarks for greenhouse emissions	Policy Taker; likely to remain Policy Taker	No consensus	In progress
Strategy and commitment to increase the share of renewable sources	Policy Killer; likely to remain Policy Killer	No consensus	Outside the mainstream
Strategy towards nuclear energy	Policy Driver; likely to remain Policy Driver	Weak consensus (some actors strongly against; the Greens, for example)	More demands and interest than mainstream
Implementation of the revised Emission Trading Scheme	Policy Killer; likely to become Policy Driver due to Czech EU Presidency	Weak consensus	In progress
External dimension of energy security	Policy Driver; likely to remain Policy Driver	General consensus	Within the mainstream
Liberalisation of the energy market – 3 <sup>rd</sup> energy package	Policy Taker; likely to remain Policy Taker	General consensus	Within the mainstream
Common rules for the internal market in electricity (COM (2007) 508), cross border exchanges in electricity (COM(2007) 531), common rules for the internal market in gas (COM(2007) 529), access conditions to the gas transition network (COM (2007))	Policy Driver; likely to remain Policy Driver	General consensus	In progress
Establishment of the Agency for Co-operation of Energy Regulators	Policy Driver; likely to remain Policy Driver	General consensus	In progress

### **2.1. General issues: Strategic Energy Review (2007) and positions towards 2010-2014 energy action plan**

**Definition: Policy Taker**

**Outlook: Policy Driver**

**(due to the Czech EU Presidency)**

This is an issue for the Czech Presidency, and will be dealt with by the Czech government. Other actors have not expressed major stakes in this regard.

The Czech Republic will be chairing the discussions over the second Strategic Energy Review. It is obvious now that the review will mainly focus on the external dimension of energy security, which is a top priority of the Czech Republic.

The Czech Republic succeeded with including a long-term, thorough analysis of the energy demand and supply in the EU into the first action plan. It also successfully advocated the idea of review of strategic energy infrastructure and networks of major producing and transit countries. Therefore, the Czech Republic will continue advocating

this approach during its EU Presidency, which means looking for concrete tools for implementing such a policy.

The Czech Republic will be also dealing with (and advocating) the need to substantially review the rules for creating emergency contingency stocks of oil. The Commission is supposed to deliver its legislative proposal in this area and the Czech Republic's role in the first phase of negotiation will be crucial.

## **2.2. General issues: The post-Kyoto/post-2012 proposals – the global dimension**

**Definition: Policy Taker**

**Outlook: Policy Driver**

**(due to the Czech EU Presidency)**

The Czech Republic is not a major proponent of reducing greenhouse emissions. It has always been a highly industrialised country producing a lot of emissions. Coal has been a stable source of electricity and heat. For this reason, the Czech Republic is the EU's biggest per capita polluter in general terms.

Nevertheless, new investments into technologies and development of nuclear energy over the two past decades have brought a positive impact. Furthermore, the participation of the Green Party in the Czech government has triggered more environmentally friendly policy and the post-Kyoto regime has become an important issue which is even promoted by the government although the major coalition party's former chairman, the Czech President Václav Klaus, is perhaps the world's best-known contester of the global warming idea, basically questioning any effort aiming at greenhouse gas reduction.

The Czech government supports the post-Kyoto regime which could go even further than the Kyoto Protocol itself (and it seems that there is consensus on this, except for President Klaus's position). The main Czech argument and question in this regard concerns other major players/polluters in the world. The Czechs stress that unless China, India, the US and other big economies and polluters are on board, the European pioneering effort is useless, or even self-damaging because European measures, if too ambitious and not followed by the rest of the world, can only reduce greenhouse gas emissions by 1% of the total world emissions, and could, at the same time, seriously harm the European economy. The Czechs are simply worried that European leadership in this area would only lead to a less competitive European economy, with no positive effect on global emissions (because of the "carbon leakage").

## **1.3. General issues: Commitment to meet the benchmarks for greenhouse emissions**

**Definition: Policy Taker**

**Outlook: Policy Taker**

The Czech Republic is committed to achieving the EU goals (20% reduction by 2020). Nobody, except for President Klaus, questions this commitment. A preference for nuclear energy in the long term energy strategy of the country could only help to achieve these goals. On the other hand, the proportion of renewable energy sources in the Czech energy mix is very low and is likely to remain so.

There are, of course, differences in terms of political enthusiasm. The Greens, and the Environment Ministry under its leadership, are a real Policy Driver in this area and push for even more ambitious goals and stricter measures. Other coalition partners (ODS, KDU-CSL), the Ministry of Industry and Trade, the opposition parties, energy companies and industrial unions are opting for a much more careful approach which can be described as "we shall do what we must do but nothing more".

Generally speaking, the Czech Republic is a major advocate of the benchmarking method, including for greenhouse emissions. The benchmarking method has even been used by some opponents of the greenhouse emission reduction effort as a tool taken from the business sphere, which allows for diversification of indicators. Thanks to general usage of benchmarking, the situation in each country can be taken into account in a better way. Benchmarks serve to compare comparable indicators and are therefore likely to weaken strictly formulated political goals by introducing justified exceptions. The reasoning of most Czech stakeholders goes that way (outside the Green Party and related NGOs).

## **2.4. General issues: Strategy and commitment to increase the share of renewable sources**

**Definition: Policy Killer**

**Outlook: Policy Killer**

The Czech Republic has not been successful in using renewable sources of energy. There is no major industry producing such technologies and the country misses facilitating capacities and conditions (unlike bordering Germany or Austria).

The share of renewable sources in the Czech energy mix is very low — 5% — which is below the EU average (but not the lowest). The Czech government is committed to increasing the share by 9%, to 14% in 2020. This seems to be an unrealistic goal and commitment unless nuclear energy is declared a full-fledged renewable source. The Czech Republic does not seem to have a clear strategy for achieving this goal, which looks, thus, very unlikely to happen. The major energy company, CEZ, has even reduced its renewable sources over last years, without developing any new ones. Nevertheless, the Czech government has recently put forward a plan for supporting bio fuels.

## **2.5. General towards nuclear energy**

**Definition: Policy Driver**

**Outlook: Policy Driver**

The Czech Republic is the 13<sup>th</sup> country in the world in terms of its nuclear energy proportion in the energy mix (which is currently 32%). In the Czech Republic, this proportion has been increasing over the past two decades, unlike in most other countries in Europe or in the world.

The Czech government commissioned a strategy, elaborated by an independent board and chaired by the president of the Czech Academy of Sciences, Prof. Václav Pačes. This strategy (or report) has been recently presented and discussed. It suggests that the Czech Republic should rely both on fossil fuels and nuclear energy. Energy consumption efficiency and savings are also put forward as a part of the solution but there is now real emphasis on renewable sources.

Nuclear energy is seen by the report and by most politicians and stakeholders as the best solution for the energy future of the country. The Czech Republic has 6 working nuclear reactors. On the basis of this report, it is likely that the government will approve construction of two more reactors in the Temelin power plant. This conclusion has been welcomed by major economic stakeholders (including CEZ Company), by most political parties, and by most experts. Only the Green Party and environmental NGOs oppose this idea. Therefore, the internal discussion in the government might be quite complicated because there is a strong "nuclear cleavage": the Greens vs. ODS.

The Czech scientific community has welcomed the Pačes report's proposal, too. Both universities and the Czech Academy of Sciences advocate the nuclear energy development due to its scientific potential: it is likely to generate demand for scientific research which could be profitable for Czech science in terms of prestige, cooperation and project and financial resources.

## **2.6. General issues: Implementation of the revised Emission Trading Scheme**

**Definition: Policy Killer**

**Outlook: Policy Driver**

**(due to the Czech EU Presidency)**

The so-called energy-climate package was going to be one of the most important issues that the Czech Republic would deal with during its EU Presidency. The revised ETS was being negotiated under the French Presidency and the final deal was hammered out at the final December 2008 European Council. The generally accepted compromise (temporary free allowances for energy producers in countries with a substantial part of fossil fuels for electricity production) was 100% ideal for the Czechs and their interests (including energy producers and other business stakeholders). Many observers claim that the deal was also a sort of sigh of relief for the Czech government, too, because it would not have to tackle this extremely complicated issue during its own presidency.

Furthermore, the role of the Czech Presidency was likely to be complicated by the fact that there is no internal consensus on the issue, so far. During the negotiations, the Czech Republic rather allied with "trouble makers" like Poland and Italy. Despite the official government position, prepared by the Ministry of Environment, which stated the Czech Republic was committed to fulfil its obligations and was ready to continue with the greenhouse emission reduction efforts, there was huge internal opposition towards the initial Commission proposal.

The Union of Industry and Transport warned in its report that the 100% auction system starting from 2012 would have tremendous negative impacts on many segments of the Czech economy. The electricity price for final consumers was supposed to increase by 30-40%, according to the report, and many traditional Czech industry sectors (such as lime, cement, and glass or steel production) would be threatened while becoming uncompetitive. The Union of Industry, supported by the position of the Ministry of Industry and Trade, was pushing for a benchmarking method to be introduced in the new ETS, too.

The new ETS was likely to hit mainly the Czech electricity producers (due to the considerable proportion of coal in electricity production). Nevertheless, those did not openly oppose the new proposal. Their arguments (or lobbying) against it focused more on "blackmailing" consumers by indicating that prices would go up if the package was approved without any change. It is likely, however, that energy companies have included the additional cost in their prospects and outlooks, and increasing the electricity price is not a major concern for them, as some NGOs put it.

## **2.7. General issues: External dimension of energy security**

### ***Definition: Policy Driver***

### ***Outlook: Policy Driver***

The Czech Republic is a country that relies completely on an external supply of oil and gas, coming mainly from Russia via Ukraine. This is why most Czech politicians and stakeholders are very sensitive to developments in Russia and Ukraine, and support any initiative aiming at decreasing energy dependency on these countries. The Czech Presidency has engaged actively in solving the January 2009 gas crisis; in the Czech reading of the situation, by the January gas cut-off Russia aimed at dividing the EU Member States again, especially on their attitudes towards Ukraine, undermining and pre-empting the emerging Eastern Partnership. It seems, however, that the crisis could help the Czech Presidency to deliver on the issue of the external dimension of energy security and energy policy (common energy market), which is a major priority for the Czechs during its Presidency tenure, given the converging attitudes of the Member States and the unwillingness of the big EU countries to be played against the joint EU position.

The Czech Republic (the Czech government) is ready to discuss the new Strategic Energy Review and launch discussions on the new Energy Action Plan, on the basis of the Strategic Review. The Czech Republic would like to focus mainly on external energy security and oil emergency contingency stocks. It also strongly advocates the idea of thorough review of strategic energy infrastructure and networks of major producing and transit countries.

The Czech Republic is planning an informal Energy Council, gathering EU ministers and representatives of the supply countries.

The external dimension of energy security is closely linked with the negotiations of the new Partnership and Cooperation Agreement with Russia, which were recently renewed and shall continue during the Czech Presidency. The Czech Republic supports pushing for including the Energy Charter (or a code of conduct of a supplier) into the agreement. Besides Russia, the Czech Republic puts emphasis on relations with Ukraine in terms of energy security, and also the Western Balkans (Serbia may be a transit country of the South Stream gas pipeline). The Czech Republic also advocates the need to strengthen energy relations with the Caucasus and Central Asia in order to enhance Europe's negotiation potential with the suppliers. The Czech Republic is planning to hold a special summit gathering EU leaders and representatives of the Caspian Region countries. The meeting will be officially titled the "Southern Corridor Summit".

### **3.1. Specific issues: Liberalisation of the energy market – 3<sup>rd</sup> energy package (unbundling)**

**Definition: Policy Taker**

**Outlook: Policy Taker**

The Czech Republic has always been opposing full unbundling both in electricity and gas. The main energy company, majority state-owned CEZ, triggered the opposition of the Czech Republic (government) to electricity unbundling (CEZ wanted to keep the monopoly). But this position was too radical, so the Czech Republic finally had to separate the country's electricity producers (CEZ, E-on) from the transmission company which is also a state-owned company, CEPS.

As far as the gas sector unbundling is concerned, the Czech position has been much more intransigent. The Czech Republic and other CEE countries have been voicing security concerns that complete unbundling of gas producers and transmitters would weaken the companies, which could then easily become "prey" for the Russian Gazprom (the Czech company RWE Transgas voiced these concerns very openly).

The Commission responded positively to these concerns and included a guarantee in the proposal stating that no foreign company can take over an unbundled European company without fulfilling the condition of unbundling itself.

The Commission also proposed, as an alternative to complete unbundling, establishment of an Independent System Operator which would effectively run the transmission networks, which could be owned by the producer. Both the Czech government and the CEZ company support this idea.

The Czech Presidency can build on a compromise which is generally accepted; therefore, complicated negotiations are not expected.

### **3.2. Specific issues: Common rules for the internal market in electricity (COM (2007) 508), cross border exchanges in electricity (COM(2007) 531), common rules for the internal market in gas (COM(2007) 529), access conditions to the gas transition network (COM (2007)**

**Definition: Policy Driver**

**Outlook: Policy Driver**

The Czech Republic is an important transit country both for oil/gas and electricity. The country's position towards all aspects of the EU energy policy (both internal and external dimensions) stresses the transmission networks and the need to allow and facilitate investments into this domain in order to achieve a real common energy market, helping to avoid black-outs and enhance security of infrastructure and supplies, too. The Czech Republic (government and economic stakeholders), traditionally against new EU regulations, have been pushing in this particular area for common rules for operating transmission networks, introducing Trans-European networks and cooperation between transmitters.

Such measures, which would enable better cross-border export/import of electricity, are strongly lobbied by the CEZ Company, which has an ambition to become an important electricity exporter.

### **3.3. Specific issues: Establishment of the Agency for Co-operation of Energy Regulators (COM(2007) 503)**

**Definition: Policy Driver**

**Outlook: Policy Driver**

With regard to the emphasis put by the Czech Republic on Trans-European Transmission Networks and cross-border exchanges of electricity, the Czech government is also pushing for the establishment of the Agency for Co-operation of Energy Regulators.

According to the Czech government, the Agency for the Cooperation of European Regulators will fill the regulatory gap in cross-border issues and will enhance the cooperation of national regulators. This is needed in order to enable more cross-border exchanges of electricity, which is a strong Czech (and CEZ) interest (see above). The Czechs stress the need to unify the regulation and decision-making patterns/practice.

#### **IV. Budget review and CAP "Health Check"**

1. Overview
2. General issues:
  - 2.1. Position towards CAP "Health Check" (COM(2007)722)
  - 2.2. Positions towards the expenditure structure of post-2013 budget (SEC (2007) 1188)
  - 2.3. Position towards Common Market Organisation for Fisheries

##### **1. Overview**

The Czech Republic sees the CAP Health Check and the revision of the budget as two closely intertwined issues (unlike the Commission and the French Presidency that were pushing for decoupled deliberations) and focuses more on the period after 2013 despite the fact CAP health check deals with the upcoming period of 2009–2013; this is considered to be the agenda of the French Presidency mostly. There is no complex and comprehensive position on the CAP reform as such; the articulated positions are of a pragmatic nature with liberal features. The general position on CAP reform is that decreased expenditures on agriculture would create additional resources for education, research and innovation, and blocking reform would result in decreasing the competitiveness of the EU in the long run. In this sense, the outcome of negotiations on CAP health check in December 2008 was welcomed. The guiding principle of the Czech position when considering the health check and budgetary proposals is to assure the even impact on all EU Member States; any proposals like degressive payments or capping, which have a greater impact on the New Member States, are seen as unacceptable. The Czech Republic is waiting for the Commission's White Paper (planned for late 2008, early 2009; realistically rather the second half of 2009) evaluating the current state and containing proposals on EU expenditures and incomes.

The top three priorities include: 1) Budget reform — the Czech government states the absolute need to reform the EU budget both on its spending and revenue sides; it advocates the idea of reducing or even abandoning the VAT based income (lack of transparency) and refuses any European tax. The Czech Republic supports abolishing or setting a ceiling to the UK rebate. 2) The Czech government, together with the Commission is also expected to set the Lisbon Strategy issue on the agenda of the spring European Council, which usually deals with the growth and jobs related topics; it is aware of the country's economic structure and vulnerability in terms of global competition; the added value of investing in the Czech Republic will be gradually curtailed. The government will be an active proponent of increasing European competitiveness and sustainable growth through innovation, giving priority to R&D and education. 3) CAP health check — the principle of equal impact on all Member States of the measures adopted.

The above-described is rather a matter of political consensus between the political parties (with the exception of the Communist Party, which usually takes an ideological stance refusing the EU integration process as such). It is therefore certain that any government alternation will not trigger any major change in position. On the other hand, the government's position in these areas is far more inconsistent than the Czech government aims to present. According to some analysts, the contradictions in the Czech position are mainly caused by the lack of involvement of others besides government policy-makers and stakeholders in preparing the positions, and the seemingly clear position may be in contradiction with the stances of various other Czech stakeholders (especially as far as the budget and funding of policies are concerned).

## Table of national positions

\*please, refer to the methodology disclaimer in the supplements

Issue	Definition and Outlook	National Consensus	EU mainstream
Top three priorities	Policy Driver in given budgetary and Lisbon Strategy issues; Policy Killer in CAP reform when the principle of equal treatment is not kept.	General consensus, position not likely to change substantially	In progress
Position towards CAP "Health Check" (COM 2007(722))	Generally, the position is oscillating between a Policy Driver and a Policy Taker; depending on the item, there is a potential to act as a Policy Killer on some particular issues	Consensus on the general policy	In progress
Positions towards the expenditure structure of post-2013 budget (SEC (2007)1188)	Policy Driver, possible Policy Killer in some areas; likely to remain so	Consensus on the general policy	In progress
Position towards Common Market Organisation for Fisheries	Policy Taker; likely to remain a Policy Taker	Consensus on the general policy	Within the mainstream

### 2.1. General issues: Position towards CAP "Health Check" (COM 2007(722))

**Definition:** *The position is oscillating between a Policy Driver and a Policy Taker, depending on the issue, there is a potential to act as a Policy Killer on some particular issues*

**Outlook:** *The position is likely to remain the same*

According to the Ministry of Agriculture, the position of the Czech Republic towards the health check was as follows: it agrees with decreasing direct payments and increasing expenditures on country development (modulation), however not in connection to the size of the farm. The proposal of progressive degression of the payments would impact the largest number of payments (40%) of all Member States in the Czech Republic after 2013 and the farms would most probably start splitting into smaller units.

The Czech Republic also seeks to ensure equal subvention distribution to individual Member States (the Czech Republic does not want to fulfil all norms when there is unequal distribution<sup>17</sup>). It welcomes the proposal to keep the simplified area payment scheme, SAPS, for the New Member States until 2013, and will support the unification of the system of payment for all Member States after 2013, preferably using the SAPS template, and with the possibility to support the sensitive sectors in all Member States. The Czech Republic agrees with the compromise on the issue of cross-compliance (it supported the NMS position to introduce cross-compliance in three phases over the 2009-2013 period; the Commission proposal was 2009-2011). The Czech Republic is against cutting subventions for big farms. The biggest concentration of such farms is in the New Member States, mainly due to historical reasons. As to the regular monitoring of agricultural companies, the Czech Republic is not against this but insists that monitoring be undertaken in such a way that their work would not be disturbed, that is, to make sure there is not a different check every day. As to the milk quotas, the Czech Republic agrees with decreasing direct payments and will push for abolishment of the milk quotas by 2015 at the latest (supporting the increasing quotas and decreasing of fines for breaching the quotas in the meantime). The possibility of quota transfer between the Member States is unacceptable. The Czech Republic is for a systemic approach when dealing with common organisations of markets in different commodities and their gradual abolishment (in starch, for example, until 2015 at the latest; the proposal to lower the national production quota is inadmissible). The Czech Republic supports the proposal to abolish the "set-aside" principle. State aid is seen as an irreplaceable means of support even after 2013.

<sup>17</sup> Currently, it is France (22%), Spain (15%), Germany (14%), Italy (12%), the UK (9%), Greece (6%) and Ireland (4%) which receive the most subsidies on agriculture. There is only 18% of the budget left for the remaining twenty countries.

As for the management of agriculture risks, the Czech Republic supports the emerging unified Community concept; however its future financing is not clear and has to be clarified. Generally, the Czech Republic supports the improved competitiveness-driven reform but the proposals have to be balanced, not impacting the Member States unevenly and selectively (negative experience with the EU sugar reform). As far as the Less Favoured Areas (LFA), the definition of the other LFAs is the priority: the Czech Republic does not agree with the criteria set by the European Commission due to even applicability across the EU (since it would cut its LFA portion by 50%; at the moment, almost 50% of the agricultural land in the country is classified as LFA). The Commission should allow for certain level of flexibility, taking into account the national specificities. As to the protection of the quality of agriculture goods and food-stuffs, the Czech position is rather protective. The plan for the Czech Presidency is not ambitious; rather than submitting new proposals, the country will rather focus on finalisation of what France was unable to close, mediating the debate and final deals.

The inter-ministerial group for CAP health check was in place, including the representatives of the Ministry of Agriculture and Ministry of Environment. The Senate supported the government position, with an emphasis on abolishing the milk quotas after 2015 and on the issue of big farms. However, the Czech position has been largely influenced by agricultural interests and organisations such as the Agrarian Chamber of the Czech Republic (tabling rather new arguments why to support farmers further than the new visions of the agriculture sector assumes; it also for example fiercely opposed the modulation concept, but their opposition has been fading away in the last few months), not so much by the local governments or environmental interests and interest groups. The Association of the Private Farmers is critical of the government's backing of the big farms but without any significant impact on policy making. As to the non-governmental sector, the Green Circle project focuses on the environmental aspects of the articulated proposals; it is rather critical towards SAPS, the implementation of cross-compliance in the Czech Republic, lack of support to ecological farming and under-elaboration of the reform of the agro-environmental measures. But as in the case of the previous actor, it has not had a significant impact on policy making.

As far as the compromise reached at the end of the 2008 French Presidency is concerned, the Czech Agriculture Minister Petr Gandalovič abstained from the vote when the QMV took place. However, he stated later the final deal is acceptable for the Czech Republic and that all Czech priorities were accommodated to a large extent. On the other hand, a true simplification and elimination of disparities among the Member States was not reached according to the Czechs. The main dissatisfaction was voiced in connection to the bigger cuts in big farm direct payments comparing to the small ones. According to the final deal, the big farms (receiving over EUR 300 000 per year) will lose another 4% of direct payments until 2012; the Czech Republic pushed for 3%. The New Member States succeed in negotiating EUR 90 million per year to support the agriculture sector; it is the first time since the accession negotiations that the NMS succeeded in getting additional financial resources for agriculture beyond the scope of the accession treaties.

## **2.2. General issues: Positions towards the expenditure structure of post-2013 budget (SEC (2007)1188)**

***Definition: Policy Driver, possible Policy Killer in some areas***

***Outlook: Likely to remain a Policy Driver, possibly a Policy Killer***

The Czech government declares the absolute need to reform the EU budget both on its expenditure and revenue sides. It is awaiting the Commission's White Paper (the second half of 2009 seems realistic now, the Czech Presidency will probably only propose a timetable for further negotiations) evaluating the current state and containing proposals on EU expenditures and incomes. As to expenditure structure, the agricultural expenditures should be re-oriented towards more productive spending programmes such as competitiveness, innovation, research (setting up a true European Research Area) and education. The decreased CAP expenditures are also tied to negotiations within the WTO and further liberalisation of EU Trade Policy.

In Social and Economic Cohesion Policy, the Czech Republic would promote the strengthening of its territorial dimension, that is, closing the gap between developed and less developed member states and regions, and the preference of competitiveness to convergence. There is a perceived need to avoid the loss of financial assistance from

the EU Structural Funds and the Cohesion Fund — the total allocation for the post-2013 period should not be reduced drastically compared to the current allocation. It is assumed that given the current pace of the country's economic development, at least 3 out of 7 regions will surpass the benchmark criterion for Objective 1 (75% of average EU GDP per capita), so the Czech Republic will support the proposals to raise this benchmark or to enhance the competences of the regions in phasing-in or phasing-out so that the decrease in total allocation will not be too sharp. It is necessary to prevent a drop in Structural Funds and Cohesion Fund allocations, since many regional organisations would face sustainability problems. The position in the priority area of research and education can be undermined by the fact that the Czech Republic's expenditures on research or education are below the EU average. The GDP ratio of R&D spending (public and private together) was 1.42% in 2005,<sup>18</sup> comparing to the EU average of 1.9%, and the GDP ratio of education spending amounts to 4%,<sup>19</sup> which is one of the lowest figures in Europe (less than Macedonia or Ukraine).

### **2.3. Position towards Common Market Organisation for Fisheries**

***Definition: Policy Taker***

***Outlook: Likely to remain a Policy Taker***

The Czech Republic has no high stakes in this policy area; besides the production of several species of freshwater fish, which is already negotiated, there is no specific interest.

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<sup>18</sup> <http://epp.eurostat.ec.europa.eu>

<sup>19</sup> According to <http://www.unece.org>

## V. EU foreign policy and enlargement

1. Overview
2. General issues:
  - 2.1. Preference of countries for accession and any specific points or concerns relating to it (including bilateral disputes and how they might translate into EU-level policy and decision making)
  - 2.2. Preference for any particular country in the framework of ENP
  - 2.3. Enhanced ESDP, increasing Europe's defence capabilities etc.
  - 2.4. Position towards Kosovo, e.g. status and EU mission in Kosovo
  - 2.5. Transatlantic relations
3. Specific issues:
  - 3.1. Completion of accession negotiations with Croatia
  - 3.2. Opening of accession negotiations with Macedonia
  - 3.3. Signing of SAA with Serbia
  - 3.4. Blockage of accession talks with Turkey, possibility of unblocking it
  - 3.5. Polish–Swedish initiative for ENP Eastern Partnership
  - 3.6. Strategy for the Black Sea Region/Black Sea Synergy Implementation assessment
  - 3.7. Strategy for the Baltic Sea Region
  - 3.8. Revision of European Security Strategy

### 1. Overview

After the 2004 EU accession, Czech foreign policy has been looking for a redefinition of its goals and interests. The consensus of the main political parties on Euro-Atlantic integration faded away and the foreign policy field became an open area for the political clash of interests. Some issues became highly politicised (US radar base in the country, Kosovo recognition) and fell victim to party politics. In other areas the convergence is growing, but there is still no new foreign policy consensus in place that the key political parties and actors would sign onto. The significant element of the current setting is the role of President Václav Klaus,<sup>20</sup> who defines his own foreign policy agenda and stances, enlarging the scope of his competencies beyond the constitutional framework, sometimes contradicting the official line of the government (recognition of Kosovo, crisis in Georgia and relations with Russia), with the other players of the system (MFA, Office of Government) trying to balance his views and opinions. The role of other actors in foreign policy formulation, i.e. business, think-tanks and other NGOs (namely the "People in Need" organisation), has been gradually growing.

The Czech Republic has been trying to play an active role in the field of EU foreign policy and enlargement; it established and promoted several "own issues" like Cuba or raising the profile of democracy and human rights promotion policy as such. Some of the policy accents have been played down before the upcoming Czech EU Presidency in order to improve its potential for mediation (Cuba or changing position towards Belarus, not least because of the EU lifting sanctions). The country generally supports strong transatlantic partnership, future EU enlargements with a focus on the Western Balkan countries, and development of an efficient EU Eastern policy with an accent on the energy security and relations with Russia, which are rather based on pragmatism and balanced policy (the pro-Russia stances of the President sometimes hamper the efforts of the Czech diplomacy to send stronger signals). The Czech Presidency plans to initiate an exchange of ideas on relations with Russia among experts from across the EU, aiming at achieving identification of common bases of EU Member State policies towards Russia and consequently at a more coherent and less asymmetric EU strategy on Russia. The Czech Republic did not block the restart of the negotiations on PCA with Russia, which were frozen after the Georgia crisis. The top three policy issues include: 1) Eastern Partnership and its upgrade on the level of EU policy; 2) Transatlantic relations and relations with the new US administration; 3) Re-definition of the EU's democracy and human rights policy concept, with an accent on democracy promotion.

The other Presidency priorities include namely visa liberalisation for the Western Balkan countries and EU relations with Israel: the Czech Republic would like to be instrumental in preparing and mediating the negotiations for an upgrade of EU-Israel relations during

<sup>20</sup> The former president Václav Havel also acted voluntarily during the Iraq crisis when signing the so called Letter of Eight; however, the Czech government had no clear position on the issue at that time and it was rather an exceptional issue.

the Czech EU Presidency (ENP Action Plan is to expire in April 2009), preparing a special EU-Israel summit (not yet confirmed).<sup>21</sup>

### Table of national positions

\*please, refer to the methodology disclaimer in the supplements

Issue	Definition and Outlook	National Consensus	EU mainstream
Top three priorities	Policy Driver; likely to remain a Policy Driver	General Consensus, position not likely to change substantially	In progress or within the mainstream
Preference of countries for accession and any specific points or concerns relating to it	Policy Driver; likely to remain a Policy Driver	Consensus on the general policy	Within the mainstream (in the case of Turkey it is disputable)
Preference for any particular country in the framework of ENP	Policy Driver; likely to remain a Policy Driver	Consensus on the general policy	Within the mainstream (in the case of Israel it is disputable)
Enhanced ESDP, increasing Europe's defence capabilities	Policy Taker; likely to remain a Policy Taker	Consensus on the general policy	Within the mainstream
Position towards Kosovo, e.g. status and EU mission in Kosovo	Policy Taker; likely to remain a Policy Taker	Weak consensus	Within the mainstream
Transatlantic relations	Oscillating between Policy Driver and Policy Taker; Position likely to remain the same	Consensus on the general policy; diverging interests on particular (rather domestic or bilateral) issues	Within the mainstream
Completion of accession negotiations with Croatia	Policy Driver; likely to remain a Policy Driver	General Consensus	Within the mainstream
Opening of accession negotiations with Macedonia	Policy Driver; likely to remain a Policy Driver	General Consensus	Within the mainstream (open once the criteria are met)
Signing of SAA with Serbia	Policy Driver; likely to remain a Policy Driver	General Consensus	Within the mainstream
Blockage of accession talks with Turkey, possibility of unblocking it	Policy Taker; Policy Taker, possibly Policy Driver	Not relevant	Within the mainstream
Polish – Swedish initiative for ENP Eastern Partnership	Policy Driver; likely to remain a Policy Driver	General consensus of key policy actors	In progress
Strategy for the Black Sea Region/Black Sea Synergy Implementation assessment	Policy Taker; likely to remain a Policy Taker	Not relevant	In progress
Strategy for the Baltic Sea Region	Policy Taker; will remain a Policy Taker	Not relevant	In progress
Revision of European Security Strategy	Policy Taker; will remain a Policy Taker	Not relevant	In progress

### 2.1. General issues: Preference of countries for accession and any specific points or concerns relating to it (including bilateral disputes and how they might translate into EU-level policy and decision-making)

#### **Definition: Policy Driver**

#### **Outlook: Policy Driver**

The Czech Republic generally supports the EU enlargement and the aspiration of all candidate countries with an emphasis on the Western Balkans. The country has been advocating the quick accession of Croatia to the EU, and during the Czech EU Presidency it would like to see a substantive headway of the accession talks (the original aspirations to conclude the negotiations will not be met but there are still hopes

<sup>21</sup> Czech pro-Israeli stances are inspired by an aggregation of subtle historical reasons and affinities (arms deliveries to the Jewish state in 1948, etc.) and to some extent by the strong atlanticist position of the current government (however, the level of atlanticism would not be the only explaining variable here, comparing the positions of other Central and Eastern European countries).

the accession treaty could be signed by the end of 2009) as well as to try to mediate between Croatia and Slovenia. As to Macedonia, no strong position has been voiced lately due to the Commission's negative report. The Czech Republic would probably support fast-tracking opening of the accession negotiations with Serbia. The EU membership of the Western Balkan countries enjoys consensus of all political parties (even if for different reasons), as well as of other key players, including business (the energy company CEZ has especially been lobbying for the EU accession of the Balkan countries) and NGOs. Public opinion is rather supportive, too, especially in case of Croatia, a favourite holiday spot of the Czechs. The government priorities in this sense are Croatia and Serbia. Support for Turkish EU membership was also articulated by the key players several times, although the level of consensus has been weakened by an opposition from the junior government coalition party KDU-CSL (Christian Democrats). There are also several NGOs promoting a negative position on the EU's enlargement to Turkey,<sup>22</sup> and public support for Turkish EU membership is dropping in the country.<sup>23</sup>

## **2.2. General issues: Preference for any particular country in the framework of ENP**

### ***Definition: Policy Driver***

### ***Outlook: Policy Driver***

Generally, the Czech Republic promotes the Eastern ENP dimension and one of its overall policy interests is to put it on the equal footing with the Mediterranean countries after the creation of the Union for the Mediterranean or promote it further to the level of specific EU policy, probably under the ENP umbrella. Within the Eastern dimension, the Czech Republic sees Ukraine as a key and a pivotal state for the whole region. It promotes the conclusion of the new enhanced agreement with Ukraine, but despite the finalisation of the agreement, the political situation in Ukraine will probably not allow for its conclusion during the Czech EU Presidency as was envisaged earlier. During the Czech Presidency, an implementation tool replacing the current ENP Action Plan will be in process of preparations.

The country receiving the largest portion of Czech democracy assistance is Belarus (the Czech Republic spends most of its support on the "European Radio for Belarus" project, based in Poland). The Czech policy towards Belarus has undergone a change lately: after a period of ignoring the official Belarusian representation, an official Czech Foreign Ministry delegation went to Belarus and talked to representatives of the regime. The policy of engagement will be most probably followed further on in order to attempt to balance the influence of Russia. Another country of preference is Israel: the Czech Republic would like to be instrumental in preparing and mediating the negotiations for an upgrade of EU-Israel relations during the Czech EU Presidency (ENP Action Plan is to expire in April 2009), including by preparing a special EU-Israel summit.

## **2.3. General issues: Enhanced ESDP, increasing Europe's defence capabilities, etc.**

### ***Definition: Policy Taker***

### ***Outlook: Policy Taker***

The Czech Republic is supporting further enhancement of ESDP on the declaratory level, on the condition that duplications with NATO are prevented. In reality, the Czech Republic is not a Policy Driver, belonging rather to a group of countries trying to decelerate the development. According to the official position, the country supports the further development of civilian capabilities within ESDP (Civilian Headline Goal 2010) as an important tool for crisis management that allows for the implementation of various types of missions. During the Czech EU Presidency, the Czech Republic will continue with the implementation of Headline Goal 2010 and the Capability Development Plan. No specific initiatives are envisaged. The position towards Permanent Structured Cooperation (PSC) is rather reserved; in the government's opinion PSC provides for a

<sup>22</sup> "Association for European Values", an NGO established with help of MEP Josef Zieleniec; their argumentation against Turkish membership is based on the idea of difficult EU deepening once Turkey is on board. There are some other initiatives inspired by Christian Democrats and there was also a petition against Turkish EU membership in 2005 (within the international initiative "Voice for Europe").

<sup>23</sup> The public debate on Turkish EU membership is secondary to that in Western Europe, including the reasoning and argumentation; the Czech political representatives who take pro-enlargement stances rarely speak in favour of Turkish membership. The negative voices, namely from the Christian Democrats' camp, are more visible in the public debate.

multi-speed Europe with those involved in PSC agreeing the decisions for the rest of the EU-27 in advance. This approach is based on ideological reasons (NATO first) and a low level of familiarity with ESDP, rather than on any realistic assessment.

#### **2.4. General issues: Position towards Kosovo, e.g. status and EU mission in Kosovo**

***Definition: Policy Taker***

***Outlook: Policy Taker***

The Czech Republic recognised Kosovo only on 21 May 2008. The governmental resolution marked steep divisions across political parties, despite the fact that Kosovo was recognised by both the US and major EU members shortly after the declaration of independence (February 2008). The senior government coalition party ODS was split on the issue, with one minister voting against the recognition in the government and many ODS deputies in the lower chamber expressing concerns. The junior government coalition party KDU-CSL ministers voted against the recognition, stating that recognition would disrupt traditionally good relations with Serbia, and pointing at the doubtful treatment of the Serbian minority in Kosovo and the complicated repatriation of Kosovo Serbs. The second junior coalition partner, the Greens, was also split on the issue despite the fact the Green Foreign Minister, Karel Schwarzenberg, tabled the recognition in the government. The opposition social democrats (CSSD) and communists (KSCM) heavily criticised the decision to recognise, calling it a premature decision and even a betrayal of the Czech nation. A petition not to recognise Kosovo was organised in the Czech Parliament by some opposition MPs and gathered the signatures of more than 50 parliamentarians. The communists talked about an "illegal" state and violations of international law. The most articulated critical voice, however, was that of President Václav Klaus, who talked about opening a Pandora's box by recognising the country. On the other hand, business actors, namely the CEZ company, promoted the recognition of the country due to their investments and business interests. As to the general position towards the country, there are only general declarations aiming at support for Kosovo's statehood, social and economic development and strengthening of the state institutions; on the other hand, Kosovars are citizens of the former Yugoslavia who are not eligible for the so-called green cards (see above). The country is eligible for funding from the transition promotion budget line of the Foreign Ministry for the first time this year. As far as the EULEX mission is concerned, the Czech Republic generally supports the mission, although it is not a driving force of its development. It supports the EU mission to be deployed on the whole territory of Kosovo.

#### **2.5. Transatlantic relations**

***Definition: Oscillating between Policy Driver and Policy Taker***

***Outlook: Position likely to remain the same at the EU level***

The Czech Republic has been adopting rather atlanticist stances after 1989; the consensus of the main actors on atlanticism was hampered namely by the controversial issue of the Missile Defence Treaty. Although the deliberations were started by the then-governing CSSD party, when in opposition CSSD voices a strong disagreement with the US radar base to be located in the Czech Republic. The surprising lack of consensus is present not only among the two major parties (ODS and CSSD), but also within the ruling coalition. The crucial arguments are whether the Czech Republic should engage in bilateral security arrangements with the United States, or whether it should look for a more multilateral approach, including particularly NATO and the EU. Public opinion is also not very favourable towards the US radar base on Czech soil.

At the EU level, the government sees the transatlantic link as crucial for EU ability and power to act as a global player on the international scene, and as the closest partnership and alliance of the EU, which is necessary to preserve in order to be able to face the global challenges not only in the field of hard security but also in areas like climate change, humanitarian crises or the current economic and financial crisis. The Czech Presidency aims at starting the informal dialogue on transatlantic relations and the global strategic challenges with the new US administration, with an effort to give the policy a new substance and framework, embodied in the 2009 EU-US summit conclusions. The Czech Republic would also like to continue work on the economic cooperation started by the German Presidency in 2007; removing barriers in trade and services or convergence of the regulatory frameworks for investments are seen as key priorities. The Transatlantic Economic Council should be fully employed in solving the

issues. The Czech Republic would promote the strengthening of the EU-NATO strategic partnership: NATO's European pillar should not be undermined by competing unrealistic defence concepts. However, the Czech Republic is not a strong player within the defence agenda.

### **3.1. Specific issues: Completion of accession negotiations with Croatia**

**Definition: Policy Driver**

**Outlook: Policy Driver**

The Czech Republic fully supports Croatian EU membership and has been advocating its fast-track accession. During the EU Presidency the Czech Republic would like to see substantive headway in the accession talks (the original aspirations to conclude the negotiations will not be met but there are still hopes the accession treaty could be signed by the end of 2009) and will strive to mediate between Croatia and Slovenia (silent diplomacy). The issue is consensual amongst Czech stakeholders. According to the Czech diplomatic position, Croatia could serve as a positive example to the rest of the Balkan countries; the "factor of jealousy" could, according to Czech diplomats, also play into the hands of pro-EU forces in the other countries when trying to mobilise their citizens.

### **3.2. Specific issues: Opening of accession negotiations with Macedonia**

**Definition: Policy Driver**

**Outlook: Policy Driver**

Due to the Commission's negative report (indicating the country is not fulfilling political criteria), the opening of negotiations is not on the table. Otherwise, the Czech Republic supports opening of the accession negotiations.

### **3.3. Specific issues: Signing of SAA with Serbia**

**Definition: Policy Driver**

**Outlook: Policy Driver**

The Czech Republic supports the issue and has been instrumental in an effort to persuade the Netherlands to ratify the SAA with Serbia despite its not complying with the condition of full cooperation with ICTY. The Czech Republic expects Serbia could apply for the EU membership at the beginning of year; in that case, if full cooperation with ICTY is assured, its candidate status could be decided by the end of the Czech Presidency.

### **3.4. Specific issues: Blockage of accession talks with Turkey, possibility of unblocking it**

**Definition: Policy Taker**

**Outlook: Policy Taker, possibly Policy Driver**

The Czech Republic is favourable towards unblocking the negotiations, depending on the development of the Cyprus issue. The position is not one of active engagement but there is a hope that the breakthrough could be achieved during the Czech EU Presidency. The Czech Republic is not involved in the bi-communal talks and the active role is left to Sweden. If a breakthrough is achieved, the Czech Republic will strive to resume the restart of the accession talks.

### **3.5. Specific issues: Polish – Swedish initiative for ENP Eastern Partnership**

**Definition: Policy Driver**

**Outlook: Likely to remain Policy Driver**

The Czech Republic is a promoter of the Eastern Partnership agenda. Allegedly, the Polish-Swedish initiative was primarily a Czech agenda, which due to poor coordination in the EU Council reappeared as the Polish-Swedish proposal. The project is fully endorsed by the Czech diplomacy; the Czech EU Presidency aims at an upgrade of the initiative on the level of EU policy. The Czech Republic plans to organise an Eastern Partnership Summit in Prague during the Czech Presidency, involving the heads of state of all countries covered by the initiative/policy (6 countries: Ukraine, Belarus, Georgia, Armenia, Azerbaijan, Moldova), including Belarus's President Alexander Lukashenka.

**3.6. Specific issues: Strategy for the Black Sea Region/Black Sea Synergy Implementation assessment****Definition: Policy Taker****Outlook: Policy Taker**

There is no specific position on the issue; it would be regarded as problematic if it goes beyond the framework of the Eastern Partnership or if there is an effort to replace the Eastern Partnership by it.

**3.7. Specific issues: Strategy for the Baltic Sea Region (defined as a priority for the Swedish Presidency – second half 2009)****Definition: Policy Taker****Outlook: Policy Taker**

There is no position available at the moment; the country is not directly involved in this regional initiative.

**3.8. Revision of the European Security Strategy (thought to be initiated by the French Presidency)****Definition: Policy Taker****Outlook: Policy Taker**

There is no position available; the Czech Republic would continue the work possibly started by the French, but is not a strong player in the area. The only statement available is that the ESS should be updated in order to mirror the nature of the current challenges and risks; however, the expert audience thinks the document as it stands is well balanced and contains all necessary references to the current threats.

## VI. Freedom, Security and Justice

1. Overview
2. General issues:
  - 2.1. Common European asylum system
  - 2.2. Common European migration policy
  - 2.3. Enhanced role in co-operation of law enforcement agencies and their co-operation at EU level
  - 2.4. Harmonisation of serious aspects of cross-border crimes
3. Specific issues:
  - 3.1. Establishment of Eurosur (European border surveillance system)
  - 3.2. Establishment of entry-exit system and other border management tools
  - 3.3. Amendments of asylum-related regulations (2003/9/EC – reception conditions for asylum seekers, regulation 343/2003 on the determination of Member States responsible for assessing asylum applications)
  - 3.4. Evaluation of FRONTEX and the future developments in this area

### 1. Overview

The Czech Republic is not a promoter or driving force of deeper integration within the Freedom, Security and Justice Policy. Generally, the Ministry of the Interior, the main actor in the agenda-setting process, adheres to a principle of “no further competences without a proper evaluation and assessment” (that is, that there has to be a clear added value to the proposed EU agenda). It insists on both no overstretching of the existing legal bases (no harmonisation beyond the scope of the existing primary law and no measures beyond the existing framework before the Lisbon Treaty ratification) and no blurring of the boundaries between first and third pillar agendas (including a rather unfavourable position towards the involvement of European Parliament in the primarily third-pillar agenda as it stands now). During the Czech Presidency the country will mediate the last stage of the Hague Programme implementation, and aspires to finalise the post-Hague plan 2010-2014 for the area, aiming at a new “Prague Programme” to be adopted at European Council in June 2009. However, this will most probably not happen as the agenda is shifting to the Swedish Presidency (to be agreed with the new European Commission and Parliament in autumn 2009), allegedly also as the Commission’s pay back to the Czech Republic’s unilateral negotiations over the visa waiver with the US. The agenda of freedom, security and justice is not one of the main Czech EU Presidency priorities (pieces of the agenda are part of two of the three selected main priorities: “Competitive Europe” migration issues and “Europe Open and Safe” visa liberalisation). No comprehensive legislative initiative is envisaged for the Presidency period, but the Czech Republic declared to follow several particular priorities:

- In the field of justice cooperation on criminal matters, the project of interconnection of the national e-registers (of criminal sentences, etc.), European Criminal Records Information System – ECRIS, which is in line with the introduction of E-justice in the EU. This priority will be put forward, there will be a conference during the Czech Presidency and the Ministry would like to see the agenda leaping off the ground (Czech Republic as a Policy Driver).
- The fight against terrorism and organised crime is being put forward as a priority, with an emphasis on the issue of freezing laundered and terrorist assets. The Czech Republic would like to focus on enhancing cooperation on practical matters and better work of the EU agencies; however, the track-record of the country in the area is not sufficient or credible enough for promoting this agenda, it is also not an issue of a political interest in the country.
- In the area of civil justice cooperation, the focus will be put on the preparation of a regulation on inheritance.

The “inherited” priorities include mainly:

- Evaluation of the practical application of the European Arrest Warrant is taking place in 2008; the Czech Presidency will facilitate the approval of the evaluation report.
- Schengen agenda: technical issues related to SIS II and VIS including biometric data collection, finalisation and control of the implementation of the Visa codex and evaluation of the state of preparedness of Bulgaria and Romania to enter the Schengen space.

- Asylum and migration policies: finalisation of the Common Asylum System and implementation of the first legislation of the Legal Economic Migration Plan.

The top three policy principles guiding policy making in the policy area are: first, balancing the "Southern dimension" and the "Eastern and Balkan dimension" in all policy proposals impacting EU neighbourhood (namely in the area of migration and asylum); the principle of "same approach and treatment" towards all neighbours is followed. This is probably a shared position amongst all NMS. Second, a focus on linking the agenda of the unfinished business of the free movement of persons from the NMS (transition periods) with the third-country nationals migration facilitation, that is, preventing that third-country nationals would enjoy better treatment compared to the citizens of the NMS with transition periods in place. Despite the argument that a specific provision of the Accession Treaty prevents this scenario, the current government thinks the provision itself, and the legal reasoning behind it, are not sound enough. The statement of Vice-PM Alexander Vondra after the Czech Republic veto on the "Blue Cards" was in line with this line of argument. Third, keeping the balance between the European dimension embodied in the European Convention on Human Rights (ECHR) and national autonomy in the field; a veto of the framework decision on certain procedural rights in criminal proceedings throughout the European Union in coalition with UK, Ireland, Malta, Poland and Cyprus is an example of this principle applied in practice: that is, the Czech Republic acting as a Policy Killer, blocking the "harmonisation" of the agenda. The issue is rather consensual among the public administration and government actors.

As to the level of consensus, the Ministry of the Interior plays a dominant role in the policy formulation and would probably stick to the above-mentioned principles regardless of the government change. The fact that certain agendas in the area of integration of foreigners (migration issues) was shifted from the Ministry of Labour and Social Affairs to the Ministry of the Interior (September 2008) suggests a further turn towards rather restrictive policies in some areas. Involvement of the political parties is rather selective, given the complexity of the agenda and their capacities; the issue of the Czech "Green Cards" (facilitation of migration of skilled labour for particular industries) introduced by the government in October 2007 turned into a political issue, with the opposition (CSSD) criticising the measure on rather populist grounds.<sup>24</sup> In terms of proposed EU legislation, the Senate is closely scrutinising the developments in the area of the third pillar, watching namely for "unwanted harmonisations". However, the government is not obliged to reflect the stance of the Senate fully in its deliberations in the EU Council.

The Czech NGOS are very active in the field of asylum and migration issues and critical of the restrictive approach, issuing joint positions on the Ministry of the Interior legislative amendments based on the EU legislation. Their impact on the policy formulation cycle differs case by case but it is not highly significant.

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<sup>24</sup> Opposition (CSSD) deputies criticised the proposal in the Parliament, stating the Minister responsible for the "green cards package" (Petr Nečas) is going to be the "architect of Arab ghettos in the Czech Republic like in France." The other deputies warned against the spread of epidemic diseases with the incoming immigrants.

**Table of national positions**

\*please, refer to the methodology disclaimer in the supplements

Issue	Definition and Outlook	National Consensus	EU mainstream
Top three priorities	As to the Presidency priorities, the country will act as a Policy Driver; otherwise the position oscillates issue by issue, guided by the general principles. The positions are not likely to change in the future.	General Consensus on the Presidency priorities	Within the mainstream or in progress
Common European asylum system	Policy Killer or Policy Taker, depending on the issue; position likely to remain	Weak to no consensus	Varies issue by issue, rather restrictive position shared with some MS
Common European migration policy	Policy Killer or Policy Taker, depending on the issue; position likely to remain	Consensus of the state actors; NGOs influence is less significant	Varies issue by issue, rather restrictive position shared with some MS
Enhanced role in co-operation of law enforcement agencies and their co-operation at EU level	Policy Killer or Policy Taker, depending on the issue; position likely to remain	General consensus of the key actors	Outside the mainstream
Harmonisation of serious aspects of cross-border crimes	Policy Taker or Policy Killer; likely to remain Policy Taker	General consensus of the key actors	Varies issue by issue but tends to be within the mainstream
Establishment of Eurosur	Policy Taker; likely to remain Policy Taker	Not relevant	Within the mainstream
Establishment of entry – exit system and other border management tools	Policy Taker; possibly Policy Killer	Not relevant	Within the mainstream at the moment
Amendments of asylum – related regulations	Policy Taker or Policy Killer; likely to remain	Consensus of the key actors challenged by NGOs	Varies issue by issue
Evaluation of FRONTEX	Policy Killer; likely to remain but open to bargains	Not relevant	Not within the mainstream

**2.1. General issues: Common European asylum system****Definition: Policy Killer or Policy Taker depending on the issue****Outlook: Position is likely to remain the same**

The Czech government (the Ministry of the Interior) has the following position towards the Green Paper on the European Asylum System (June 2007)<sup>25</sup>:

The Czech Republic sees the need to guarantee international protection in justified cases but it stresses the necessity to limit the room for abuses of the procedure. It supports the introduction of a unified procedure for the application assessment (minimal standards). However, it has reservations towards the joint processing of applications outside EU territory, which is currently a responsibility of a Member State. A feasibility study on the issue is to be published and the Czech Republic is waiting for it to elaborate its position further. It also recommends and supports the establishment of a European Asylum Support Office<sup>26</sup> (as a prevention of the policy's convergence and harmonisation). The Czech Republic declines introduction of the unified status for refugees and persons under complementary protection, it rather prefers a single status for each category. As to the cross-cutting issues (adequate reaction to the situation of integration of vulnerable persons) the Czech Republic generally supports the proposals

<sup>25</sup> It was also subject to the parliamentary hearing in the Chamber of Deputies of the Parliament of the Czech Republic in January 2008.

<sup>26</sup> The European Agency for support of all the forms of cooperation among the Member States in the field of European Common Asylum System is mentioned in the Hague Programme. The Czech Republic supports the establishment of the Agency only on the basis that it would perform coordination tasks.

for integration measures but strictly distinguishes asylum applicants and asylum holders. As to the tool of "resettlement", the Czech Republic does not have enough experience and awaits further information. According to the Interior Ministry position, the Czech Republic's priority will be to re-negotiate the existing directives and regulations in order to achieve higher minimal standards, with a special focus on the revision of the directive on the conditions of entry and residence.

The position towards the French proposal of the Pact for Migration and Asylum is not clear; the trend towards (re)nationalisation of the agenda could be regarded favourably by the Ministry of the Interior.

The Chamber of Deputies' position towards the government's position is favourable, on the condition that the government will promote the following systemic measures: acceleration of the asylum procedure; possibility to improve the skills and working experience of the applicant during the asylum application assessment and thus preparing the applicants for the impending integration; preparation of the conditions for repatriation of the declined applicants to their home country; introduction of programmes for quick integration into labour markets of the those who are awarded asylum; development aid programmes targeted to the countries of origin of a substantial number of applicants.

The Senate took a position towards proposed amendments of the Directive 2003/109/ES enlarging the scope of the Directive on the persons enjoying international protection (applied to third-country nationals resident in an EU country). The Senate suggests the issue of cumulating statuses (of long-term residents and persons under international protection) is not solved in a satisfactory manner. Also, those enjoying the rights implied by the Directive would be in a better position on the EU labour markets than the citizens of the NMS with the transitional period on free movement of persons in place (following the general principle mentioned above). The Senate is against including the procedure period into the five-year period needed for obtaining resident status, due to possible abuses and prolongation of the procedure on purpose on the part of the applicants.

The NGO position (Counselling Centre for Refugees, the Organisation for Aid to Refugees, Czech Helsinki Committee, and People in Need) is that there is no coherent concept of the Czech asylum policy; the Ministry of the Interior is pursuing ad hoc and un-systemic measures. Despite the decreasing number of international protection applications, the Czech Republic embarked upon a securitisation of the agenda and a repressive approach. The official Czech position towards the Green paper clearly prefers the measures and tools which are convenient to the public administration, irrespective of its impact at the European level. The Czech Republic selects and deals with issues which cannot have a negative impact on the Czech standards in the area, because these are already more restrictive than in other EU countries. The Czech Republic adopted a negative attitude towards the amendments of Dublin II despite the fact that the Dublin system contributed to the decreasing number of applications for international protection in the Czech Republic. Similarly, a negative position was taken on the rules of the asylum procedure on the borders, designed to make the procedures more efficient and quick. The Czech Republic also promoted actively a creation of a list of "safe" countries so that the applicants from the listed countries would not be considered for asylum at all. The NGOs were also very active (petition, media appearances) in lobbying for certain changes in the amendments to the Czech law on asylum, tabled by the Ministry of the Interior in April 2007 with the particular aim to prevent economically-motivated applicants.<sup>27</sup> Their joint points of criticism included: enhanced repressions towards the applicants; impossibility of effective control of the procedure (judiciary oversight); negative impact on the applicants coming to the Czech Republic without a visa (usually those who are "real" applicants for international protection — those driven by economic benefits usually come *with* a visa); despite the argument of a need to comply with the EU directives, out of 58 measures only 12 were duly transposed. The suggestions made by the NGOs, UNHCR, Government Council on Human Rights and the Ombudsman during the official preparatory phase were not taken into account (namely the modification of the asylum procedure at the airports). Meanwhile, the suggestions made

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<sup>27</sup> The following debate in the Parliament was surprisingly substantial; the interior minister Ivan Langer (ODS) faced criticism from the left-wing opposition (ČSSD, KSČM) but also the Greens. The new legislation was adopted in December 2007.

by the law enforcement bodies and the intelligence services were in most cases accepted. On the other hand, there are some positive steps seen by the NGOs like abolishing the two-year period for re-submission of the application for international protection.

## **2.2. General issues: Common European migration policy**

**Definition: Policy Killer or Policy Taker depending on the issue**

**Outlook: Position is likely to remain the same**

The Czech Republic's<sup>28</sup> position on the migration policy reflects the two general principles stated in the summary, i.e. promotion of the Eastern and South-eastern dimension of the EU neighbourhood (The Czech Republic will organise a ministerial conference on migration partnership with CIS countries, Western Balkan countries and Turkey in April 2009) and promotion of the issue of the NMS transition periods on the free movement of workers to be reflected in the agenda so that the EU citizens do not end up with worse conditions than third-country nationals on the EU labour markets (a reason for a veto on the "Blue Cards" and declared as a key issue in adopting positions towards five European Commission initiatives on facilitation of selected migrants' access to the EU labour markets). The NMS transition periods should be abolished before the directives on selective labour migration are adopted. This principle is widely shared and promoted by other actors except for the government and the Ministry of the Interior (by the Senate; for example its position on the proposed directive on high-skilled labour migration facilitation contains this principle explicitly as well as many others). The Czech Republic is on the one hand rather sceptical towards further securitisation of the agenda, for example French proposals regarding extensive biometric and fingerprints databases, databases of DNA for cross-checking of kinship, etc. on the basis of being against unnecessary "harassment" and because of the ambiguity of the measures from the human rights point of view. On the other hand, the Czech Republic is rather hesitant towards shifting the approach on the EU level from the security optics to the social approach; it usually employs legal reasoning for declining the proposal drafted in this direction (for example a proposal to bind employers to pay the unpaid wages to the illegal immigrant workers by reasoning that such a right is not granted to Czech citizens and legal workers); the government position is usually supported by the Senate position.

The Ministry of the Interior declares the effective socio-economic integration of migrants as the priority, preventing their exclusion. Creation of a platform for experience sharing and exchange of best practices is seen as the way forward (tools like a Handbook for Integration or an internet site on integration in the EU).

The Czech Republic itself introduced the system of the so-called Green Cards in 2007; this programme was initiated by the Ministry of Industry and Trade and should facilitate the work migration into the country. The Ministry of Industry and Trade thus became a new actor in the formulation of Czech migration policy.

There is a joint analytical centre established by the Interior Ministry on migration issues. Representatives of the Ministry of the Interior, the Ministry of Industry and Trade, the Ministry of Labour and Social Affairs, police forces and intelligence services are taking part in its work.

In November 2007, several Czech NGOs jointly presented the 10 principles<sup>29</sup> of their vision of Czech migration policy in the Chamber of Deputies. The opposition party

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<sup>28</sup> The number of official migrants to the Czech Republic reached 392 087 in 2007, comparing to 321 456 the year before; the most common home countries are still Slovakia and Ukraine, followed by Vietnam and Mongolia.

<sup>29</sup> The principles are: migration is a natural process; migration issues must be presented in a balanced way in the public debate; the right to asylum and integration of the applicants for international protection should be preserved; some foreigners cannot be denied the possibility to live in the Czech Republic; it is necessary to support the legalisation of illegal immigrants; migrants must have residency status independent of their families; every foreigner must have a possibility to fulfil his or her basic human needs; to prevent the migrants being abused and their social rights violated; the longer the migrant stays, the more rights he or she is entitled to; integration is a two-way process.

deputy František Bublan, ex-Interior Minister (CSSD), endorsed the text; the impact on policy formulation is minimal.

### **2.3. Enhanced role in co-operation of law enforcement agencies and their co-operation at EU level**

**Definition: Policy Killer or Policy Taker depending on the issue**

**Outlook: Position is likely to remain the same**

Generally, the Czech Republic has been adopting a rather reserved position on the enhanced role of the EU in the area of police and judicial cooperation and on transferring further competences to the EU level. The Czech Republic's position on the new Council decision on Europol, which was announced as a "re-branding" of the former agreement on Europol, was rather negative: a parliamentary reservation was raised, due to the additional competences and issues added into the decision and protocol proposals (namely the protocol establishing a competence to ask a member state to start investigation and exchange, processing and protection of data). The Czech Republic had been blocking the new decision adoption for a long time. The Czech Parliament was not happy with the enhanced role of the European Parliament in oversight of Europol and the diminished role of the national parliaments (namely oversight over financing and competences) arising from the decision. In its resolution, the Senate recommended to the government to raise the following: a proposal to keep the financing of Europol on the Member States (not financed from the Community budget as envisaged by the Council decision); to keep unanimity when deciding on Europol priorities, subjects of international cooperation and rules for information transmission to the third parties; the adoption of new information systems and new rules of operation and on adopting the rights and duties of the national experts; and to assure that the votes of the European Commission in the Europol Board would not weigh more than the number of votes of any Member State. The position shared with the government is to prevent Europol from conducting investigation and operational activities on the territory of the Czech Republic and to scrutinise all initiatives towards enlargement of the Europol mandate over criminal matters and acts which are not defined and articulated.

As to the proposed Council decision on the enhanced role of Eurojust in fighting serious crimes, the Czech Republic wanted all proposed changes to be based on an assessment of practical needs and adequate legal bases (including for example the Stand-by coordination group), and Eurojust to remain an organisation with a coordination role and without executive competences. The position of the Senate contained the priority to set up a mechanism allowing the national parliaments democratic control over the activities of the body (also in the area of enhanced police cooperation). Accordingly, in the area of the fight against terrorism and cross-border cooperation, the Czech Republic supports the new mechanism of police cooperation but only within the existing legal framework of the primary law.

The key actors are the government (Ministry of the Interior) and the Parliament (both chambers); their positions might diverge but the government is not bound by the parliamentary positions. The role of other actors is minimal.

### **2.4. General issues: Harmonisation of serious aspects of cross-border crimes**

**Definition: Policy Taker or Policy Killer**

**Outlook: Likely to remain Policy Taker  
(when Lisbon Treaty is ratified)**

As to the harmonisation of the procedural law, the Czech Republic was part of the blocking coalition of the Framework Decision on Certain Procedural Rights in Criminal Proceedings. The content itself was not controversial but the proposal not only to use it in case of EAW but also internally (despite the willingness of 21 Member States to opt-in) and for the cross-border cases was objectionable; the government prefers domestic standards. As to the harmonisation of the substantive law, the government and the Interior Ministry position is that all that could have been harmonised was already done and any further moves can be based only on the adoption of the new primary law (Lisbon Treaty). During the deliberation on the Lisbon Treaty, for the above mentioned reasons, the Czech Republic was rather opposing the change of voting procedure when dealing with substantive crimes with cross-border aspects.

The priority for which the country can play a role of the Policy Driver is the European Criminal Records Information System – ECRIS, which will be put forward during the Czech EU Presidency.<sup>30</sup>

### **3.1. Specific issues: Establishment of Eurosur (European border surveillance system)**

**Definition: Policy Taker**

**Outlook: Policy Taker**

The Czech Republic is not taking part in the discussions under the patronage of the European Commission, which should result into a concluding study and a report for the Council in June 2009. This means the Czech Republic has no specific position on the issue. The system is primarily focusing on the EU's external sea border. As in any other cases of deliberation in the Council on issues concerning EU borders, when it is discussed the Czech Republic will try to watch for the balance of attention paid to the EU's southern and eastern borders. The level of consensus of the stakeholders is not relevant.

### **3.2. Specific issues: Establishment of an entry – exit system and other border management tools**

**Definition: Policy Taker**

**Outlook: Policy Taker, possibly Policy Killer**

Like the other Member States, the Czech Republic is taking part in the pilot project for a feasibility study of the entry–exit system. The Czech Republic has no problem with the draft proposal, including the other border management tools, but possible future problematic points can emerge when the proposal itself is specified and tabled, which is, according to an expert, rather on a long-term horizon. Generally, the Czech Republic might find problematic a strong push for gathering and verification of biometric data within the system to register the entry–exit. The Czech Republic would like to discuss the agenda during the Czech Presidency, although it is not the top or even an articulated Presidency priority. The level of consensus of the stakeholders is not relevant.

### **3.3. Specific issues: Amendments of asylum-related regulations (2003/9/EC – reception conditions for asylum seekers, regulation 343/2003 on the determination of MS responsible for assessing asylum applications – Dublin II regulation)**

**Definition: Policy Taker or Policy Killer**

**Outlook: Policy Taker or Policy Killer**

The Czech Republic adopts a reserved position towards the articulation of common conditions for the reception of asylum seekers, particularly due to the issue of an access to the labour market during the asylum application assessment phase. (On the issue of access to general health care, for example, the Czech Republic supports the joint condition since it complies with the required standards.) According to the Czech Republic it is not necessary to integrate an asylum seeker — and access to the labour market is seen as one of the elements of integration — because it is not certain in advance that the applicant will be granted asylum. Allowing access to the labour market and applicants' integration during the application procedure could result in abuses of the international protection procedure.

The Czech Republic is fine with the parts it complies with, but adopts a negative attitude in case the new regulation would require a change of the existing asylum rules and procedures. The NGOs active in the field of asylum will probably challenge the position; their impact on policy formulation is not expected to be substantial.

Amendments of Dublin II: The Czech Republic is against further solidarity of the Member States in dealing with waves of migration and is against the possible change of the Dublin system because the demand for it is not based on real experience and its assessment. For this reason, it is against new tools and instruments beyond the framework of the Dublin system that aim at the more equal distribution of asylum seekers. It proposes precision of the existing criteria. The Czech Republic also prefers

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<sup>30</sup> There is pilot project of 14 Member States testing the bases of the future ECRIS.

the NGOs not to be part of the Dublin II official evaluation process (only the Member States and the Commission).

### **3.4. Specific issues: Evaluation of FRONTEX and the future developments in this area**

***Definition: Policy Killer***

***Outlook: Policy Killer but open to bargain***

FRONTEX evaluation and functional assessment could result in a revision of the regulation but according to the European Commission this is not realistic before 2010 due to several delays. The Czech position towards further enlargement of the mandate and competencies of FRONTEX is rather negative. The Ministry of the Interior, responsible for the agenda, emphasises that any potential changes have to reflect objective needs, which would be validated by an independent and thorough evaluation and assessment of the experience with the agency's functioning and work. The Ministry follows the principle of objective evaluation and assessment in other policy domains, too, and thus it will be adhering to it in the case of FRONTEX. From this point of view (issue of principle), the agenda is quite important for the Czech Republic. In the case of FRONTEX, the Ministry of the Interior is setting the agenda and position. No interest from the NGO sector or other actors has been registered so far.

## VII. Institutional issues

1. Overview
2. General issues:
  - 2.1. Representation of the country in the EU institutions: EC, European council, EP — a backgrounder
  - 2.2. Position of the country and the different stakeholders (including public opinion) towards the Lisbon Treaty and the framework of changes introduced by it
  - 2.3. Alternative proposals to the institutional development of the EU, rated by the relative influence of their proponents (e.g. multi-speed Europe, one-voice foreign policy, etc.)
3. Specific issues:
  - 3.1. Position towards the main changes offered by the Lisbon Treaty:
    - Extended qualified majority voting;
    - European Parliament's increased role;
    - President of the European Council;
    - High Representative for Foreign Policy;
    - Revision of the representation in the European Commission;
    - Charter of Fundamental Rights legally binding
  - 3.2. Implementation of institutional innovations:
    - President of the European Council: competences vis-à-vis the rotating presidency, job description, secretariat and its size etc.
    - EU High Representative: competences vis-à-vis the two presidents, relation to other commissioners with external relations portfolios, competences and relations vis-à-vis the rotating presidency
    - EU External Action Service: Implementation of the EU External Action Service:
  - 3.3. Future of Lisbon Treaty ratification

### 1. Overview

The Czech Republic was a complicating element of the Lisbon Treaty negotiations under the German EU Presidency in 2007. The new government elected in June 2006 marked a change in the country's leadership, with the centre-right Civic Democratic Party (ODS) as a senior ruling party (in coalition with the Christian Democrats (KDU-CSL) and the Greens). ODS has a Eurosceptic wing, which was involved during the Treaty negotiations by the Prime Minister Mirek Topolánek nominating its representative, MEP Jan Zahradil, as sherpa for the negotiations with the German Presidency. By this move, the PM prevented the ODS Eurosceptics from bringing harsh criticism on the outcome of the negotiations. However, the important actor who started a significant debate on the Lisbon Treaty (and previously on the Constitutional Treaty) and its institutional provisions was the President, Václav Klaus. His openly critical approach to the whole project has been clearly visible both on the domestic and international scenes. The intensity of his critique, however, varies — from a critique of certain aspects of the institutional reform (a weaker Czech position in the QMV in the Council) to general arguments against the Treaty as such (sovereignty pooling, social legitimacy, etc.).

During the negotiations, the government's own initiative was the so-called "either-way flexibility or bidirectional competences transfer" principle (the transfer of a competence back to the Member States from the community level on the basis of unanimity in the European Council) that the Czech Republic wanted to have explicitly mentioned in the Treaty. It succeeded in a very limited form with Declaration no. 18 on competences delimitation, which states that a legislative act of the Communities can be repealed on the basis of Art. 241 and that an Intergovernmental Conference can be convened in order to revise the Treaties and restrict Community competences. Another concern was over the Charter of Fundamental Rights: the Czech Republic succeeded in incorporating a "Declaration of the Czech Republic on the Charter of Fundamental Rights" into the body of the Treaty, referring to Declaration 18 and the principle of subsidiarity. Other priorities especially concerned the red card for national parliaments (final compromise was accepted) as well as the application of QMV in new areas: the Czech Republic was against applying the procedure especially on taxation (however, these issues were blocked by other Member States such as the UK and others, so the Czech Republic was not seen as the only trouble maker).

#### The current top priorities include:

- Lisbon Treaty ratification in the Czech Republic
- Lisbon Treaty ratification in Ireland
- Size of the European Commission (and possibly the EU External Action Service)

**Table of national positions**

\*please, refer to the methodology disclaimer in the supplements

<b>Issue</b>	<b>Definition and Outlook</b>	<b>National Consensus</b>	<b>EU mainstream</b>
Priority: Lisbon Treaty ratification in the Czech Republic	Policy Driver; Policy Driver	Divided: the President (waiting for Irish yes) and part of ODS (ruling party) are against; the Government and CSSD (opposition) favour ratification	Outside the mainstream
Priority: Lisbon Treaty ratification in Ireland	Policy Driver due to Czech Presidency	Probably divided; the President will comment on any final deal with regard to the fact that the small countries are asked to "vote again" if the first outcome was not "correct"	Within the mainstream
Priority: Size of the European Commission	Policy Driver; Policy Driver	National Consensus	Within the mainstream
Backgrounder	Policy Taker; depends on positions on the implementation of Lisbon Treaty institutional provisions; positions are usually not available	Not relevant, no consensus on Commissioner nominee	Within the mainstream
Positions on Lisbon Treaty	Policy Killer at home, Policy Taker depending on Ireland and with regard to Presidency, a Policy Driver in trying to solve the situation in Ireland	Divided: the President (waiting for Irish yes) and part of ODS (ruling party) are against; the Government and CSSD (opposition) favour ratification	Outside the mainstream (ratification pending)
Alternative proposals	Policy Taker; likely to remain a Policy Taker	Not relevant, not discussed	Within the mainstream
LT changes	Policy Taker; possibly Policy Driver in some areas	Not relevant, not discussed	Within the mainstream
Implementation of institutional innovations	Not available; not clear or Policy Taker	Not clear	Not clear
Future Ratification	Policy Driver vis-à-vis Ireland during the Presidency, Policy Killer at home at the moment; outlook: Policy Taker	Divided: the President (waiting for Irish yes) and part of ODS (ruling party) are against; the Government and CSSD (opposition) favour ratification	Against the mainstream (President) and within (Government)

**2.1. General issues: Representation of the country in the EU institutions: EC, European council, EP – a backgrounder;****Definition: Policy Taker****Outlook: Depends on the positions on the implementation of Lisbon Treaty institutional provisions**

The CSSD-led coalition government had problems while looking for a Czech candidate for the post of the associated Commissioner after the 2004 accession, which resulted in an unprecedented resignation of the first candidate, Miloš Kužvart, before he was officially proposed by the Czech Republic for the Commission post.<sup>31</sup> The social democrats nominated the head of the pre-accession negotiation team, Pavel Telička, as the new candidate against the will of their coalition partner. Only a half-year later, the government changed the nomination of the regular Commissioner for the future Barroso Commission and did not re-nominate Telička due to the government crisis, opting instead for the former Prime Minister, Vladimír Špidla, who resumed the employment, social affairs and equal opportunities portfolio, on which he had experience from his previous posts in the Czech government (Minister of Social Affairs and Labour). Before the elections of 2006, the relations between the national government and the Czech

<sup>31</sup> PM Vladimír Špidla (CSSD) was hesitant to nominate a strong candidate (ex-PM Miloš Zeman) but insisted on political affiliation to CSSD (the candidate of the opposition ODS was unacceptable for CSSD). The reservoir of available candidates was thus narrowed down.

Commissioner were rather uncomplicated, since Špidla's agenda basically corresponded with the government's goals. With the centre-right government that emerged in 2006, the smooth cooperation disappeared. The future nomination for the Commissioner post will depend on the political situation in the country (possible early elections), and the final arrangement and timing adopted for the future Commission. In the Commission administration, the highest ranking Czech official is Karel Kovanda, the Deputy Director General of DG RELEX (another high-ranking Czech official is Marie Bohatá, Deputy Director of Eurostat and Ivan Pilip, the Vice-Governor of the European Investment Bank; other officials are ranking on the level of Head of Unit). In the Council the Czech Republic has 12 votes under the Nice voting system. In the European Parliament there are 24 Czech MEPs in 4 groups (EPP-ED – 14 (out of whom 11 in ED), PES – 2, GUE/NGL – 6, IND DEM – 1) and 1 MEP (Jana Bobošíková) among non-aligned members. The group where Czechs are the most influential is EPP-ED. There was one Czech Vice-President of the EP (Miroslav Ouzký ODS/EPP-ED), one Czech Committee chair (after EP leadership reshuffle Miroslav Ouzký ODS/EPP-ED got the post of chair of the ENVI Committee), one committee vice-chair (Libor Rouček CSSD/PES, AFET Committee) and one delegation chair (Jana Hybášková SNK-ED/EPP-ED, Relations with Israel).

## **2.2. General issues: Position of the country and the different stakeholders (including public opinion) towards the Lisbon Treaty and the framework of changes introduced by it;**

**Definition: Policy Killer**

**Outlook: Policy Taker**

The ratification outlook has been always complicated in the Czech Republic due to two specificities: the role of President Václav Klaus and the split of the major ruling coalition party ODS on the issue (especially visible in the Senate) despite the fact the ODS PM Mirek Topolánek signed the Treaty (the junior coalition members – KDU-CSL and the Greens are in favour, so are the social democrats; out of parliamentary parties, only the communist party is fully against the ratification). The Senate of the Czech Republic referred the question of the compliance of the Treaty with the Czech constitution to the Constitutional Court on 24 April 2008. The Senate's concerns numbered six issues, the three most important being the interrelationship between the EU Charter of Fundamental Rights and the Czech Charter of Fundamental Rights and Basic Freedoms; the transfer of competences under the new Treaty and the passerelle clause; and the principle of sovereignty. Until the Court's ruling the ratification process was suspended in the Senate as well as in the Chamber of Deputies. The Court ruled in favour of compliance on the six points on 26 November 2008. Given the complicated political situation in the country, as well as in the ODS party and in the ruling coalition after the regional and Senate elections when opposition party CSSD scored a landslide victory, the ratification in the Parliament would not be concluded by the end of the year before the Czech Presidency starts (the PM was probably not sure about 3/5 majority in both chambers, and if the Treaty was voted down, he would not have been able to repeat the vote). The Treaty ratification was scheduled to be discussed in both chambers again at the beginning of February 2009. Also, the deliberations between the government and the major opposition party (CSSD) on tolerance during the Presidency period (including the Lisbon Treaty ratification) are under way. The President, however, declared he would not sign the Treaty (a necessary step to finish the ratification) until the decision in Ireland is taken in favour of the Treaty.

The general public's support oscillates at around 50% in favour of the ratification; interestingly enough, the ODS voters constitute by far the most extensive group of supporters (over 60% of ODS voters are in favour of the Treaty). Over 65% of respondents in a September 2008 STEM polling agency opinion poll stated they know very little or nothing about the Treaty's content. The Czech and Moravian Chamber of Trade Unions is in favour of the ratification. The expert and think-tank audience is rather supportive, with exceptions like the Centre for Economics and Politics (CEP), an institute established by Václav Klaus and several others.

### **2.3. General issues: Alternatives proposals to the institutional development of the EU, rated by the relative influence of their proponents (e.g. multi speed Europe, one-voice foreign policy, etc.).**

**Definition: Policy Taker**

**Outlook: Likely to remain Policy Taker**

There is not much debate on the alternative proposals although the Office of Government started to scrutinise the idea of multi-speed Europe quite closely, primarily out of a fear of being left behind. The Czech Republic would probably not pioneer enhanced cooperation; its involvement would depend on the proposal's substance and policy area but also on the political constellation in power (with CSSD probably less reluctant to such a development). The primary goal of the Czech Republic would probably be to leave any such cooperation to be open for the non-involved Member States to join easily at a later stage. One voice in foreign policy would probably be welcomed, although there is probably no clear concept of who should represent all interests at the EU institutional level.

Specific alternative proposals are voiced by President Václav Klaus, who declared that European integration should go back to or even before the Maastricht Treaty basis, or proposed to establish a new "Organisation of European States", replacing the EU, based on the free trade area only. His proposals, however, are unrealistic.

### **3.1. Specific issues: Position towards the main changes offered by the Lisbon Treaty (important in case the Lisbon Treaty is revamped and/or introduced through its separate elements) in case the treaty is scrapped – what innovations should be implemented (and how)?**

**Definition: Policy Taker**

**Outlook: Possibly Policy Driver in some areas**

**Extended qualified majority voting (if the national position differs from the areas, envisaged in the Lisbon Treaty);**

The Czech Republic was in coalition with the UK and some other Member States when it opposed the introduction of QMV in some areas of social affairs (anti-discrimination measures, minimal standards, etc.), taxation and EU own resources, or ECJ statute and rules of procedure. After the conclusion of the Treaty negotiations, the issue has not been debated further.

**European Parliament increased role;**

Generally, there was a consensus among the Czech political actors that the role of the European Parliament should be increased (for different reasons); there were some further proposals regarding the relations between the EP and the Commission's investiture procedure but the final compromise is satisfactory for the Czech Republic.

**President of the European Council;**

The Government of the Czech Republic was originally rather reluctant towards the idea of establishing the post of a permanent President of the European Council. Instead, it proposed to retain the presidency in the European Council as an integral part of the reformed system of rotating presidency in the Council. Yet its real concern in the institutional reform debate was elsewhere, that is, issues which related more directly to the key question of preserving the equality of big and small member states: the organisation of the presidency in the Council and the composition of the Commission. Therefore, its opposition to the establishment of a permanent presidency in the European Council was primarily a tactical move designed to extract concessions regarding other institutional issues, and it was soon obvious it would be dropped provided the Chair was not given too high a profile and satisfactory arrangements were found on the presidency in the Council and the composition of the Commission. President Václav Klaus presented the establishment of a permanent President of the European Council as another step in the direction of EU statehood and opposed it on those grounds. At the moment, the creation of this post itself does not pose any problems; however, the Czech Republic would like to see a rather weak President to be elected.

**High Representative for Foreign Policy;**

No problems have been voiced so far; the concerns are rather stated in connection to the European External Action Service at the level of top-level civil servants.

**Revision of the representation in the European Commission;**

The Czech Republic advocated and advocates the principle "one Commissioner per Member State"; the effectiveness and efficiency of the Commission is not seen as endangered by the increased number of the college members and the benefits (including symbolic) of representation are seen higher than costs of a possibly less efficient body. The nomination of the next Commission is one of the cornerstones of the Czech Presidency agenda. The current position is as follows: to prolong the mandate of the present-day Commission until the ratification of the Lisbon Treaty (autumn 2009); after that, the model 26+1 would be implemented until 2014 (full representation). In the meantime, the IGC on the future of the Commission composition could be convened and the Czech position would be again in favour of full representation.

**Charter of Fundamental Rights legally binding****Definition: Policy Taker****Outlook: Policy Taker**

The Czech Republic managed to incorporate the "Declaration of the Czech Republic on the Charter of Fundamental Rights" into the body of the Treaty; the declaration refers to the Declaration 18 and the principle of subsidiarity. However, after the Constitutional Court ruling from 26 November 2008 on the compliance of the Treaty provisions, including the Charter, with the Czech Constitution, no further problems are envisaged.

**3.2. Implementation of institutional innovations:****Definition: Not available****Outlook: Policy Taker or not clear**

Due to the Czech EU Council Presidency and the country's expected sensitive role in mediating the discussions on the institutional innovations implementation in the Council, official positions are usually not available.

**President of the European Council: competences vis-à-vis the rotating presidency, job description, secretariat and its size, etc.****Definition: n.a.****Outlook: Not clear**

The position of the Czech Republic is not available; the declarations of the official representatives do not go beyond the framework of the Lisbon Treaty wording. Certain comments, however, suggest that the country would rather like to see a representative of a small member state to take the position and rather a weak President of the Council so that the function would not be representing primarily the big member states and their positions (for example, despite certain affinities towards the UK, the possible nomination of Tony Blair would most probably not be supported). Another issue raised was the future role of a presidency member state prime minister, who would lose his/her importance within the EU institutional structure; thus the presidency country policy could become more detached from the EU once the PM is not directly involved and cannot score any political points on the presidency at home. The role and distribution of the "vice-presidents" posts was also discussed; there should be several posts available on this level with balanced representation of different member state groups.

**EU High representative: competences vis-à-vis the two presidents, relation to other Commissioners with external relations portfolio, competences and relations vis-à-vis the rotating presidency****Definition: n.a.****Outlook: Likely a Policy Taker**

The position of the Czech Republic is not available to the author; the declarations of official representatives do not go beyond the framework of the Lisbon Treaty wording. However, the issue does not seem to be controversial.

**EU External Action Service: Implementation of the EU External Action Service (see also point VIII): what proportion of EU/national diplomats, who should pay for national diplomats (should they have status of EU officials or be seconded to EEAS; internal quotas?), institutional anchoring of EEAS (Commission, Council, separate, under what scrutiny?)**

**Definition:** *n.a.*

**Outlook:** *Not clear*

The position of the Czech Republic is not available; the declarations of the MFA representatives underline concerns over the equal representation of the Member States in the service, pointing at the fact that some Member States (namely France and Germany) are over-represented in the EC and thus could control the new service; this development should be prevented. The external service should be independent of the Council and the Commission; the Member States should be better represented than other institutions' staff. In third countries, the Commission delegations should be bases for emerging services; however, the EEAS should not cover all policy areas (in fact it should start with only trade policy and development aid). The enlargement of the Service should continue step by step in order to assure equal representation of the Member States and so that transparent selection procedures could be put in place with the Member States having a decisive say over it.

### **3.3. Future of Lisbon Treaty ratification**

**Definition:** *Policy Driver vis-à-vis Ireland during the Presidency; Policy Killer at home at the moment*

**Outlook:** *Policy Taker*

Scenarios:

- a) stop the ratification and renegotiate the treaty
- b) stop the ratification, take a pause and introduce the most pressing innovations in another way
- c) continue ratification and press Ireland to repeat the vote
- d) scrap the treaty altogether and continue working according to Nice
- e) any other scenario

Czech Republic is the only country left in the European Union whose parliament still has not finished voting on the ratification of the Treaty of Lisbon.<sup>32</sup> The Senate of the Czech Republic referred the question of the ratification to the Constitutional Court on 24 April 2008. The Senate's concerns numbered six, of which the three most important were the interrelationship between the EU Charter of Fundamental Rights with the Czech Charter of Fundamental Rights and Basic Freedoms; the transfer of competences under the new Treaty and the passerelle clause; and the principle of sovereignty. Until the Court's ruling the ratification process was suspended in the Senate as well as in the Chamber of Deputies. On 26 November 2008 the Court ruled in favour of the compliance of the six points. Given the complicated political situation in the country after the regional and Senate election, the ratification in the Parliament will not be concluded by the end of the year before the Czech Presidency starts. Further deliberations in the parliamentary chambers were scheduled to take place in February 2009; also the deliberations between the government and the major opposition party (CSSD) on tolerance during the Presidency period (including the Lisbon Treaty ratification) were under way. The President, however, declared he would not sign the Treaty (a necessary step to finish the ratification) until the decision in Ireland is taken in favour of the Treaty.

There is a division of views. The government would probably prefer scenario c, with a new arrangement for Ireland. The President would like to see the ratification stopped but has not been clear on the alternatives.

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<sup>32</sup> In the Czech system for the Lisbon Treaty to be ratified, the document needs to be accepted by 3/5s of the members of both the Chamber of Deputies and the Senate. After their consent the treaty needs to be signed by the President.

**About the author**

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## Supplements

### Methodology notes

The research has been carried out by individual researchers in each of the ten new members on the basis of specially designed methodology, developed by EUROPEUM and major input from EuPI/OSI-Sofia. The seven policy areas under research are: I. Internal market/Lisbon Strategy; II. Minority integration and citizenship issues; III. Energy and climate change; IV. Budget review and CAP Health Check; V. EU foreign policy and enlargement; VI. Freedom, Security and Justice; VII. Institutional issues.

The research was carried out primarily in the period September 2008 – December 2009, but there may be references beyond this period. Some positions and circumstances described in the reports may have changed since the information was last made available to the researchers or reached the stage of publication.

The researchers' findings are published in ten country reports on each of the New Member States: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

The structure of the country reports includes an overview of the country's performance as an EU member and seven chapters following the seven broad policy areas. Each chapter contains an overview of the position of this country in the area, including the top three national priorities. Then the chapters provide in-depth analyses, information and prognoses on a set of issues (defined as general and specific) within each of the seven policy areas.

The views expressed in the reports are those of the authors and do not necessarily reflect the views of the Open Society Institute – Sofia.

### Classifications: Policy Taker, Killer, and Driver explained

In the classification of this study, Policy Takers are those states that usually follow the mainstream in the EU and in general accept whatever is offered from the EU. The reasons may vary — from the lack of stakes and interests in the issue, to the lack of capacity to formulate a meaningful position, or they may have a position but lack the weight and experience to promote it.

The Policy Driver is a country that assertively promotes an issue at EU level. Ideally, a Policy Driver would have a broad political consensus and public support at home, capacity and expertise to advocate successfully, and carry the weight to gather coalitions and promote the policy. This may also imply additional legitimacy, measured also by the added value of this policy to the "European project" or adherence to the "European values" or "common European interest".

A Policy Killer is exactly the same as a Policy Driver, but with an opposite sign. In many cases, a Policy Killer country becomes a Driver if it succeeds in proposing a feasible and viable alternative to the policy it tried to prevent.

While all members are at some point "Policy Drivers" or "Killers", the crown of a "super Policy Driver" and "super Policy Killer" goes undoubtedly to Poland. Poland, the biggest of the new members, with enough self-confidence, has led an effective opposition to the Constitutional Treaty, the Lisbon Treaty, and to the energy and climate package.

### Tables of national positions: Explaining the exercise and words of caution

In the course of the current study, the country researchers were asked to classify the position and policy behaviour of the country as Policy Taker, Policy Driver or Policy Killer on the respective issues. The judgments had to be based on the level and character of activity, interest and involvement of the country in the given policy area. The researchers were also asked to provide a forecast for the short and medium-term positions and behaviour of the country, based on diverse factors triggering change — domestic political change, rise of powerful stakeholders able to promote or kill a policy, a window of opportunity to intervene, reversal of policy at EU level that causes negative reaction, etc.

The attempt at classification and forecasting (laid out in detail in the tables in each section) should be used with caution, as the positions and factors at play are nuanced,

multifaceted and complex: simplified tick-boxes of classification, presented in the tables, can never be too accurate. Therefore, they are more for orientation purposes and the provided substantive reports should be consulted for a more detailed analytical description, as the authors themselves often point to several possible explanations and scenarios for future development. Nevertheless, this is a very valuable set of information, based on very good expert knowledge and judgment.

<b>Country abbreviations</b>	
EU27	European Union - 27 Member States
BE	Belgium
CZ	Czech Republic
BG	Bulgaria
DK	Denmark
<i>D-E</i>	<i>East Germany</i>
DE	Germany
<i>D-W</i>	<i>West Germany</i>
EE	Estonia
EL	Greece
ES	Spain
FR	France
IE	Ireland
IT	Italy
CY	Republic of Cyprus *
CY (tcc)	Zone not controlled by the government of the Republic of Cyprus
LT	Lithuania
LV	Latvia
LU	Luxembourg
HU	Hungary
MT	Malta
NL	Netherlands
AT	Austria
PL	Poland
PT	Portugal
RO	Romania
SI	Slovenia
SK	Slovakia
FI	Finland
SE	Sweden
UK	United Kingdom
HR	Croatia
TR	Turkey
MK	Republic of Macedonia

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### **About EuPI**

The European Policy Initiative (EuPI) of the Open Society Institute – Sofia aims at stimulating and assisting the New Member States from CEE to develop capacity for constructive co-authorship of common European policies at both government and civil society level. As a new priority area of the European Policies and Civic Participation Program of Open Society Institute – Sofia, EuPI will contribute to improving the capacity of New Member States to effectively impact common European policies through quality research, policy recommendations, networking and advocacy. The initiative operates in the ten New Member States from CEE through a network of experts and policy institutes.

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### **About EUROPEUM**

EUROPEUM Institute for European Policy is a non-profit, non-partisan and independent institute. It focuses on the issues of European integration and its impact on the transformation of political, economic and legal milieu in the Czech Republic. EUROPEUM strives to contribute to a long-lasting development of democracy, security, stability, freedom and solidarity across Europe. EUROPEUM formulates opinions and offers alternatives to internal reforms in the Czech Republic with a view of ensuring her full-fledged membership and respected position in the European Union.

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