
CROATIAN 2020 PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

A CHALLENGING OPPORTUNITY FOR INTERNATIONAL AFFIRMATION

Dr. Sandro Knezović
and
Todd Martin

Zagreb, 2019

Copyright © Hanns-Seidel-Stiftung

Publisher: **Hanns-Seidel-Stiftung**
(for the publisher: Klaus Fiesinger, PhD
MSc Aleksandra Markić Boban)
Institute for Development and International Relations
(for the publisher: Sanja Tišma, PhD)

Desing and Layout: **Mirjana Mandić**

Number of Copies: **300 primjeraka**

Print: **Kolor Klinika**

ISBN 978-953-6096-89-3

The opinions, findings, conclusions and recommendations expressed in this publication are those of the respective authors and do not necessarily reflect those of the Hanns Seidel Foundation.



Auswärtiges Amt

This publication has been produced with the financial assistance of the Federal Foreign Office of the Republic of Germany.

OUTLINE:

Preface	7
1. Introduction	9
2. Institutional Development of the EU Presidency	11
3. Examples of Small State Presidencies	15
4. The Upcoming Croatian Presidency	19
5. Conclusion	23
6. Bibliography	25
7. About the authors	27

Institute for Development and International Relations (IRMO)

The fundamental mission of the Institute for Development and International Relations (IRMO) is developing and disseminating theoretical, methodological and technical knowledge and skills required for scientific and professional interpretation and evaluation of contemporary international relations which affect various human activities and related developmental trends important for the Republic of Croatia.

In its scientific and professional work the Institute focuses on various forms of interconnections between international relations and political, economic and socio-cultural development tendencies, along three research lines: (1) International frameworks of economic development and co-operation, (2) Cultural, communicational and media aspect of international relations and (3) International political relations.

For further details please visit

www.irmo.hr

Hanns-Seidel-Stiftung

“In the service of democracy, peace and development” is the principle guiding the work of the [Hanns Seidel Foundation](#) (Hanns-Seidel-Stiftung), headquartered in Munich. Its branch office in Zagreb was established in 1997 with an aim to strengthen peace, democracy and social market economy as well as to promote the European idea.

The [Hanns Seidel Foundation](#) engages in political and civic education as well as policy advisory. It works at the interface of politics and research. Its task is to analyse political inter-relations, to create a scientific basis for political action and to promote a dialogue between experts, decision-makers and civil society.

In cooperation with our local partners we realise projects in the fields of policy consultancy and political education. Our partners' independency and ownership are of particular importance to us.

For further details please visit
www.hanns-seidel-stiftung.com.hr



PREFACE

Six and a half years after EU accession at first of July 2013 Croatia will take over on first of January 2020 the EU-presidency for the first time. This means honor and duty as well. Europe and the European Union are in a dynamic process of deepening, expanding or changing their structure. Above all the European Union is as never before in its history faced by new intra-European or geostrategic challenges. The youngest EU-member state is faced by three dimensions of challenges:

First challenge, Croatia-related, the completion of its EU-membership, finalized by two further pillars: Croatia's joining into the Schengen-Area and into the Euro-Zone as quick as possible.

On 22nd of October 2019 Croatia has already got some "green light" by the EU-Commission according to "Schengen" although it will take some further time to full-fledged integration. Croatia's ambition to enter into the Euro-Zone must be seen as well as some logical consequence of Croatia's growing responsibility within European Union by taking over the EU-presidency in the first half of 2020.

Second challenge, EU-related, the contribution to the endeavor of solving structural, financial and other contentious internal issues of the European Union as the BREXIT debate and depth-crises. Beside of these challenges basic principles and common values of EU seem to be endangered.

Third challenge, related to international affairs, the commitment of solving external challenges of EU like frozen conflicts on the eastern border line of EU, ongoing illegal migration, economic and scientific brain-drain from states in South Eastern Europe to the West, the increasing "splendid isolation" of US-foreign-policy, vice versa the re-definition of European involvement in international affairs and last but not least the growing tendency of the enlargement of influence of Russia, China, Turkey and Saudi Arabia in the Balkan region.

All these challenges need common concepts and sustainable strategies instead of quarrel and dispute. Croatia will have the ability to set the agenda of the European Union during its presidency and can apart from this effectively promote also its national interests.

Croatian priorities of the forthcoming EU-presidency, which are necessary and usefully, can be summarized as following: **Europe, which grows, which connects, which protects and is open and assertive.**

The following study, elaborated from scientific experts of IRMO in cooperation with Hanns-Seidel-Foundation-Office-Croatia, gives a profound overview and insight how much Croatia as prototype of small states can build up or maintain political influence in international affairs. The study shall give evidence to what extent a small state is ready and able to act not only as consumer but as provider of stability, security and peace. The main goal of the study is to provide an a priori analysis of Croatia's presidency of the Council of European Union. The presidency will be a test to the effectiveness and capabilities of the newest EU-member state.

The case-study is operationalized by some description and analyses of the concrete foreign-policy goals and capacities that Croatia is able and willing to achieve regionally and globally in that decisive period of presidency in the first half of 2020.

It can be regarded as some continuation and enlargement of the studies from the last years according to “Croatian Foreign Policy in Three Dimensions” and “Small States in International Relations”.

The research project is divided in three chapters.

First chapter will profoundly analyze the framework of the EU Council Presidency and the challenges small states face in this context as well as the possible ways for overcoming existing limitations in achieving determined goals.

Second chapter will analyze previous presidencies of small states, will identify successful trends and provide a framework of good practices for the forthcoming Croatia’s presidency.

Third chapter will concretely analyze the opportunities and challenges for Croatia’s presidency by giving an overview of the country’s national interests to be promoted during this effort.

Such an approach, as successfully accomplished in this study, shall give some decisive contribution to the prioritization of scientific discourse on smaller states as well as a comprehensive analysis of Croatian foreign policy towards EU and international surroundings.

Since the beginning of project activities of Hanns-Seidel-Foundation (HSF) in Croatia in 1997, more than twenty years ago, the intra-state oriented transitional aid-approach for institutional and socio-political reforms as well as the inter-regional approach of cross-border development cooperation have been both some fundamental components of the HSF-Zagreb office.

Moreover: HSF has put a visible sign of documentation of its “regional approach” by having enlarged HSF-Zagreb office since 2016 to a “Regional office” with the task to combine state related cooperation with interregional dialogue. Only by such cross-border activities, as it has been already conducted by HSF in project sectors of municipality-, border-police-, university- and diplomatic academy-networking, it can be improved mutual understanding, it can be reduced still existing mental barriers of neighborhood-relations and contributed to peace and development.

To maintain sectoral and regional project cooperation together with the local partner-institutions at the intersection point of Central- and South Eastern Europe will be also in future some decisive element of Hanns-Seidel-Foundation.

We will accompany Croatia on its path during EU-presidency and beyond!

Dr. Klaus Fiesinger, Representative for Croatia and South East Europe.
Hanns-Seidel-Foundation

1. INTRODUCTION

In the first half of 2020, Croatia will undertake its historic first EU Council presidency. The EU's newest member state will assume the role of the one behind the steering wheel in the biggest and most successful regional integration project in the history of the world. This will be a paramount occasion for the country to justify its recent membership in the EU, as well as its consolidation success, by showing the capacity to perform as an active member. It will also be an opportunity for the country to shape and determine the main lines of EU policy developments in that period.

The environment in which the Croatian Presidency of the EU Council will be taking place is everything but favourable. The EU is almost entirely 'arrested' by Brexit and its consequences. The unpredictability of its outcome represents a heavy burden to policy planning and development, which directly affects the efficiency and sustainability of EU activities in different fields. The outcome, whatever it will be, will have a direct impact on the lives of both EU and UK citizens, as well as on their political and economic environment. The issue of the Multiannual Financial Framework (2021-2027) will expectedly burden consensus-making in the EU policy realm, since different regions and member states have different interests and ideas about the way financial assets should be distributed. Additionally, new challenges to the contemporary EU require more funding for security, defence, migration and natural disaster management, which will reduce the availability of funds for other areas that were extensively funded in previous financial circles (agriculture, fisheries etc.). The rise of populism and Euroscepticism that is deconstructing the glue of the EU's fibre – the solidarity norm – is on a rise in the old continent and has a detrimental potential for the Union's capacity to perform as a global actor in the period to come. Some member states even show worrisome backslides in fundamental democratic criteria, which trigger legal actions of EU bodies and individual undertakings of some EU member states in the field of foreign and security policy, trade and in particular energy policy. Consequentially, there seems to be no compromise, not even a lowest common denominator, in the field of policy that was long considered the EU's most successful security policy – enlargement. The recent lack of consensus to open negotiations with Albania and North Macedonia dealt a huge blow to the EU's normative power legitimacy in Southeast Europe and beyond. While the decision not to reward Albania for its transitional reforms was a disappointment, the case of North Macedonia, which the EU failed to reward candidate status despite its capacity and political will to reconceptualise its national identity and statehood, was clearly a strategic mistake *par excellence*. Turbulences and a wider trend of deregulation of the international arena only add to the existing complexity of the EU's strategic environment, in which one can clearly detect an increasing number of assertive players and a reaffirmation of geopolitics and hard power in contemporary international affairs.

The question is: what are the possibilities for a small member state like Croatia to have an impact on EU policy developments in a functional and consolidated way, keeping in mind the complexity of internal EU developments and international actors and trends? While small states are nominally equal to all others in the realm of EU policy, or at least their leverage appropriately reflects their GDP, population or some other indicator, a *réalité* on the ground in policy-making, reflects the fact that size and capacity matter.

Hence, while on the one hand multilateralism and normative power of political entities like the EU and NATO offer an opportunity for small member states to be more vocal and represented in the broader IR arena, the practicality and pragmatism of international politics differentiates between those with more capacity, leverage and other attributes. Therefore, while basic liberal democratic values incorporated in the fundamentals of the EU stipulate equality of member states, small states have limited capacity and must rationalise when organising their presidency, in order to maximise its impact. Over-ambitious agendas that attempt to cover a wide range of different topics are therefore not recommendable for small states, as they will overstretch their limited capacities and lead to limited or no success in their presidencies. A more rational and focused approach accordingly opens opportunities for a reasonable employment of existing capacities and resources, functional coalition-making and an optimal policy impact.

Is this enough for a small member state to be efficient during its period 'behind the steering wheel' of the EU? In order to answer this question, this study will analyse the institutional set-up of the EU Council and all its important elements that determine the way in which a presiding country may influence EU policy-making. On a more practical level, it will analyse previous presidencies conducted by countries of comparable size, leverage and resources, in an attempt to identify their best practices and potential shortfalls. The last chapter will deal with Croatia's potential and the challenges it faces, in its attempt to conduct a successful and efficient EU Council presidency, offering viable recommendations and solutions for the period to come.

2. INSTITUTIONAL DEVELOPMENT OF THE EU PRESIDENCY

At the very beginning of the European project, the presidency was not developed as an institutional concept. Furthermore, not even the Council was a part of the Schuman Plan from May 1950. Hence, while the 1951 Paris Treaty only modestly introduced the idea of a rotating Council chair, the specific purpose and prerogatives of the presidency were not defined by the founding treaties at all. Rather, a very modest volume of tasks of mainly organisational character were defined in the 1958 provisional standing orders of the Council, offering very limited or no space for exerting influence on policy-making.

However, in parallel with the development of the European project and an exponential rise of its ambitions in different fields, the role of the presidency emerged into a recognisable institution with respectable leadership authorities. This happened mainly due to two reasons – internal (change in balance of power among EU institutions since their creation onwards) and external (changing international environment and challenges for EU policy-making).

As Simone Bunse explains it: “Community decision-making was designed as a tandem relationship between the Commission and the Council, with the Commission as the sole drafter of legislation and defender of the collective interest and the Council representing national priorities. It was assumed that the Commission would take the lead and evolve into the stronger partner. This assumption proved wrong. It was the Council rather than the Commission that emerged as the main decision-making institution. The importance and leadership potential of the presidency increased correspondingly. The Commission weakened considerably after the ‘empty chair crisis’ in the mid-1960s which resulted in the institutionalisation of Member States’ veto rights of Commission proposals when vital national interests were at stake. The subsequent leadership gap was filled by the Council presidency.”¹

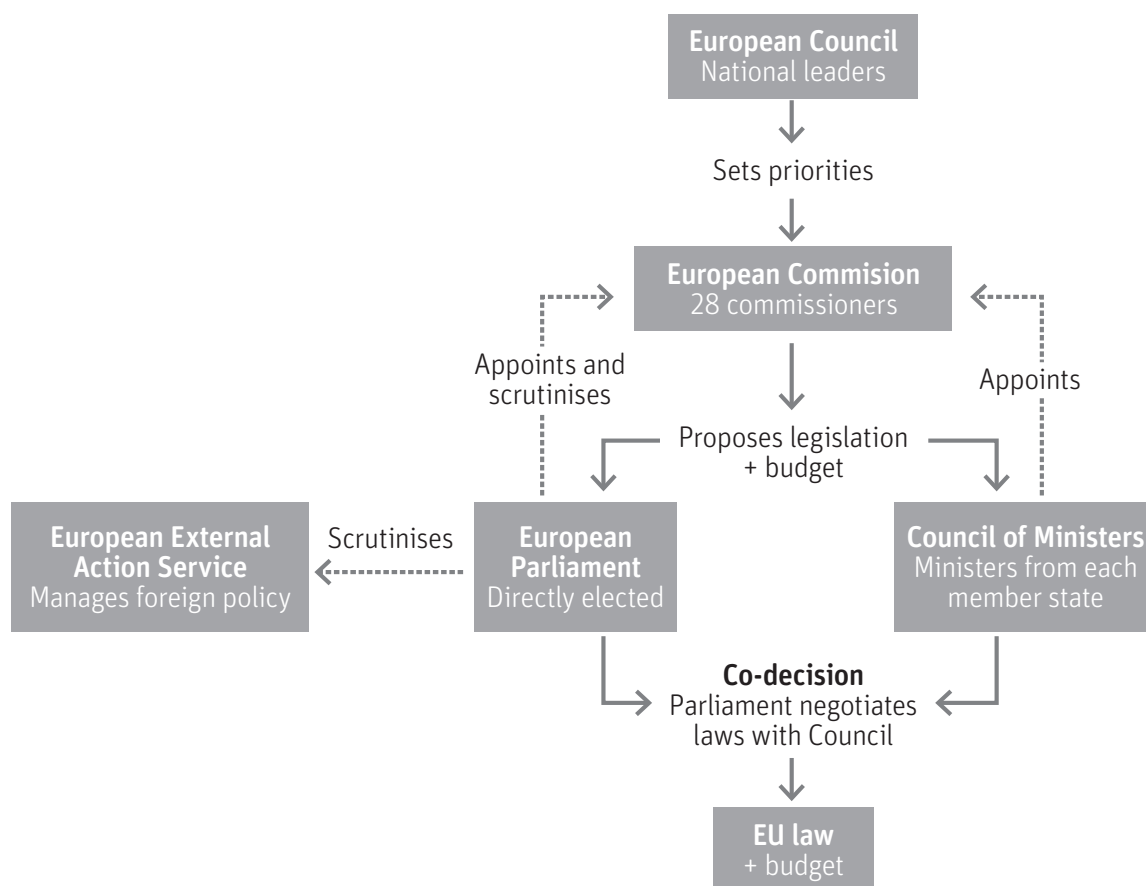
The institutionalisation of the European Council gradually promoted it into the body that defines major political guidelines for the entire EU and is considered the nucleus of its executive branch. It introduced formal periodical summits at the highest executive level, which only boosted the relevance of its presidency. Subsequent enlargement waves and an increased number of issues and challenges the EU was dealing with only increased the relevance of the Council and the mediating and arbiter role of its presidency.

“The Single European Act and subsequent treaty changes increased the Community’s volume of work, the Community went into many new policy areas, and more active management by the presidency was required. In addition, many of the general aims raised in the SEA enabled the presidency to employ an innovative role. This is particularly visible in the sphere of foreign policy. Title III of the SEA on European Political Cooperation (EPC) established that the Council presidency would be responsible not only for the management of political cooperation activities, convening and organising meetings,

1 Bunse, S. (2009). *Small states and EU governance: Leadership through the Council Presidency*. Basingstoke: Palgrave. p 32.

but charged with initiating action, coordinating, and representing the position of the Member States in relations with third countries in respect of EPC activities.”²

The Power Structure of the EU³



More recent treaties, particularly the Maastricht Treaty, significantly increased the number and complexity of issues to be tackled by the EU, pushing the presidency of the Council to take the more active representative role not only *vis-à-vis* other EU political bodies, but also with the public and the international community. This was additionally boosted when the EU external role started growing and it assumed a role of negotiator in the field of development and trade with third parties on the global market.

“In sum, the presidency over time developed from a mere organiser into an important initiator and promoter of political initiatives; chair of all Council meetings; manager of the Council; the coordinator, mediator and broker of different viewpoints between the Member States and the other Community

2 Bunse, S. (2009). *Small states and EU governance: Leadership through the Council Presidency*. Basingstoke: Palgrave. p. 34.

3 BBC (2019). New EU Commission team enshrines gender equality. Available at: <https://www.bbc.com/news/world-europe-49646809> (Accessed 06 November 2019).

institutions; and the representative of the Council vis-à-vis the Commission, the EP, as well as third states communicating common positions and negotiating on behalf of the EU.”⁴

The aim of establishing the EU presidency was to increase coordination in the formulation of EU policies. In practice, while the presidency ensures continuity of work, it can also allow greater influence on the Union’s policies, albeit in the short-term. It presents both an opportunity for member states to put their political priorities on the agenda, and a challenge for member states because of the need to obtain the necessary support from other partners in order to pursue their priorities.

For small states, whose capacity to contribute to the course of European integration may be limited, the presidency is a particularly important opportunity for them to influence the EU agenda and to put themselves at the forefront of the European and international political scene. This role can have advantages being assumed by a small state, given that they can easily play a mediating role, as they often do not have an interest invested in a particular political area and can therefore seek to find a goal of compromise, which large member states cannot always achieve.

The significance of the presidency for member states has varied throughout the process of European integration, in line with the transformations of the institution, and the way in which it sought to conduct its institutional role. On the other hand, the importance of the presidency for member states also varied, depending on the position it occupies at any given time in the European political system.

As an introduction, it is important to briefly mention some of the main factors that characterise the presidency, as well as some of the limitations imposed on them. Five important factors that characterise the presidency’s role are that it: (1) sets priorities and the agenda and prepares the day-to-day work at the various levels of the Council (2) initiates political proposals (3) mediates negotiations (4) speaks on behalf of the EU in the world, and (5) drives European integration forward.

The exercise of the presidency gives member states the ability to influence it, as it is an opportunity for them to pursue their national interests, at least indirectly. However, given that each country assuming office has different interests, every six months the objectives of the presidency change, despite the fact that states are invited to defend the common European interest, values and encourage greater involvement, coordination and integration, in order to defend the supranational character and ideals of the Union.

Ideally, as all member states should by themselves value the existence of the Union, they should be available to make individual sacrifices. However, at times the governments represented in the Council are more interested in being re-elected in their countries than in satisfying European interests.

4 Kirchner, E.J. (1992). *Decision-Making in the European Community – The Council Presidency and European Integration*, Manchester: Manchester University Press. p. 58.

The rotating presidency allows states to be more efficient in the functions of agenda management, mediation, negotiation (brokerage) and representation, leaving aside several limitations. However, the presidency is not limited to the Council alone. The country holding it is responsible for chairing the Working Groups, Committees, meetings/sessions of the Council of Ministers – the EU's central decision-making forum – and the summits of Heads of State and Government in the European Council. The Presidency is thus held at several levels: vertical (European Council, Council, Working Groups, Committees, etc.) and horizontal (Sectoral Councils).

The advantages for the EU of the rotation are clear. Each Member State regularly has an opportunity to assume a role and position in a larger and wider EU machine gear. For six months, it needs to broaden its prospects beyond the narrow vision of its own interests.

The rotating presidency has ensured non-hierarchical and decentralised leadership of the Council, thus avoiding the emergence of a single central power. This, in turn, is particularly important, given that its effective functioning depends heavily on consensus, which derives indirectly from democratic legitimacy. The principle of rotation and the search for leadership guarantees equality between member states, both large and small. This principle avoids the concentration of agenda-setting powers, allowing for leadership and sovereign equality between member states. All member states, regardless of their size or power, receive equal responsibility from the presidency.

On the other hand, especially France, the United Kingdom and Spain, have strongly advocated the creation of a new, more permanent structure. Critics of this rotation model claimed that small member states were overburdened with administrative, organisational and mediation tasks, and that the resources of large member states are always needed to act as mediators to establish commitments, and to manage the growing role of the EU externally.

In any presidency model, institutional equality is essential for small states in order to avoid the emergence of a hegemonic power and to safeguard its legitimacy. The Council presidency is the only EU institution where equality between states has been applied in all its pure form.

New member states, especially small ones, are in favour of the rotating presidency. This mechanism helps them to bridge 'the leverage gap' and influence policy development at the EU level to a certain extent. Being able to formulate policies at the community level is rather important to them, due to the fact that it gives them an opportunity to assert themselves in a new political realm and 'punch above their weight' in the wider IR arena. For the newest post-socialist and post-conflict member state, it is an extraordinary opportunity to also justify its membership and confirm its capabilities to perform as an active and recognisable member of the club.

3. EXAMPLES OF SMALL STATE PRESIDENCIES

As the EU consists of countries of different sizes, it is clear that Croatia is not the first small member state to preside over the EU Council. There are interesting recent examples that can be illustrative for its presidency in early 2020. Therefore, this chapter will offer a brief analysis of three presidencies of countries with different situational backgrounds, with more or less relevance for the Croatian case, depending on the point of view and policy fields in focus. For example, while Malta is a tiny island country without a communist background, it shares with Croatia the Brexit context and the pressure of the migration crisis, as well as European security concerns after the Ukrainian crisis. Latvia, as a former Soviet republic, underwent structural changes in all sectors in order to meet the membership criteria in a very difficult political and economic environment. Its success was legitimised by accession to the EU and in particular by an opportunity to preside over its Council. Latvia also shared problems of a changed geostrategic environment after the Ukrainian crisis, yet in a more direct and strenuous temporal, as well as political and geographical context. Besides Croatia, Slovenia is the only former Yugoslav republic that has joined the EU and its transitional path, regional environment and political background are very similar, regardless of the fact that its presidency dates back to 2008 and was marked by an entirely different political context. Similarly, it is also particularly interested in the long-term consolidation of Southeast Europe and the continuation of EU enlargement to its southeastern neighbourhood. Its contribution to that goal is one of parameters against which its active membership will be measured at the EU level.

3.1. Malta

Malta took over the presidency of the EU Council in the first half of 2017, continuing from where Slovakia and the Netherlands (its presidential trio) left off. The island country of Malta is the smallest of small EU member states, which has a population of less than half a million and size that is dwarfed by the rest of the Union. This was also a new experience for the country, which had joined the EU in 2004. Nevertheless, holding the EU presidency was an opportunity for Malta to make its voice heard. The priorities it set focused on migration and asylum, security, strengthening the single market, social inclusion, maritime issues and Europe's neighbourhood, especially in and around the southern Mediterranean.⁵

The Maltese Presidency faced a seemingly turbulent and unclear scenario, as the EU was undergoing several problems at the time that could potentially undermine it. The issue of migration for example was dividing the EU, populism began to spread around the continent, and elections were taking place in key EU member states (the Netherlands, France and Germany) with uncertain outcomes. However, the main issue that Malta faced was Brexit, as the process was slated to begin during its presidency. Elsewhere, the United States had elected Donald Trump, a sign that the EU and its main ally faced

5 Malta EU 2017 (2016). The Maltese Priorities.
Available at: <https://www.eu2017.mt/en/Pages/Maltese-Priorities.aspx> (Accessed 22 October 2019).

a strenuous road ahead. With this lie of the land, the Maltese Presidency was set to begin during a complex time in both Europe and the world.

Nonetheless, Malta's Presidency successfully delivered in a number of areas. For instance, it salvaged negotiations on organic food reform, pushed for member states to sign the Council of Europe's Istanbul Convention, as well as kept the EU27 in unity with regards to Brexit proceedings.⁶ Malta also achieved significant fisheries reform, as it reached "an agreement on technical measures and legislation that controls who can fish where and how." This included an "agreement on a general approach for the North Sea Multiannual Plan; the Sustainable Management of External Fishing Fleets; the MedFish4Ever declaration to save Mediterranean fish stocks; and rules on the characteristics of fishing vessels. They also transposed the recommendations of the International Commission for the Conservation of the Atlantic Tunas into EU law".⁷ Additionally, Malta was behind the establishment of the EU Agency for Asylum⁸ to better address the challenge of migration.

Malta was able to overcome its disadvantages as a small state and pursue its national interests on an EU level. Although it may have benefited from having a narrower set of priorities, as well as a common theme,⁹ Malta is acknowledged for having managed the presidency with distinction. It was able to reach many of the proposed standards, foster commitments among other member states and successfully steer the ship in uncertain times. Malta deftly used its limited resources to prove that small states can in fact lead the Council effectively and have a measurable impact on EU policy developments.

3.2. Latvia

In the first half of 2015, the small Baltic state of Latvia held the Council presidency for the first time since joining the EU in 2004. It picked up where Italy left off, as part of a presidential trio joined by Luxembourg. Guided by the motto of "Europe: A fresh start", Latvia pursued the ambitious goal of strengthening the EU amid turbulent times. The Latvian Presidency prioritised promoting: a competitive Europe, by boosting competition and investment, strengthening the single market, and incentivising an energy union; a digital Europe, focusing on data protection and the digital single market; as well as an engaged Europe, which plays an active role in the world.¹⁰

6 Politico (2017). Malta's EU presidency: how it went. Available at: <https://www.politico.eu/article/maltas-eu-presidency-how-did-it-go/> (Accessed 15 October 2019).

7 *ibid.*

8 European Council (2017). EU Agency for Asylum: Presidency and European Parliament reach a broad political agreement. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2017/06/29/eu-agency-for-asylum/> (Accessed 18 November 2019).

9 Panke, D. and Gurol J. (2018) *Small States as Agenda-setters? The Council Presidencies of Malta and Estonia*. Journal of Common Market Studies, Wiley Blackwell, 56, 142–151.

10 Government of Latvia (2015). *The programme of the Latvian Presidency of the Council of the European Union*. Available at: [http://www.iem.gov.lv/files/text/LV_PRES_prog_2015_EN-final-1\(1\).pdf](http://www.iem.gov.lv/files/text/LV_PRES_prog_2015_EN-final-1(1).pdf) (Accessed 03 September 2019).

The Latvian Presidency was deemed a success, despite the disadvantages it faced as a small state. It achieved several important and tangible results, including the completion of “ordinary legislative procedures for the Youth Employment Initiative – enhancing the initial pre-financing amount paid to operational programmes – and macro-financial assistance to Ukraine amounting to €1.8 billion”. Under its presidency, “A new European Fund for Strategic Investments (EFSI) – the €315 billion ‘Juncker Plan’ – was created in record-breaking time.” Additionally, “the Council and the Parliament reached an understanding on June 29th concerning the Network and Information Security Standards Directive. This breakthrough will allow for a better mechanism to deal with cyber threats in the borderless digital world”.¹¹ Parenthetically, two years after Latvia, neighbouring Estonia in 2017 built on the momentum of a digital Europe with its own successful presidency, revolving around the theme of digitalisation.

During Latvia’s Presidency, two emergencies unfolded that it was tasked to deal with. First was the terrorist attack on Charlie Hebdo in early January 2015. The response was the Riga joint statement on counter-terrorism later that month, which called on EU member states to reinforce and cooperate on measures to prevent future attacks. Another tragedy was in April of that year when 1,200 migrants drowned while attempting to cross the Mediterranean Sea. In the aftermath of the crisis, Latvia included migration on the agenda. This in turn led to a strengthened EUNAVFOR MED (European Union Naval Force – Mediterranean) as part of the CSDP (Common Security and Defence Policy), as well as an ambitious, albeit temporary, fixed quota system for asylum seekers.¹² Latvia reacted swiftly and decisively to these emergencies, while coordinating a response from the EU.

Latvia played an efficient role during its presidency while adapting to uncertain circumstances. This revealed an admirable level of preparedness for such a small and new EU member state. Much like Malta’s case, Latvia showed that a small state can perform the job just as well or better than anyone else. It takes flexibility, the willingness to confront challenges, and an engaged diplomatic force that is well aligned with the country’s vision and priorities for its tenure.

3.3. Slovenia

Slovenia is another small state considered to have had a successful EU presidency, which it held from January to June 2008. Slovenia, along with Malta and Latvia, exemplify European integration. The country joined the EU and NATO in 2004, and the Eurozone and Schengen Area in 2007, chairing the Council was yet another one of its milestones. Like with many other new EU member states, Slovenia’s 2008 Presidency was a first. The country was also one of the EU’s smallest states to have held the presidency at the time. Among Slovenia’s priorities were: ratifying the Lisbon Treaty, launching the next cycle of the Lisbon Strategy, addressing climate change and the energy package, engaging the Western Balkans and

11 Lezi, G. and Blockmans, S. (2015). *Latvia’s EU Presidency: Less is more*. Brussels: Centre for European Policy Studies. Available at: https://www.ceps.eu/sstem/files/Latvian_Presidency.pdf (Accessed 15 August 2019).

12 *ibid.*

promoting intercultural dialogue.¹³ Despite its challenges, such as the onset of the global financial crisis, Slovenia came out on top.

Slovenia was able to smoothly manage the workings of the EU and successfully pursued many of its priorities. For example, it helped make progress in the area of European research and development, promoted renewable energy, mediated a discussion on the internal energy market, and worked to bring the Western Balkans closer to the EU.¹⁴ The stability and integration of this region was an important and unique priority of Slovenia, which shares with it historical, security and economic ties. Several developments took place there under Slovenia's watch. Kosovo for instance declared independence, gaining most EU member states' recognition, Serbia and Bosnia and Herzegovina signed Stabilisation and Association Agreements (SAAs), and pressure was put on opening further negotiation talks in the region. However, Slovenia's presidency was burdened with a bilateral border dispute with Croatia and a subsequent blockade of the latter's accession process, which was not considered entirely in the nature of conduct of the presidency holder.

The Slovenian Presidency benefitted from having priorities that were neither too broad nor controversial. It began preparations far in advance (2005) and sought to ensure continuity with its presidential trio (Germany and Portugal). Slovenia faced problems such as limited human resources – typical of a small state – as well as a lack of communication with and inadequate knowledge of its public administration.¹⁵ Nevertheless, Slovenia maximised the use of its abilities and its overall efforts were viewed in a positive light.

The case of Slovenia is significant because it concluded the 2004 and 2007 enlargement process, proving that new member states not only belonged in the EU but could lead it, defended the rotating presidency, showing that the size of the state does not matter and emphasised the importance of the presidential trio for coherent and consistent policy making in the EU.¹⁶ It seems that the upcoming presidency of Croatia, which parallels Slovenia's experience in many ways, might follow a similar trajectory.

13 Slovenian Presidency of the EU 2008 (2008). Programme and Priorities of the Slovenian Presidency. Available at: http://www.eu2008.si/en/The_Council_Presidency/Priorities_Programmes/index.html (Accessed 24 October 2019).

14 Kajnč, S. (2009). *The Slovenian Presidency: Meeting Symbolic and Substantive Challenges*. Journal of Common Market Studies, Wiley Blackwell, 47, 89–98.

15 Dikonić, S., Slipčević, D. and Dikonić M. (2019). *Presidency of the Republic of Croatia to the Council of the European Union in 2020 – A Challenge for the Republic of Croatia*. EU and Comparative Law Issues and Challenges Series, 3, 107-121.

16 See 13.

4. THE UPCOMING CROATIAN PRESIDENCY

As it was highlighted in the introduction, the Croatian Presidency of the EU Council in the first half of 2020 is about to be conducted in a very complex and undesired environment. The EU faces severe pressures at the internal and external level. It is in the transition period at its highest legislative and executive structures and consequently of the financial framework. Therefore, a well-organised approach to the upcoming challenge for the newest EU member state that is implemented in a cooperative and functional manner at the community level clearly has no viable alternative.

While each EU Council presidency is specific in a certain way, reflecting the characteristics of the country that is holding the chairmanship and generating the momentum of EU's political and economic trends and developments at both internal and external level, all presidencies have to ensure continuity and synergy of EU policies and hence have to be organised in a coordinated and cooperative way. Therefore, the EU institutionalised the *troika* framework, in which three consecutive presidencies work together in order to ensure the implementation of the aforementioned principles and maximise the efficiency of their period at the helm of the EU Council and hence also of EU policies on a large scale.

The programme of the *troika*, which in this case includes Romania, Finland and Croatia, designed for their three consecutive presidencies for a period of 18 months (1st January 2019 – 30th June 2020), which was adopted at the General Affairs Council of the EU in December 2018. As usual, the European External Affairs Council (EEAS) and General Secretariat of the EU Council contributed to this process, making sure that the development of this programme was conducted in accordance with its policy procedures.

The programme focuses on strengthening different aspects of cohesion (economic, social and territorial) and its importance for sustainable development of the Union as a whole, along with all of its member states. It underlines the significance of balanced regional development, a reduction of inequalities and concurrence building in the wider framework of European cohesion policy. It also puts an emphasis on empowering and protecting citizens, as well as promoting education, technological development, mobility and social inclusion, in particular for youth. The programme recognises the importance of combating climate change and the further development of environmental policies in all aspects of life in the EU. Additionally, it insists on the respect and protection of fundamental EU principles in the field of freedom, security and justice, in the current environment burdened with the pending migration crisis, organised crime and terrorist threats. The programme promotes increased interoperability of information systems and a commitment to the Schengen system. Finally, it devotes to the strengthening of EU policies in the field of defence and security, as well as to enlargement to the Western Balkans and enhanced relations with the EU's east and south.¹⁷

17 The full text of the programme can be found at <http://data.consilium.europa.eu/doc/document/ST-14518-2018-INIT/en/pdf>

The policy developments and decision-making at the national level in Croatia were also very dynamic. The government has analysed the *troika* programme and officially adopted it in December 2018. The process of contribution to the programme encompassed all state administration bodies in accordance with their responsibilities and was presented in the Croatian parliament, which provided an opportunity for the legislative branch to participate in this important process. Additionally, the government adopted a decision on proclaiming the Croatian Presidency of the Council of EU in 2020 an activity of special significance for the Republic of Croatia (Official Gazette, 60/2018), which means that all state administration bodies must regard the presidency as a priority in their work and maximise their efforts in contributing to its successful conduct. At its session in June 2018, the government adopted a regulation on amending the institutional structure of the Ministry of Foreign and European Affairs (Official Gazette, 58/2018), establishing a Secretariat of the EU Council presidency as the organisational unit responsible for coordinating this endeavour. The ministry itself is defined as the main coordinating body in the state administration for this purpose.

The action plan for the preparation and implementation of Croatia's 2020 EU Council presidency was adopted in April 2019. It represents an umbrella document that defines the tasks of the state that holds the EU presidency and its necessary preparatory work. The action plan provides a framework for the division of labour among state administration bodies in Zagreb and Brussels and their coordination, setting the timeframe for this endeavour. The document determines the organisational and logistical, as well as human resource management, cultural and communicational aspects of the presidency. It defines the process of preparation and adoption of the EU presidency programme, which contains the main motto and the fundamental priorities.¹⁸

Croatian priorities are aligned with the fundamental EU policy documents, like the EU Strategic Agenda (2019 – 2024)¹⁹ and the political guidelines for the next European Commission (2019 - 2024),²⁰ but also with joint priorities from the aforementioned 'troika' programme.²¹

The main overarching motto – '*A strong Europe in a challenging world*' reflects the awareness of a necessity to strengthen the EU both internally and externally in order to be able to face contemporary challenges. The four main priorities of the presidency logically follow: Europe that grows, Europe that connects, Europe that protects and Europe that is assertive.

18 The full text of the programme can be found at <http://www.mvep.hr/files/file/2019/akcijski-plan.pdf> (in Croatian)

19 The full text of the document can be found at <https://www.consilium.europa.eu/media/39914/a-new-strategic-agenda-2019-2024.pdf>

20 The full text of the document can be found at https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf

21 The full text of the programme can be found at <http://data.consilium.europa.eu/doc/document/ST-14518-2018-INIT/en/pdf>

1. Europe that grows

The first priority deals with the sustainable growth of the EU and balanced development of all its regions and member states. The EU today represents one of the strongest and largest world economies and more than 20% of the global GDP. Nevertheless, it faces severe challenges and competitors on the global market in an era of paramount geopolitical, technological and demographic changes. Therefore, this priority aims at bridging the developmental gap between different EU regions and member states by employing EU cohesion policies and funds, having in mind the necessity to provide better life conditions and job opportunities for different generations, youth in particular. In this regard, demographic challenges are given a clear emphasis, having in mind that they are burdening a significant number of EU member states and are having a direct impact on the level of competitiveness of the economy. Therefore, the aim is to invest more in education and learning processes, the development of European industries, as well as small and medium enterprises that are environment-friendly and sustainable.

2. Europe that connects

Infrastructure, connectivity and networks are the focus of this priority. In the intensively globalised and interconnected world, differences in EU member states' quality of traffic, energy and IT infrastructure represent a serious burden for the balanced development of the EU's regions and states. Better connectivity represents a basic precondition for the creation of a viable data infrastructure, a functional single digital market and the creation of a sustainable transition environment for the introduction of 5G networks. Additionally, the strengthening of energy security and autonomy through diversification, renewables and infrastructural development was given a high place on the agenda. All this should contribute to better connectivity and mobility of EU citizens and cumulatively enhance the quality of their lives.

3. Europe that protects

Security of the EU and its citizens is one of the most important long-term goals, together with the protection of the EU's fundamental values. In the field of internal security, the presidency will push for closer cooperation in combating organised crime and terrorism. IT security, in that regard, has a very important role, as well as the creation of functional networks of information systems in the field of judiciary and the interior. Protecting the functionality of the Schengen Area ensures the safe and sustainable freedom of movement of goods, capital, services and people, data protection. Viable common migration policy based on the reform of the Common European Asylum System (CEAS) are only some aspects of this priority. Therefore, the Croatian Presidency will be focused on developing the EU as a place of freedom and justice based on common values, in particular democracy and the rule of law.

4. Europe that is assertive

Challenges in the international arena are multidimensional, complex and almost unbearable if a country decides to tackle them individually or in small alliances. Even the biggest and most influential global players cannot do it alone. Therefore, synergy and strengthening the EU's security and defence policies hardly have a viable alternative. The EU has to invest additional efforts into cementing its position of a recognisable international actor. The EU is the second biggest economy in the world and a world champion in international trade, developmental aid and combat against climate change, as well as an important international player in the field of global governance. This position should be used to extend its outreach and influence on a global scale. However, the track record of the EU's influence is highest in its closest vicinity – Southeast Europe, Eastern Partnership countries and the MENA (Middle East and North Africa) region. Therefore, the Croatian Presidency will strongly support further enlargement of the EU and will hence organise an EU-Western Balkans Summit in May 2020 to mark the 20th anniversary of the first Zagreb Summit and to attempt to contribute in a viable manner to the further enlargement of the EU in the period to come. It will also foster the development of the EU Neighbourhood Policy towards the east and south. Lastly, the Croatian Presidency will invest additional efforts into strengthening collective crisis-management and conflict-prevention capacities, defining the EU's security in the wider transatlantic framework of cooperative security.

The list of priorities of the 2020 Croatian EU Council Presidency seems to adequately reflect the current strategic environment in the EU and beyond, as well as country's ambition to conduct the chairmanship period in an optimal and feasible way. However, in order to do so, it will have to employ the capacities of not only the state apparatus itself, but also of all other actors in society, from the academic community, non-governmental sector and youth, to the business sector and entrepreneurs, in the most appropriate way. It will also have to show capacity to bridge the gap of different political affiliations and backgrounds in parliamentary life, both in the Croatian and European Parliament, in order to achieve a broad compromise on the importance of a successful conduct of the presidency, which obviously goes significantly beyond the interests of daily party politics. Moreover, there is a necessity to adequately communicate different aspects of the aforementioned endeavour to the public, which will foster a broader understanding of its importance for the present and future policy developments both in Croatia and the EU as a whole.

5. CONCLUSION

The contemporary EU is in a state of affairs that is anything but calm and predictable, both internally and externally. This has been clearly recognised in the first sentence of the foreword of its Global Strategy: “The purpose, even existence, of our Union is being questioned.”²² Accordingly, the timing of Croatia’s EU Council Presidency is utterly complex and demanding. The consequences of a long and unpredictable Brexit process are yet to be measured in political, security, economic, cultural and all other relevant fields. Beyond that, the length of the process itself is burdening EU strategic policy-making and development, preventing the Union to advance its policies in the fields that are of fundamental importance for its future functionality at the wider international arena, as well as for its leverage and outreach. The post-election transition of political elites in Brussels and the complexity of negotiations about the financial framework for their upcoming period in office only add to the existing burden of EU functionality. The dynamics of political life in the EU and its member states, characterised with populism, Euroscepticism and noticeable democratic backsliding in some countries, are increasing the complexity of the current EU political momentum. If we add to that all the challenges ‘from the outer world’ that the EU has to tackle, ranging from various assertive international actors and the reaffirmation of hard power and geopolitics in an increasingly deregulated international arena to various asymmetric threats and worrisome global trends, it is clear that the environment is everything but calm and predictable.

However, while these circumstances have to be taken seriously into account and realistically estimated against capacities of the country that is about to assume the EU Council presidency in the first half of 2020, contemporary EU history reveals that the European project is constantly undergoing different periods of crisis that also open many opportunities for progress. The track-record of other member states with comparable sizes and assets presented beforehand, give a good example how a well-planned and thoroughly prepared presidency can have a recognisable impact, regardless of realistic financial, logistical, political and other limitations.

Every member state has its own characteristics, societal developments, political culture and geostrategic position that affects the character of its posture in the European club and capacity to undertake the EU Council presidency. A specific post-socialist and post-conflict character that is nominally considered a burden for active membership in the EU and an efficient presidency actually opens a sizeable amount of opportunities for Croatia to conduct a successful EU chairmanship and consequentially improves its position within the EU and beyond. The same goes for the momentum of the presidency itself. Nominally, while the calm waters of peaceful coexistence and successful enlargement in mid-2000s would have been a much easier task, especially for its first chairmanship, the turbulent environment of today offers numerous opportunities ‘for the brave’, and hence opens an opportunity for Croatia ‘to make a difference’ in contemporary EU affairs of early 2020. In order to do that, a country of Croatia’s

22 European Commission (2016). *Shared Vision, Common Action: A Stronger Europe*. Brussels: European Commission. Available at: http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf (Accessed 20 November 2019).

size and capacities has to develop a sophisticated and selective approach to European affairs, aware of its ability limits and particular interests. This should be clearly reflected in a well-organised and manageable EU Council presidency that is tailor-made and mindful of the current strategic momentum in the EU and its environment.

The envisaged set of priorities represents a solid framework for policy action that is well integrated into the wider framework of the EU strategic priorities and *troika* programme, as well as its own national policy preferences. The variety of topics and their level of implementation reflect the fact that the country that is about to assume the EU Council presidency, regardless of its limited strategic capacity and relevance, has to show the ability 'to strategically think in European terms' and insist on pursuing policies that are not directly and entirely related to its national priorities.

That is where issues like sustainable and balanced growth in the EU, infrastructural connectivity and EU citizens' mobility fit in well. However, it would be inappropriate to disregard that all these issues are affecting Croatia and are in Croatian national interest as well, albeit in the wider European and global context and framework of policies. On the other hand, issues of particular national interest, especially those related to the region of Southeast Europe like the continuation of enlargement policy and manageable joint migration policy, are also included in the list of priorities. And again, it is difficult to avoid noticing that these issues are actually also the ones of particular community interest in the longer run. Namely, while they seem to be predominantly affecting the region in Croatia's closest vicinity and are therefore regarded as a particular national interest for the country, they have substantial relevance for the EU as a whole.

The functional connection between nominally national and European priorities tend to reveal the real dynamic of the European policy environment in which there are actually no clear division lines between these two categories. This also pinpoints the conceptual challenge for the newest member state's EU Council presidency – a necessity to employ both European and national capacities to the extent that is feasible in order to accomplish the aforementioned priorities relevant for both levels of policy-making. Of course, this is easier said than done in such a complex internal and external strategic environment of the EU.

Nevertheless, as it was pointed out before, for a country like Croatia the aforementioned fact can only be an additional stimulation to invest more efforts into making its presidency a success with a measurable impact on its immediate vicinity, the EU and beyond. Namely, it is a perfect opportunity to symbolically 'close the circle' of a process that has lasted for twenty years. While the 2000 Zagreb Summit marked the opening of a perspective for the country to join the European club after meeting the demanding membership criteria and the long and difficult accession process that followed, the 2020 Zagreb Summit can be the one in which Croatia behind the steering wheel of the EU contributes to the long-term stability of the neighbouring region and consequentially, together with measurable success in other fields, of the EU itself in the long run. It is difficult to think of a better way to substantially contribute to the continuous international affirmation of Croatia in the wider international arena after accession to the EU and NATO.

6. BIBLIOGRAPHY

- BBC (2019). New EU Commission team enshrines gender equality. Available at: <https://www.bbc.com/news/world-europe-49646809> (Accessed 06 November 2019).
- Bunse, S. (2009). *Small states and EU governance: Leadership through the Council Presidency*. Basingstoke: Palgrave.
- Dikonić, S., Slipčević, D. and Dikonić M. (2019). *Presidency of the Republic of Croatia to the Council of the European Union in 2020 – A Challenge for the Republic of Croatia*. EU and Comparative Law Issues and Challenges Series, 3, 107-121.
- European Commission (2016). *Shared Vision, Common Action: A Stronger Europe*. Brussels: European Commission. Available at: http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf (Accessed 20 November 2019).
- European Council (2017). EU Agency for Asylum: Presidency and European Parliament reach a broad political agreement. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2017/06/29/eu-agency-for-asylum/> (Accessed 18 November 2019).
- Goetschel, L. (ed.) (1998). *Small States Inside and Outside the European Union: Interests and Policies*. Dordrecht: Kluwer.
- Government of Latvia (2015). *The programme of the Latvian Presidency of the Council of the European Union*. Available at: [http://www.iem.gov.lv/files/text/LV_PRES_prog_2015_EN-final-1\(1\).pdf](http://www.iem.gov.lv/files/text/LV_PRES_prog_2015_EN-final-1(1).pdf) (Accessed 03 September 2019).
- Grimaud, J.M. (2018). *Small States and EU Governance: Malta in EU Decision-Making Processes*. Cham: Palgrave.
- Ingebritsen, C., Neumann, I., Gstöhl, S. and Beyer, J. (eds.) (2006). *Small States in International Relations*. Seattle: University of Washington Press.
- Kajnič, S. (2009). *The Slovenian Presidency: Meeting Symbolic and Substantive Challenges*. *Journal of Common Market Studies*, Wiley Blackwell, 47, 89–98.
- Kajnič, S. and Svetličić, M. (2010). *What it Takes to Run an EU Presidency: Study of Competences in Slovenia's Public Administration*. University of Ljubljana, Halduskultuur – Administrative Culture 11, 1, 84-109.
- Kirchner, E.J. (1992). *Decision-Making in the European Community – The Council Presidency and European Integration*, Manchester: Manchester University Press.
- Lezi, G. and Blockmans, S. (2015). *Latvia's EU Presidency: Less is more*. Brussels: Centre for European Policy Studies. Available at: https://www.ceps.eu/sstem/files/Latvian_Presidency.pdf (Accessed 15 August 2019).
- Malta EU 2017 (2016). *The Maltese Priorities*. Available at: <https://www.eu2017.mt/en/Pages/Maltese-Priorities.aspx> (Accessed 22 October 2019).
- Narsa, S. (2011). Governance in EU foreign policy: exploring small state influence. *Journal of European Public Policy*, 18(2), 164-180.
- Nye, J.S. (2004). *Soft power: The means to success in world politics*. New York: Public affairs

- Keohane, R.O. (1969). *Lilliputians' Dilemma: Small States in International Politics*, International Organisation.
- Panke, D. (2010). *Small States in the European Union: structural disadvantages in EU policy-making and counter-strategies*. *Journal of European Public Policy*, 17(6) 799-817.
- Panke, D. and Guro J. (2018). *Small States as Agenda setters? The Council Presidencies of Malta and Estonia*. *Journal of Common Market Studies*, Wiley Blackwell, 56, 142-151.
- Politico (2017). Malta's EU presidency: how it went. Available at: <https://www.politico.eu/article/maltas-eu-presidency-how-did-it-go/> (Accessed 15 October 2019).
- Presidency Project RO FI HR (2019). Priorities of the Croatian presidency of the Council of the European Union 1 January – 30 June 2020. Available at: <https://crosol.hr/eupresidency/en/government-priorities/> (Accessed 19 September 2019).
- Slovenian Presidency of the EU 2008 (2008). Programme and Priorities of the Slovenian Presidency. Available at: http://www.eu2008.si/en/The_Council_Presidency/Priorities_Programmes/index.html (Accessed 24 October 2019).
- Steinmetz, R. and Wivel, A. (eds.) (2016). *Small States in Europe: Challenges and Opportunities*. New York: Routledge.
- Thorhallsson, B. and Wivel, A. (2006). *Small States in the European Union: What Do We Know and What Would We Like to Know?* *Cambridge Review of International Affairs*, 19(4), 651-668.
- Thorhallsson, B. (2015). *How Do Little Frogs Fly? Small States in the European Union*. Oslo: Norwegian Institute of International Affairs. Available at: <https://www.files.ethz.ch/isn/190145/NUPI%20Policy%20Bief%2012-15-Thorallsso.pdf> (Accessed 22 August 2019).
- Thorhallsson, B. (2016). *The Role of Small States in the European Union*. Routledge: New York.
- Wivel, A. (2018). Maximizing Influence by Leading the Council: Smart State Strategies for Small State Presidencies. In: Harwood, Moncada, Pace, (eds.) *Malta's EU Presidency: A Study in a Small State Presidency of the Council of the EU*. Msida: Malta University Publishing.

7. ABOUT THE AUTHORS

Sandro Knezović, PhD is a Senior Research Associate at the Department for International Economic and Political Relations of the Institute for Development and International Relations in Zagreb (Croatia). His research focuses on IR topics, especially those related to international and European security and defence (CFSP/CSDP), the EU and NATO enlargement and their impact on the region of Southeast Europe. He was the first Croatian visiting research fellow at the renowned EU Institute for Security Studies in Paris and a visiting lecturer at several universities in Japan.

Todd Martin is an external associate of IRMO, who contributes to its publications in the area of international economic and political relations. A native of Ohio, United States, he has also lived in and around Europe for many years. He is currently pursuing a degree in international relations at Tallinn University of Technology in Tallinn, Estonia.



Zagreb, 2019