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THE PRIORITIES OF POLAND'S PRESIDENCY IN THE COUNCIL OF THE EUROPEAN UNION¹

Poland has been preparing to take over the Presidency of the Council of the European Union (CEU) for quite some time now, and will chair the Council in the second half of 2011 (July – December). This is a new challenge for Poland, requiring more effort on behalf of public administration, including local authorities, NGOs and voluntary workers.

The examples of countries that have already chaired CEU meetings (such as Germany), demonstrates that during this period, support for integrative processes usually increases among the citizens of the president state². Holding ministerial meetings in various locations in the country, not just in the presiding nation's capital, can bring issues of the EU closer to its citizens³.

The idea of the Presidency primarily consists in the effective management and coordination of EU institutions, in particular of the CEU. The mode of exercising the Presidency changed when the Treaty of Lisbon came into force in 2009. The first group of countries to "test" the provisions of the treaty in this respect was the so-called *Presidency trio*: Spain – Belgium – Hungary. The next such trio includes Poland, Denmark and Cyprus; hence, the Polish Presidency will initiate an 18-month-long period during which the three countries will lead the CEU. Despite the countries' mutual plans and agreements, the priorities of particular presidencies are the result of issues which are either important for, or characteristic of a given member state, and depend on the interests which are vital for the EU at a given time. These priorities are

¹ This English version of the article is translation of the Polish text delivered to the "Przeгляд Zachodni" Journal and is modified version while comparing to the text delivered to *Modern World Economy. Micro- and Macroeconomic Issues*, edited by the Poznań University of Economics in 2012.

² W. Jahn-Hommer, "The EU Presidency as a media topic: role of Federal Press and Information Office," lecture given during the seminar "How to manage a presidency", Europäische Akademie Berlin, Berlin April 14-19, 2009.

³ A. Fuksiewicz, A. Łada, *Czeska prezydencja w Radzie Unii Europejskiej. Spojrzenie z Polski*, Instytut Spraw Publicznych (2009): 17, accessed February 2nd, 2011, <http://prezydencjaue.gov.pl/dopobrania>.

consulted with the President of the European Council and the High Representative of the Union for Foreign Affairs and Security Policy – a post corresponding to the foreign minister of the EU, as well as with the European Parliament.

The prevalent topic in recent years has been the economic crisis and its consequences for the EU itself: the issue of the functioning of the economic and monetary union and further integration; the necessity of budget cuts determining the discussion of the union budget in the years to come (2011-2013), as well as the shape of the multiannual financial framework 2014-2020. One of the most significant areas of EU expenditure is the financing of a cohesion policy. Therefore, the abovementioned consequences of the crisis affecting the size of the entire EU budget, also impact the discussion of a new cohesion policy and its legitimacy. Moreover, the current events on the African continent determine foreign policy, including the European Neighbourhood Policy. Yet another challenge is the issue of safety, including energy security, which, among others, is discussed in the new EU growth strategy – Europe 2020.

The aim of this paper is to present the mechanisms involved in exercising the Presidency in the CEU following the changes introduced by the Lisbon Treaty; hence, the mechanism of shaping the priorities on the European agenda and the assumptions of the Polish Presidency, especially those pertaining to the economic problems of the EU.

THE PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

The Presidency of a country in the CEU means that an individual state needs to take over the coordination of the entire work and all the meetings of the council, as well as represent it before other EU institutions. In the former case, the state is expected to display organisational and administrative effectiveness; in the latter, what is required is proficiency in legislative procedure, both in terms of rules of practice and content. These competences are particularly important, taking into consideration the fact that the Council – despite the changes enhancing the role of the Parliament in the decision process – continues to remain the chief legislative body of the EU. Furthermore, it is an intergovernmental body, hence, on the one hand it represents the interests of the member states – as Council members answer to their national governments for their actions; on the other hand, the Council makes decisions pertaining to the internal policies of the member states, as well as intergovernmental and supra-governmental policies, which take into consideration the interests of the entire EU. Thus, the member state taking over the Presidency of the Council must function as an intermediary, seeking out compromise solutions and optimally managing the decision making process, so as to place EU interests over national ones. The Treaty of Lisbon introduced a system of 18-month rotating presidencies held by groups of three pre-established member states, (Presidency trios)⁴. For six months each of the

⁴ Declaration 9 in article 16 section 9 of the Treaty of the European Union, together with article 236 of the Treaty on the Functioning of the European Union. Groups (*presidency trios*) are established

members of a trio chairs over a particular configuration of the Council, except for the Foreign Affairs Council. The remaining members support the Presidency state in all its duties based on a common programme. This solution – aimed at long-term actions – will undoubtedly increase the coherence and effectiveness of EU functioning. However, the basic roles of the Presidency remains unchanged:

- a manager, responsible for organising, coordinating and chairing all the meetings of the Council and its auxiliary bodies, also including Intergovernmental Conferences (IGC),
- a mediator, aimed at reaching a consensus during negotiations – particularly during IGCs – offering compromise solutions, frequently through mutual sacrifices, and striving to reconcile all the sensitive interests of the involved parties.
- a leader, promoting the political initiatives and priorities of the Presidency aspiring to deepen the integration process and facilitate the functioning of the EU,
- a representative of the EU in internal and external affairs, functioning as a liaison between the Council and other EU institutions, as well as between the EU and other countries⁵.

The organisation of the proceedings of the Council, understood in broad terms, is among the basic tasks which each Presidency country faces. During the six-month tenure, the managerial function pivots around the preparation and coordination of nearly 4 thousand meetings of the Council on various levels (working groups, committees, COREPER, the Council of Ministers). Apart from securing the logistics of the all meetings on all working levels, the Presidency country – together with the General Secretary of the CEU – is also responsible for the preparation, translation and archiving of the documents connected with the meetings' agenda. That country prepares the agenda, determines the progress of the work on particular issues by managing discussions, chairs the meetings and conducts negotiations putting forward compromise solutions. Fulfilling the role of a manager in a proficient and efficient manner requires preparing adequate negotiation strategies in advance, as well as determining up to which point individual issues should be processed on a given level of the Council. This, in turn, calls for civil servants with expert knowledge of a particular area, as well as the necessary experience and appropriate strategic-diplomatic skills. The rules of practice in this respect dictate that in order to hold effective meetings of a given assembly and achieve a desired aim, the national delegations should be presented with the agenda and documents with due notice. This makes

on the basis of an equal rotation of Member States, taking into consideration the diversity of the states and the geographical balance within the Union. As a result, with the current composition of the EU, the waiting period for Presidency equals 13 and a half years, and each trio should not include more than one large Member State. In each trio both old and new states should be represented, whereas the dominance of the so-called geographical coalitions should be avoided. For practical reasons, it would seem that the implementation of the abovementioned rules could prove very difficult.

⁵ L. Quaglia, E. Moxon-Browne, *What Makes a Good EU presidency? Italy and Ireland Compared*, "Journal of Common Market Studies" vol. 44 No. 2, 2006, p. 351.

it possible for the interested parties to familiarise themselves with the raised issues and, consequently, limits the area of the dispute to only the most controversial points. Thus, the Presidency country gains additional time for interventions, as well as for preparing and presenting the proposals of specific changes pertaining to the most questionable issues. As a result of this practice, the time devoted to particular delegations is reduced and the entire decision making procedure becomes more effective⁶.

The role of a mediator – assuming the Presidency state wishes to attain a set goal in the sphere of management – consists in seeking out a consensus between the interests of member states represented during negotiations in the Council, intra-institutional negotiations between the Council and the European Parliament, as well as during negotiations between the Council and countries outside the EU with respect to trade policy⁷.

At this point, it should be noted that when the Lisbon treaty came into force, among others, it brought about a strengthening of the European Parliament in terms of the adoption of EU legal acts. The ordinary legislative procedure introduced by the treaty (the modified former co-decision procedure) divides the law-making power between the Parliament and the Council equally, granting the right to reject legislation proposals put forward by the commission. Consequently, this means that in many areas the Parliament will have identical decision making powers as the Council⁸. Extending the prerogatives of the Parliament means that cooperation with this institution has become exceptionally important. Hence, the Presidency of the Council cannot be limited to conducting effective negotiations solely within the Council and assuming that the Parliament will automatically accept the consensus reached by the ministerial representatives from particular member states. It is also necessary to observe the talks and speeches in the Parliament and determine the ultimate shape of a legal act together with the MEPs. As a result, this approach increases the chance of success in the negotiations, while the awareness of the Parliament's viewpoint enhances the decision making process⁹.

What is also vital in the process of the negotiations is the bilateral scanning of the positions of the involved parties. As a result, it is possible to identify the common ground, “bargain” over the moot points with the national delegations and, finally,

⁶ D. Kietz, *Methoden zur Analyse von EU-Ratspräsidentschaften*, “Diskussionspapier der FG” 1, SWP Berlin 2007, p. 10f.

⁷ *Ibidem*, p. 11.

⁸ The changes introduced by the treaty extended the application of this policy to approximately forty new legislative areas. These are related mainly to the policy areas of freedom, security and justice (border control, asylum policy, immigration policy, judicial cooperation, etc.), common agricultural policy, and – to an extent – trade policy. The Parliament has also gained the power to influence the EU budget equal to that of the Council. This is a result of the elimination of the division between compulsory and non-compulsory expenditure and subsuming the budget under the co-decision procedure. Source: A. Fuksiewicz, M. Szczepanik, *Parlament Europejski jako partner polskiej Prezydencji*, “Analizy i opinie” No. 112, ISP 2010, p. 5.

⁹ *Ibidem*, p. 5-6.

to formulate compromise solutions which can be accepted by all of the interested states, or at least the vast majority of them. Additionally, expert groups – or the so-called Friends of the Presidency Groups – constitute important instruments supporting the process of arriving at a consensus. They consist of representatives of member states with similar views and help work out compromise solutions. This occurs parallel to negotiations held in various assemblies, hence, accelerating the decision making process. Moreover, even in situations where some groups have already reached a consensus, the adoption of an appropriate and effective decision strategy is a vital instrument which is capable of convincing national delegations to make concessions and accept compromise solutions. When performing the mediator function, the Presidency country must signalise its national interests. It is assumed, that not only does this function entail observing the impartiality rule, but also should lead to such an agreement between all the member states which would benefit the interests of the entire EU. Therefore, in situations where the Presidency state would be unable to ensure the required neutrality due to its national interest, or other considerations, it is possible for the European Commission – whose representatives attend all Council meetings – to take over the mediator function. The civil servants working for the Secretary possess the necessary competences in terms of knowledge, tactics and strategy so as to support the Presidency country. Moreover, apart from purely technical experience, they are also characterised by political neutrality, which makes them valuable allies in the process of devising a compromise between the member states. It should be noted, that in some cases it is the Secretary that drafts proposals of compromise solutions and presents them to the Presidency with due notice; in others, it receives a mandate from the Council to take over mediation in the negotiations between the conflicted parties. This, however, does not change the fact that it is the Presidency state that bears the full responsibility for the decision making process¹⁰.

The state holding the Presidency – as a political leader – concentrates its efforts around attributing genuine significance to current discussions of future challenges for the EU and forming extended plans of action. National delegations need to take into account that their short-term national interests will be subordinated to a long-term European agenda. This is also a method of livening up difficult negotiations and lingering debates and giving them a fresh impulse¹¹. The Presidency can contribute to an increase in the awareness of certain concerns and convince the Commission to initiate actions in a particular area. In response to the indicated problems, proposals for action are made, after which the Council reaches an understanding in order to implement these solutions. Moreover, new practices shaping the decision-making process can be implemented, particularly in areas where attaining an agreement has proven to be difficult¹². The proposals of initiatives and the most vital priorities are

¹⁰ D. Kietz, *op.cit.*, p. 11f.

¹¹ *Ibidem*, p. 15.

¹² J. Tallberg, *The agenda-shaping powers of the EU Council Presidency*, “Journal of European Public Policy” vol.10 No. 1, 2003, p. 7f.

set out in a programme of activities – the agenda. In the light of the current regulations, with respect to the functioning of a particular configuration of the CEU, the Council agenda should be prepared in close cooperation with the European Commission and the President of the European Council, as well as with the chair of the Foreign Affairs Council. The trio is also obliged to include on the agenda important issues related to the political priorities for a given year raised during the discussions within the European Commission. The programme of activities should be presented as a single document a month before the relevant period, after which it should be approved by the General Affairs Council¹³.

The creation of the trio and the rules of procedure are a response to the frequent allegation that the Presidency has a limited effect on the functioning of the EU and no real possibilities of fulfilling the agenda during a six-month cycle. In this respect, it seems understandable that identifying the impact of the agenda on the functioning of the EU with merely introducing new political initiatives is too narrow¹⁴. The role of the Presidency state as a political leader initiating new areas of development should be perceived as much broader. A concept that seems appropriate in this context is *agenda shaping*, particularly with reference to the eighteen-month programme of activities. This term incorporates three alternative and mutually exclusive forms of influencing the agenda: *agenda setting*, *structuring*, and *exclusion*. What is meant in the first case is introducing new issues on the agenda, which were either not touched upon by previous presidencies, or whose realisation is necessitated by the current situation. Agenda structuring takes place during the tenure of the Presidency itself and chiefly consists in emphasising a particular issue or – depending on the progress on the negotiations – in postponing, or delaying them. Agenda exclusion means giving up on a particular problem due to justified causes, or eliminating it from the programme altogether¹⁵. Perceiving the fulfilment of the agenda according to the presented scheme could be motivated, for instance, by the specific way in which the EU legislative system functions. The Presidency state – as the main player shaping the talks – undertakes the effort of working out an agreement which would satisfy all the delegations of member states. As a result of the negotiations, a common position is established often through mutual concessions. The final effect, however, can be very different from the initial assumptions, both in terms of the shape of the accepted solution and the time of its implementation. A country holding the Presidency which also has the advantage of having a strong position in a given area of EU policy will find it much easier to convince others and accomplish its objectives, than a country which has no such advantage. Additionally, in many cases the success of a Presidency in terms of fulfilling its aims also depends on the length of the negotiations. The process of negotiations can be divided into several main

¹³ Council decision of 1st December 2009 adopting the Council's rules of procedure (2009/937/UE) Article 2, para. 6.

¹⁴ J. Tallberg, *op.cit.*, p. 2-4.

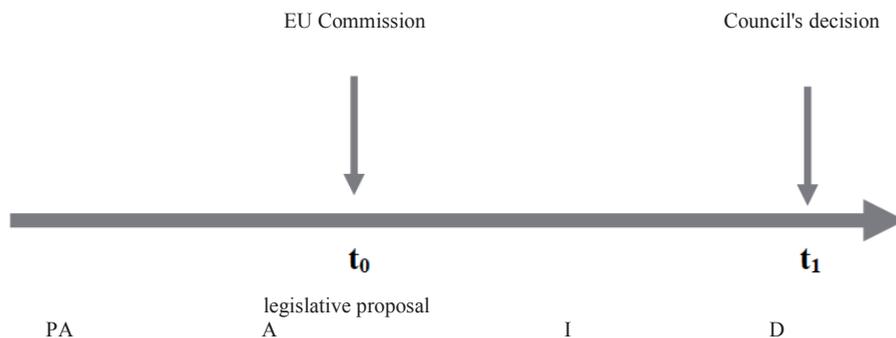
¹⁵ *Ibidem*, p. 4-13.

stages¹⁶, which may overlap (Fig. 1). The first one (PA – pre-adoption) is the interval during which policy proposals are presented. The second stage (A - acceptance) involves accepting the proposal by the Commission. The third stage (I) is described as an intermediate one, as it takes place between stage A and the last stage – D (decision), which is when the final voting takes place. Stage D is simultaneously the moment when the Council accepts the decision – hence, is a success of the Presidency. Each of the stages – apart from the intermediary one – can last up to six months, i.e. exactly the term of a single Presidency.

Based on the empirical verification of the presented model, it is possible to claim that holding the Presidency in the initial stages of the negotiation process “doesn't pay”¹⁷. The actual negotiations take place on the level of COREPER and working groups, where strong lobbying influences the final shape of the decisions to a large extent. Therefore, there may not be enough time to follow through with the entire procedure. The analysis also demonstrates that a Presidency has a better impact factor in terms of its priorities on a level where voting is more centralised, i.e. in the Council. Moreover, irrespective of the size of the member state or the strength of its economy – which the weight of the vote is based on – in the voting stage the Presidency country has a much bigger impact on the decision process than the other states¹⁸.

Figure 1

An outline of the bargaining process conducted by the Presidency



Source: J. Schalk, R. Torenvlied, J. Weesie, F. Stokman, *The power of the Presidency in EU Council decision-making*, “European Union Politics” vol. 8 No. 2, 2007, p. 232.

¹⁶ J. Schalk, R. Torenvlied, J. Weesie, F. Stokman, *The power of the Presidency in EU Council decision-making*, “European Union Politics” vol. 8 No. 2, 2007, p. 231f.

¹⁷ However, one cannot deny that the country to hold the Presidency as the first in a trio acts a “moving spirit” regardless of whether the negotiations are in their initial stage or a further one. If such a state initiates important changes, e.g. related to regulating a cohesion policy, the financial framework, etc., it can still be perceived as an important player. Nevertheless, if “effectiveness” were to be measured through the number of the legal acts adopted, one would have to concur with the authors of the quoted publication. Source: *ibidem*.

¹⁸ *Ibidem*, p. 234-246.

The role of the Presidency as a representative of the EU both in internal and external affairs has been significantly modified by the Lisbon Treaty. The treaty has introduced a hybrid Presidency, i.e. one that combines permanent and rotating elements¹⁹. The former involve two new positions (elected for a term of office): the President of the Council and the High Representative for Foreign Affairs and Security Policy, who is simultaneously also a member of the Council of the European Union, the chair of one of the Council's configurations – the Council for Foreign Affairs, as well as the vice-president of the European Commission. The rotating Presidency, as has been already mentioned, is held by the trios. The emergence of the two new offices has reduced the power of the rotating Presidency to a large extent. This is most clearly visible in terms of the rotating Presidency as a representative of the EU in international relations. When the Lisbon Treaty came into force, the High Representative became responsible for the external relations, and he coordinates the entire foreign policy of the EU. Also, the president of the Council performs representative functions with respect to countries outside the EU, yet he is obliged to perform his duties without infringing the powers of the High Representative (Fig. 2).

Apart from preparing matters strictly related to the Presidency itself, what is also of importance is presenting a state's achievements, and hence promoting both the entire country and particular regions. Therefore, the next natural task of a Presidency, and an extremely important one at that, is the so-called external promotion, i.e. acquainting the citizens of other member states with an appropriate image of the country and its parts. The cities (and hence the entire regions) chosen to host the meetings of working groups should pay particular attention to preparing the logistics of these events (together with central agencies), but also to arranging the cultural setting. As a result, internal promotion will be restricted to promoting the Presidency itself. With respect to the issue of particular regions, this can be used as a way of bringing the EU closer to citizens, building a civil society, as well as engaging non-governmental organisations and voluntary workers in the preparation of the meetings²⁰.

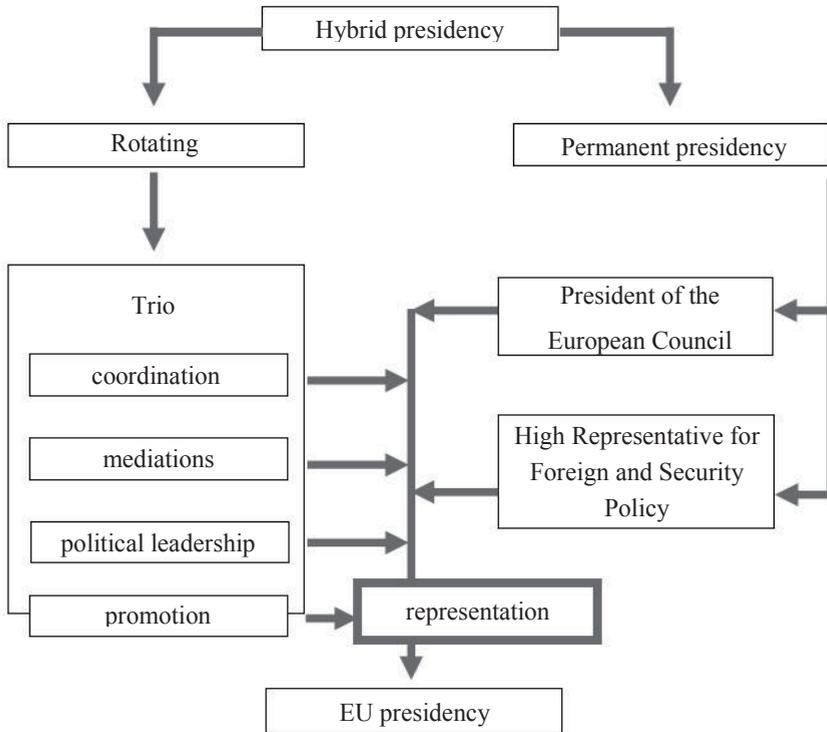
What undoubtedly facilitates carrying the promotional tasks is spreading the conference and meeting centres across the country. Member states have adopted various strategies in this respect. For instance, Slovenia assumed a centralised idea of Presidency, characterised by the weaker involvement of particular regions or social groups. On the other hand, France – in order to boost the promotional effect in society – decided to host numerous important events in cities other than Paris, e.g. in Marseilles, Nantes, Lyon, La Rochelle²¹.

¹⁹ *The Treaty of Lisbon: implementing the institutional innovations*, Joint Study CEPS, EGMONT and EPC (2007): 45.

²⁰ P. Idczak, I. Musiałkowska, M. Sapała-Gazda, *Rola regionów podczas przewodnictwa Polski w Radzie UE*, in: Z. Czachór, M. Tomaszuk (ed.), *Przewodnictwo państwa w Radzie Unii Europejskiej – doświadczenia partnerów, propozycje dla Polski*, Poznań 2009.

²¹ *Ibidem*, p. 72.

Figure 2
Outline of a hybrid presidency



Source: own study

The changes stemming from the new regulations and the division of tasks between the Presidency state and the permanent Presidency EU bodies do not mean that the rotating Presidency forfeits all responsibility for EU foreign policy. It still holds important powers, particularly in cases where its function of a representative overlaps with the administrative function. The rotating Polish Presidency will chair some of the preparatory bodies of the Foreign Affairs Council, although the meetings of the Council itself will be presided over by the High Representative. Moreover, a representative of the rotating Presidency will chair the Committee of Permanent Representatives (COREPER II) responsible for preparing the Foreign Affairs Council. In turn, when it comes to working groups, the chairmanship has been divided into a number of categories – some will be chaired by a civil servant from the External Action Service of the EU which is under the authority of the High Representative; others by a civil servant from the Presidency state. It should be noted that according

to the rules of procedure of the Council, the rotating Presidency chairs the council meetings if they are related to matters of trade policy²².

Effective management of the agenda will be possible due to the clearly stated priorities of the Presidency.

THE ESSENCE OF THE PRESIDENCY PRIORITIES

An important factor conditioning the effectiveness of the actions undertaken by a Presidency state is the choice of the appropriate priorities. These, on the one hand, should include the most vital aspects of EU activity at a given time (from the point of view of the future development of the Union), and on the other – match the aspirations of the Presidency state. It needs to be borne in mind, however, that the freedom of defining the priorities by a member state is relatively limited. This fact chiefly stems from the requirement of the Presidency state's impartiality, but also from the adopted legal regulations (Council decision 2009/937/E), which impose the necessity to cooperate with EU bodies in preparing the final draft of the programme of activities.

The choice of priorities performed by a country preparing to hold the Presidency ought to be based on two fundamental criteria: the criterion of the *desirability* of a particular issue for a state, as well as the criterion of *feasibility*, referring to the probability of attaining the set goals. The best-case scenario should be selecting such priorities that would satisfy both criteria to the greatest extent²³. According to the first criterion, when selecting its priorities, countries suggest ones which meet their national interests, and at the same time can be presented as European projects accepted by all member states and undertaken in the interest of the entire EU. Promoting one's own national interests too strongly might lead to losing the role of an unbiased mediator, and as a result, weaken the negotiating position. On the other hand, neutrality might also turn out to be rather impractical. Each state – through the powers stemming from the Presidency – may have a significant impact on the deepening of the process of EU integration. Being too neutral may result in a bland Presidency, and one perceived by public opinion as bureaucratic. Such a Presidency may become unattractive to the media, and consequently turn out to be even undesirable. The conviction that a completely impartial stance leads to success can sometimes result in a paradox where ambitious politicians may also be the ones who are successful in negotiating and reaching cooperation between member states²⁴. Therefore, from

²² A. Fuksiewicz, M. Szczepanik, op. cit., p. 2f.

²³ M. Jaczak, B. Słomińska, *Dobór priorytetów przez państwa członkowskie sprawujące przewodnictwo w Radzie UE w latach 2002-2008 – wnioski dla Polski*, "Biuletyn Analiz UKiE" No. 2/2009, 2009, p. 52.

²⁴ A. Schout, *The presidency as juggler. Managing Conflicting Expectations*, EIPASCOPE 1998, p. 4.

the point of view of a country preparing itself to hold the Presidency, the ideal solution could be initiatives involving that state's national interest, but simultaneously positively impacting its public image. In the case of Poland, such schemes – which in a way reflect its current interests and are related to the country's geographical location – could be supporting the Eastern Partnership project, a Polish-Swedish joint venture, or endorsing democracy in North Africa and the Middle East.

The second criterion serves to determine the probability of obtaining positive results and fulfilling set goals. Already at the stage of drafting the agenda, it is vital to assess whether a member state preparing to take over the Presidency has the necessary assets and the power to attain an agreement. Such an assessment should be based on a thorough diagnosis of the moot points and carrying out (in advance) appropriate analyses assessing whether the remaining countries will be willing to support the proposed endeavours²⁵. In other words, checking if there is a possibility for the member states to work out a common ground with respect to a given problem. This issue is particularly important for the three countries taking hold of the Presidency, as it deals with their immediate involvement in shaping the long-term EU agenda, i.e. negotiating the assumptions behind the new financial perspective after 2013.

THE PRIORITIES OF THE POLISH PRESIDENCY

On 21st July 2010 the Council of Ministers adopted a document which tentatively set out the plans of the Polish Presidency. These were shaped in a process of national consultations as well as through international talks, with other states, EU institutions and partners within the Poland – Denmark – Cyprus trio. The final list of priorities and the programme of activities for the Polish Presidency of the European Union was presented in June 2011. The priorities proposed in the 2010 document evolved under the influence of current events occurring in the EU and across the world. They were presented in a document published by the Council of Ministers on 15th March 2011 – *The Six-month Programme of the Polish Presidency of the EU Council in the Second Half of 2011*. The document was put forward by the Government Plenipotentiary for the Preparation of Government Administration Bodies and the Polish Presidency of the Council of the European Union.

Both general priorities and plans for particular thematic areas were selected (Table 1). The priorities and areas were combined with the premises of the new Europe 2020 strategy, which replaced the Lisbon strategy in March 2010. Additionally, the assumptions of Poland's chairmanship also stem from the European Commission's strategy and current proposal of activities. The Europe 2020 strategy – set for the next 10 years – refers to the European idea of a social market economy and is based on three priorities (Table 1). The first area – 'smart growth' refers to the development

²⁵ M. Jatzak, B. Słomińska, *op. cit.*, p. 53-54.

of economies based on knowledge and innovation; the second area – ‘sustainable growth’ is to encourage economies which are characterised by competitiveness and low-emissions, as well as by using natural resources more effectively; the task of the third one – ‘inclusive growth’ is to inspire economies characterised by high employment rates, ensuring economic, social and territorial cohesion²⁶.

In order to reach the main targets, the Commission proposes the Europe 2020 programme, which is comprised of several flagship initiatives. Their implementation is the common task of all member states and requires the involvement of organisations operating at the EU level of the member states themselves, as well as regional and local authorities. The initiatives are as follows²⁷:

- Innovation Union – consists in using research and innovation in solving our greatest problems, as well as eliminating the gap in commercialising research results²⁸.
- Youth on the move – aimed at improving the quality and attractiveness of European higher education on the global stage by supporting the mobility of students and young specialists. The goal is to increase the availability of job posts in member states for candidates from all over Europe, as well as to properly recognise qualifications and work experience.
- A digital agenda for Europe – its implementation is to bring lasting economic and social benefits by creating a uniform digital market based on very fast Internet connections. By 2013 all European residents should have access to a fast Internet broadband.
- Resource efficient Europe – this initiative supports changes moving towards a low-emissions and resource efficient economy. By 2020 this would reduce the value of imported oil and gas by 60 billion Euros.
- An industrial policy for globalisation era – its task is to increase the competitiveness of the EU industry sector in the aftermath of the economic crisis, to support initiative and the development of new skills. The assumption is to create millions of new work places.

²⁶ Progress in fulfilling these three priorities will be measured with reference to the five EU headline targets, which the member states will place above national aims, yet taking into consideration their initial situation. By 2020:

- the employment rate of the age group 20-64 should equal 75%;
- 3% of EU GDP should be invested in research and development;
- the 20/20/20 goals with respect to climate and energy should be reached;
- school drop-out rates should be reduced to 10%, and at least 40% of the younger generation should obtain higher education;
- the number of people at risk of poverty should be reduced by 20 million.

European Commission, Europe 2020. A strategy for smart, sustainable and inclusive growth. COM (2010) 2020 final.

²⁷ Europe 2020. A strategy for smart, sustainable and inclusive growth...

²⁸ An example of implementing this initiative could be the unitary patent, thanks to which enterprises could save 289 million Euros each year. www.eurofunds.org (accessed 20th February 2011).

- An agenda for new skills and jobs – aimed at creating conditions for modernising the work markets, in order to increase the employment rate, as well as to secure the durability of social models in the light of the retiring generation of the demographic boom.
- European platform against poverty – its goal is to ensure economic, social and territorial cohesion by helping the poor and socially excluded, as well as to enable them to actively participate in social life.

In order to ensure that the undertaken tasks will be effectively put into practice, the role of monitoring and managing progress will also be strengthened. What is important is the integration of the Europe 2020 strategy with a Stability and Growth Pact so as to face the current challenges in a post-crisis Europe. Both strategies are assumed to achieve similar reform aims.

Table 1

The priorities and areas of the Polish Presidency in 2011 and the priorities of the Europe 2020 strategy.

The main priorities according to the document published by the government of the Republic of Poland in 2011	The main priorities according to the document published by the government of the Republic of Poland in 2010	Focus areas of the Presidency	Europe 2020 priorities
<ol style="list-style-type: none"> 1. European integration as a source of growth 2. Secure Europe 3. Europe benefitting from openness 	<ol style="list-style-type: none"> 1. The internal market 2. Relations with the East 3. Strengthening the EU's external energy policy 4. A common security and defence policy 5. Negotiating the multiannual financial framework for 2014-2020 6. Fully utilising Europe's intellectual capital 	<ol style="list-style-type: none"> 1. Financial and economic issues 2. Agriculture and fisheries 3. Cohesion policy 4. Transport, telecommunications and energy 5. Justice and home affairs 6. Competitiveness 7. Environmental protection 8. Employment, social policy, health and consumer protection 9. Education, youth and culture 10. Foreign affairs 	<ol style="list-style-type: none"> 1. Smart growth: economic development based on knowledge and innovation 2. Sustainable growth: encouraging economies to be resource efficient, environmentally friendly and competitive 3. Inclusive growth: encouraging economies with high employment rates, ensuring social and territorial cohesion.

Author's own analysis based on materials published by the government of the Republic of Poland in 2010 and 2011, as well as the European Commission, COM(2010) 553 final, 6th March 2010.

The next part of this paper presents a discussion of the priorities and plans with an emphasis on the economic aspects of the Polish Presidency. They are of particular significance in the post-crisis reality, with the EU debating on the future of integra-

tion, its pace (such as the proposal of creating a two-speed Europe within the framework of the economic and monetary union), size, sources of budget income and energy security. Each of the priorities of the strategy presented in Table 1 involves specific ideas pertaining to the growth of the EU until 2020; hence, it constitutes a list of guidelines for the shaping of new multiannual financial framework in the EU. After the modification performed in the recent months (April/May 2011), what can be observed is that the particular labels of the Polish Presidency's priorities are thematically parallel with the aims of the Europe 2020 strategy. Poland strives to make its proposals²⁹ congruent with the assumptions behind European guidelines, particularly in terms of a cohesion policy and energy security.

The first priority – European integration as a source of growth includes the previous target related to deepening the integration in terms of the internal market, the issues of the budget and negotiating the multiannual financial framework for 2014–2020, as well as the question of external trade relations and opening new markets (included earlier with, among others, relations with the East).

With reference to the **internal market** – Poland will be postulating strengthening the internal market – its potential is not fully utilised, and to some extent the freedom of movement of people and the result of production is not fully realised. Also, the 20th anniversary of creating and introducing the common European market takes place during the Presidency of the trio. Poland's activities within the sphere of the internal market, among others, will concentrate on: implementing the proposals of the European Commission stemming from M. Monti's report from 2010 on the future of the internal market – a package of reforms entitled the *Single Market Act* regulating the financial sector, issues of mobility and free movement of knowledge and innovation, removing the existing barriers in the EU market, as well as developing the services sector. Moreover, the Polish Presidency wants to focus on advancing the market of electronic services, and in order to do so, it will strive to eliminate barriers impeding international online transactions, as well as continue to work on lowering the process of international roaming³⁰. **Negotiations of the multiannual financial framework 2014–2020** and the issue of the EU budget – are of particular importance. The Polish government conducted an opinion poll pertaining to the importance of particular priorities. According to the participants of the survey, the negotiations of the long-term financial framework for the coming years was the most important of Poland's priorities (cf. Chart 1).

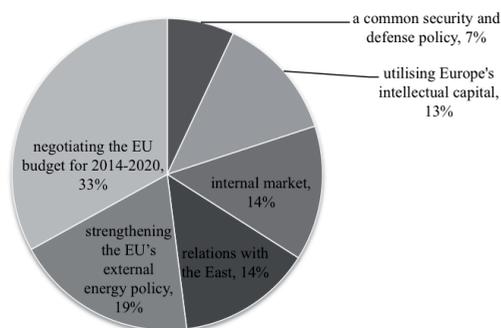
²⁹ The discussion of the priorities and areas of the Polish Presidency in this section is based on the materials published by the Polish government in 2010 and 2011, public consultations on 1st October 2010, Warsaw, as well as www.prezydencjaue.gov.pl (accessed 20th February 2011 and 25th May 2011).

³⁰ Interview with Mikołaj Dowgielewicz, http://finanse.wnp.pl_minister-dowgielewicz-priorytety-polskiej-prezydencji-w-ue,139236-1-0-3.html, and Waldemar Pawlak www.mg.gov.pl (accessed 10th May 2011).

Chart 1

The importance of the priorities of the Presidency according to the readers of the website prezydencjaue.gov.pl

In your opinion which of the initial priorities of the Polish presidency is most important



Source: www.prezydencjaue.gov.pl (accessed 26th February 2011)³¹.

What will take place during the Polish Presidency is a stage of in-depth analysis of the European Commission proposals, as well as the identification of the main negotiating tasks in the next EU budget. Talks on this topic will commence in the middle of 2011 and their formal end will occur in the second half of 2012. It will require a political agreement in the European Council during the Danish Presidency – in the first half of 2012. This period reflects the significance of the trio in the entire process (cf. Fig. 1). The goal of the Polish Presidency in this respect will primarily be to manage the process of bargaining and to advance the talks as much as possible, including making it possible for all member states to articulate their interests. Poland is currently in a rather special situation, as the person responsible for the budget is the Polish commissioner – Janusz Lewandowski. Although the commissioners are independent of their home country and their task is to represent the interests of the entire EU, there is always the suspicion of member states informally supporting their national interests. Recently, in order to eliminate these concerns as much as possible, the president of the European Commission, Jose Manuel Barroso took up the main tasks related to the negotiations, and the commissioners involved in financial and budget issues are to support him in the process. Moreover, currently (between 2007 and 2013) Poland is the biggest beneficiary of EU funding, hence, the issue of supervising negotiations related to this topic in the Council of the EU is extremely inter-

³¹ Between the 10th and 26th February 2011 678 respondents took part in the opinion poll.

esting. The Polish government ensures that Poland will play the role of a so-called honest broker in this context. Additionally, much depends on the adoption of one of the scenarios of developing a cohesion policy – only the so-called European scenario (Delors' scenario) makes it possible to deepen and extend the integration process and realise the aims set out by the Europe 2020 strategy. This stems from the division of powers and ensuring appropriate financial means necessary for the development of the entire European Union³². The Polish government will endeavour to maintain a cohesion policy by demonstrating the advantages it brings about, not solely for the programme's beneficiaries, but also for the states whose transactors participate in, e.g. executing public orders, thus making profits. The moot points also pertain to issues of own resources, resolving the conflict of interest between net contributors and beneficiaries, or the British rebate³³.

The specific sub-priority of the **external trade relations** (previously under the label of relations with the East) bears a chiefly political importance. In fact, it is an attempt at carrying out the main project of the Eastern Partnership³⁴. After consultations with the Hungarian Presidency in 2011, the task of the Polish chairmanship in the Council will include organising a conference as part of the Eastern Partnership project. In this context, Poland will aim at, among others, entering into association agreements, accepting mandates for the negotiations on creating free trade zones with the EU, finalising talks with Ukraine about liberalising visa and trade policies, as well as intensifying trade cooperation between the EU and countries to the East.

The second priority – a Secure Europe concentrates chiefly on **strengthening an external energy policy**. It is aimed at an in-depth discussion of new legislative and non-legislative solutions which would allow the European energy sector to remain competitive in today's changing environment. The plan includes holding a debate on the current solutions and new directions within the EU in the context of the energy market. Its aim is to work out mechanisms of introducing energy policies that would be characterised by solidarity and external competitiveness. This priority corresponds to the 20/20/20 target of reducing pollution and increasing the amount of energy obtained from renewal energy sources. Moreover, it is a continuation of the Hungarian policy carried out in this respect.

³² A. Faludi, J. Peyrony, *Cohesion Policy Contributing to Territorial Cohesion – Scenarios*, RSA Conference Materials, Bled, Slovenia, http://www.regional-studies-assoc.ac.uk_events_2011_mar-slovenia-papers.asp (accessed 11th March 2011).

³³ Polish Press Agency PAP 16th May 2011.

³⁴ The Eastern Partnership is an initiative consisting in extending the actions of the EU within the framework of the European Neighbourhood Policy (hence, EU foreign policy). It is a response to the proposal of creating a Union for the Mediterranean suggested by the countries of the Mediterranean Basin. The major aim of the Eastern Partnership is to bring countries from the Eastern Europe states and South Caucasus closer together. It is to promote democracy and help develop economic and interpersonal relations, as well as issues connected to energy safety with countries located to the East of the EU. The partnership includes Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

What is more, the task of the Polish Presidency in the sphere of finance and economy will be strengthening economic governance in the EU and attempting to finalise the process of setting up the European Stability Mechanism which will require changes in the Lisbon Treaty.

Other issues taken up will include:

- actions related to the protection of borders: e.g. changing the regulation on Frontex (European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union), so as to make Frontex support member states more effectively in crisis situations (such as in North Africa and the Middle East);
- discussions on the future of the Common Agricultural Policy (CAP). The Polish government believes the CAP should be more market oriented and ought to take into consideration the common good, including food security and multifunctional development. An important aspect of reforming the CAP will involve decisions pertaining to direct subsidy payments and supporting rural areas, as well as a policy on the quality of farm produce. Additionally, work will be carried out to implement an EU biodiversity action plan;
- strengthening the military and civic capabilities of the EU, and supporting actions to establish a direct dialogue between the EU and NATO.

The third priority – **Europe benefiting from openness** – is aimed at, among others, EU contacts with Russia (the Presidency will support actions serving to sign an agreement with Russia, outlining the content, as well as the formal and legal framework of an EU-Russia partnership. It will also continue to develop the EU-Russia Partnership for Modernisation). It also involves negotiations within the World Trade Organisation directed at finalising the so-called Doha Round (with respect to trade liberalisation, subsidising agriculture, patent law, anti-dumping regulations, or intellectual property protection).

Additionally the Polish Presidency will support endeavours to work out new relations between the EU and the Arabic world and a complex strategy for that region, as well as aid democratisation and the construction of modern state institutions in North African countries. It has also been established that in the abovementioned context the Polish foreign minister will represent the EU in consultation with Catherine Ashton. A major aim of Poland's Presidency in the CEU, as a "strategic political project" of the EU, will be finalising the accession negotiations with Croatia and signing the accession treaty, continuing the negotiations with Turkey and Iceland, or supporting the European aspirations of the Western Balkan countries.

A number of assumptions have also been made in the sphere of **thematic areas**. Within the area of **economic and financial issues** the most vital target of the Polish Presidency will be to strengthen economic governance in the EU and consolidate public finance. Poland intends to actively support actions ensuring lasting financial stability and on-going, stable and balanced economic growth. The tenure of Poland's Presidency in the CEU will also be the time of implementing long-term solutions prepared by a taskforce on reforming EU economic governance. That is why Poland

will direct the work on concluding the work of the first cycle of the so-called European semester. The Polish Presidency will also strive to effectively carry out the procedure of adopting the annual EU budget for 2012. It is of extreme importance to reconcile the interests of the member states, as well as the European Parliament and to reach an agreement without which adopting the budget is not possible. This is borne out by the example of the negotiations in 2010 when the EU faced the threat of having no annual budget. Moreover, actions undertaken with respect to financial services will also concur with the commitments resulting from the decisions made by the G20 group.

The next two areas are key for the issue of EU budget expenses, as they are connected with the most costly spheres of activity. These are a **cohesion policy and agriculture**.

With respect to agriculture and fisheries Poland's Presidency will focus on:

- reforming the system of direct payments – Poland will attempt to reach an agreement and ease out a new system of direct subsidies;
- the future of the rural development policy – through strategic and legislative endeavours, Poland will try to arrive at a consensus, with an emphasis on the complementary use of the instruments of the Common Agricultural Policy (CAP) and cohesion policy for rural areas. Additionally, it will strive to highlight the role of these areas in the context of new challenges (climate issues, preserving biodiversity, the economics of water management, public goods, etc.);
- supporting new investments connected with the development of renewable energy sources in rural areas;
- work on changing the rules of the common fisheries policy.

With respect to a cohesion policy, in the second half of 2011 Poland will attempt to include strategic issues related to the future of that policy on the agenda of the General Affairs Council³⁵. These issues will pivot around the discussion of the draft regulations of a Cohesion policy in the years 2014-2020. These are key documents conditioning the shape of a cohesion policy in subsequent years by determining its aims, as well as the instruments of its execution. The aim is to achieve the broadest possible compromise as far as strengthening the effectiveness of a cohesion policy in achieving EU development goals, also taking into consideration the Europe 2020 strategy. Poland is promoting one particular solution – the so-called integrated approach to regional development. This policy can be described as place-based, and involves the strong coordination of sectoral policies. This is what differs this approach from the current one (2007-2013) where the sectoral policies are dominant³⁶. Also, within this context, the work of the Hungarian Presidency on the newly adopted Territorial Agenda 2020 will be continued.

³⁵ This is a group formed within the Council of the European Union.

³⁶ On the basis of VASAB conference materials, P. Żuber, *Territorial Cohesion*, Warsaw, 7-8th February 2011.

As far as the next topical issue – transportation, telecommunications and energy – is concerned, one of the key tasks of Poland's Presidency will be revising the guidelines on the trans-European transport networks, including the rules of financing investments in TEN-T³⁷. This is especially important, as these are extremely large investments financed from a number of sources: the TEN-T programme, the European Investment Bank, the Cohesion Fund, as well as (if proper provisions were made) from public-private partnerships. The digital agenda for Europe will constitute another significant issue, as the execution of many of the actions and initiatives included in it are to occur in the second half of 2011. Carrying out this strategy is one of the targets of the Europe 2020 programme, and Poland intends to attribute to the challenges placed before the e-administration.

In the context of the EU's external energy policy Poland shall:

- endeavour to work out a common and coherent position with respect to regional and global energy problems;
- strive to create a mechanism of financing small and “scattered” investments in energy efficiency in sectors such as the construction industry, district heating, heat and electricity distribution networks, local public transport and electricity production;
- continue the activities of previous presidencies in connection to the Energy Infrastructure Package.

Another vital topic area is **competitiveness**, in relation to which:

- a debate will be held on the approach to an industrial policy in the context of the economic crisis and its influence on the state of enterprises. It is believed that during the Polish Presidency a list of initiatives might be prepared which the EU member states committed themselves to at the end of 2008, by supporting the proposal of an action plan for companies based on the Small Business Act;
- talks related to innovation and space policy will be conducted;
- the Presidency will continue work on creating a European patent, as well as legislative endeavours pertaining to technological harmonisation;
- the issue of improving the regulatory environment policy will be considered crucial – the so-called Smart Regulation initiative – with particular emphasis of its influence on the development of enterprises and the increase in the competitiveness of the European economy;
- Poland will continue reviewing the legal regulations related to consumer rights, support increasing consumer product safety as well as improving market supervision in terms of products that pose a significant threat;
- the issue of boosting the competitiveness of the tourism sector will be raised, e.g. by considering the role of innovation in tourism, analysing new challenges as well as assessing the progress in carrying out the Agenda for sustainable and competitive European tourism;

³⁷ A programme of developing transportation infrastructure in the EU.

- work will be continued on issues such as regulating the problem of orphan works or the collective management of copyright and related rights. The Polish Presidency will be responsible for synchronizing and presenting the EU viewpoint at the World Intellectual Property Organisation.

Moreover, during Poland's presidency in the CEU work will be carried out on the fundamental principles of the 8th Framework Programme (named Horizon 2020) with respect to research, technological development and demonstration activities. The chief initiatives and activities of the Presidency will include, among others, "enhancing the accessibility of the 8th FP to SMEs, small research teams, as well as convergence regions; better research coordination at the European, supra-national and national levels; deeper integration of the European Research Area (ERA). It will also be vital to enhance the synergy between a cohesion policy and the 8th Framework Programme by ensuring complementarity between the instruments of structural funds and framework programmes, supporting the formation of European clusters, creating a mechanism of co-financing the construction and functioning of regional research infrastructure from the funds of the 8th FP, as well as integrating regional and national policies in the B+R+I area"³⁸.

With respect to **social policy and employment** the Presidency will concentrate on:

- working on solutions which would facilitate reconciling professional and private life;
- actions aimed at professional activation in the context of demographic challenges;
- encouraging activity on the labour market and an active social integration policy;
- promoting various forms of cooperation between the government administration, local administration and non-governmental organisations in achieving the aims of social policy and employment.

The remaining topical areas are related to cultural issues, education and foreign affairs. Additional important elements of Poland's Presidency in the Council of the EU will include the promotional initiatives of a strong socio-economic character, directly connected with the events planned for the second half of 2011: the European Year of Volunteering, the European Culture Congress, the European Congress of People with Disabilities, as well as the Internal Market Forum. These events are to serve as the "political promotion of Poland and creating its image as a modern, creative and dynamic country, which cares about following the best examples and role models and benefiting from a common European market"³⁹. Additionally, the 50th anniversary of OECD, as well as the 15th anniversary of Poland's accession to this organisation fall during the Polish presidency.

³⁸ prezycncjaue.gov.pl (accessed 20th February 2011).

³⁹ *Ibidem*.

CONCLUSION

When the Lisbon Treaty entered into force the models, and to an extent, also the tasks of rotating presidencies changed. Along with the introduction of new functions in EU institutions, a permanent presidency was introduced, which assumes inter-institutional cooperation. Moreover, the tenure of the rotating presidency was extended from 6 to 18 months, with the provision that it be held by three states. This period is sufficient to prepare both the member states and the EU institutions for the adoption of specific decisions.

Poland shall be the first country in its trio (together with Denmark and Cyprus), initiating the decision process in numerous crucial economic areas: modelling the budget, the financial framework, the internal market, or the shape of a cohesion policy. Its agenda was prepared very effectively. In the subsequent months, during the Presidency itself, this agenda may only undergo reductions or modifications. The most important premises may be subject to changes stemming from Poland's current situation in the EU. During the conference "Poland and Spain in the EU – Experiences and Prospects" held on 4th November 2010 at the University of Warsaw, The Spanish Secretary of State for the European Union – Diego López Garrido said: "We came up with dozens of different scenarios when preparing for the Presidency but we did not expect such crises". Therefore, it is vital for both the administration and politicians to be prepared for changes, and be able to implement the regulations of crisis management during the Presidency in the CEU. An external threat that might contribute to modifying the activities of the Presidency might be the current situation in North Africa. The effectiveness of managing the presidency, in turn, might be influenced by a change of the government resulting from the parliamentary elections which will be held in Poland in the Autumn of 2011. The blame for the unsuccessful Czech Presidency is primarily placed on politicians who "spoiled" the work of thousands of public civil servants. Consequently, the Presidency will be yet another test assessing the maturity of the Polish political class as well as Polish democracy⁴⁰.

⁴⁰ Considerations of the article can be confirmed by results of the ex-post assessment. The greatest achievement of the Polish Presidency was the adoption of the "six-pack" strengthening economic and financial management in the EU, the smooth adoption of the EU budget for 2012, the uniform system of patent protection, the directive on consumer rights, the discussions on the European Commission's proposals for the multiannual financial framework and the legislative package for cohesion policy. In the EU external relations, it is important to note that Poland prepared the substantive content of the EU-Ukraine Association Agreement and facilitated the agreement on conditions for accession of Russia to the World Trade Organization. In turn, the weaknesses of the Polish Presidency were an insufficient action on economic growth in the post-crisis time. Moreover, Poland was unable to go beyond the EU internal matters especially in case of external energy security. Due to delay of the publication of the Communication of the European Commission it was impossible to initiate an intense debate on e-commerce. Due to the same reason the legislative changes in the field of public procurement law were also not begun which was one of the priority proposal of the Single Market Act. To sum up it is claimed that the Polish Presidency was surely a success at an organizational level. The fears of potential obstacles as a result of parliamentary elections in the mid-term of the Presidency turned out unjustified.

