



### **INSTITUTIONAL INNOVATIONS**

# What is Left for the Rotating Council Presidency under the Lisbon Rules?

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he Lisbon Treaty has completely changed the rotating presidency's role. Before Lisbon, each rotating presidencies held political responsibility for (almost) the entire European project. National diplomats brokered all the main decisions. Under the new system, the rotating presidencies' "political" dimension has been seriously limited, if not eradicated. In the new institutional system of the European Union (EU), the rotating presidencies' main task is to take care (within the Council and with the European Parliament) of ongoing legislation. The most difficult dossiers, usually negotiated politically at the highest level of the European Council, have now been taken away from the rotating presidencies' responsibilities. Still, even if the role of the rotating presidency is less relevant in the most difficult dossiers, its active engagement in negotiating legislation is absolutely crucial for the system to successfully continue its functioning. The importance of the legislative responsibility is even greater in the specific context of economic instability and the eurozone crisis.

In this new legal and politically changed reality, the new Trio Presidency takes office when none of its partners fully participates in all EU structures (Poland and Denmark are outside of the eurozone and have other opt-outs; while Cyprus is not member of the Schengen Area, it is also a neutral state).

#### **Domestic affairs**

In this context and under the rulebook of the Treaty of Lisbon, for a rotating presidency to be successful, one needs two domestic elements: first, dedication on the part of the country's political elites, and second, commitment on the part of the public administration, who is to play the role of an honest broker in the Council. The civil servants, and their capacities, are the Presidency's strongest assets in fulfilling its task. Civil servants work constantly, permanently building their personal reputation and – their state's reputation – in the eyes of their partners. In parallel, they are engaged in hundreds of working-group meetings and thousands of official and unofficial consultations. They all work for the cause of having the job done well; the one

element they need most is the most fragile element: credibility. In the corridors of Brussels, credibility is probably the most wanted virtue. One (person, institution, state) works on it for many years; ruining it takes sometimes five seconds or one politician's statement.

This is why the political elites' dedication is crucial to the rotating presidency's success. Politicians can ruin instantly the credibility their civil servants have been working on for years. At the same time, their commitment became much more complex. One expects the wolves (politicians) to dance the waltz (be an honest broker) in a situation when there is no reward for complying (no visibility). Interestingly, the first "Lisbon"-presidencies (Spanish, Belgian and the most recent one of Hungary) show a different lesson in this respect. The Belgians had a major political crisis during the entire process. After early elections in June 2010, they were unable to form a majority government and the Presidency was executed by the outgoing, caretaker government. However, the political elites remained committed to European affairs despite problems "at home" and the Belgian Presidency has been widely accounted for being a successful one. Six months beforehand, the Spanish Presidency of the Council, in the first semester of 2010, was run by a stable government with most of the ministers committed to the cause of running the Council's presidency smoothly. At the same time, the new system offered the Prime Minister virtually no "perks" for staying engaged; after the first few weeks, the image José Luis Rodríguez Zapatero gave was one of detachment. This did not help the Spaniards concerning the coordination of the Presidency between various Council formations. In the end, a few crucial mistakes appeared and one of them (cancellation of the EU-US summit) – which was widely attributed to the rotating presidency – had a major effect on the perception of the Spanish Presidency. It became widely accepted that the Presidency became largely irrelevant towards the end of the Spanish term, despite the efforts of many Spanish officials brilliantly performing their duties.

The Hungarian example is of a different nature still and most relevant for Poland and Cyprus. Like them, the Hungarians were running their first Council presidency. Although in Budapest the Hungarians had a very strong government in office, with a constitutional majority (not the Belgian case), they nevertheless had to face a major visibility challenge in the early days of their term; the attempt to change Hungarian media law lowered expectations from Hungarian leaders, and to some extent undermined the credibility of Hungarian officials.

The good news for the upcoming rotating presidencies is that in the Lisbon reality, whatever the developments back home may be, as long as the Presidency stays on course and political leadership is dedicated and able to coordinate the various elements of the system – the success of the Presidency can be unattached. The link between developments at home and the performance of the Presidency are made only in January (or July, for the presidencies of the second semester); later into the Presidency, visibility is significantly diminished (in January / July the College of Commissioners comes to the national capital and the Prime Minister of the country holding the rotating presidency addresses the European Parliament) and the Presidency becomes much more low-profiled.

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## **Pending institutional questions**

There is one role the Trio Presidency can play in the rearranged institutional system of the European Union: It has to be a credible and honest broker. Without assuming such a role, no success can be possible – nor, with this role, is success guaranteed.

One has to recognize that the post-Lisbon institutional system has not been fully settled-in. Among many institutional treaty innovations is the new (lack of) role of the prime minister of the country holding the rotating presidency of the Council. Until now, the rotating presidencies did not work out any lasting model of cooperation between the head of the rotating Council presidency and other institutions, most notably with the President of the European Council. The Spanish were the first Presidency under the new system and everything was fresh and new, including the permanent chief of the European Council. On top of things, most of the time the Spanish Prime Minister remained rather disengaged. During the Belgian semester, a functional model was worked-out, but it was a very specific model based on two elements not applicable elsewhere. First, the Belgians had only a caretaker government; the acting Prime Minister had no power to even try to challenge the leadership of the President of the European Council, Herman Van Rompuy. At the same time, as a caretaker government the Belgians had to focus only on the competences they had: to administer. Secondly, Van Rompuy is a Belgian and a former Prime Minister. Most of the sitting (acting) ministers were his ministers in his government. As a result, we saw the naturally close relationship between the sectoral Council formations and the permanent President. Such a close relationship would probably be most welcomed in the future, but it is equally unlikely as it is necessary.

The Hungarian experience has not been conclusive. On one side, the rotating presidency has tried to reclaim some of the territory previously extensively covered by the Permanent European Council President. The trend of reclaiming the Council's autonomy from the European Council should be expected to continue until the upcoming Polish and Danish rotating terms. Yet, at the same time, Hungarians were largely unsuccessful and among some Hungarian officials there was a degree of dissatisfaction and (a subjective) perception of marginalization of the Council by a "Brussels belt" consisting of the European Council President and the Council's General Secretariat.

Hence the challenge: how to separate the Siam twins (Council and the European Council) so that they become two separate institutions, but with mutual respect towards one another? How to avoid tensions along the way? If the Poles, Danes and Cypriots succeed in working out a functional model of rotating presidencies, the input of rotating presidencies into European politics can be of great added value.

Certainly the rotating presidency, as the helm of the Council and as a provider of blood to the legislative functioning of the Union, needs to be further strengthened. Without a stronger role for the rotating presidency, the system risks further destabilisation and a lack of balance, with a dominant position of the European Council over the entire system. A "stronger" Council

means a rotating presidency that would be more centralised than it has been until now (post Lisbon). The role of the General Affairs Council (GAC), for example, needs to be re-affirmed. Together with the Foreign Affairs Council, it is the only treaty-based Council formation. Still, the previous Trio Presidency's experience (January 2010-June 2011) shows that the GAC has been widely unused by the rotating presidency to politically channel the works of the Council formations or to upload issues from the Council to the European Council level.

Also, the role of the prime minister of the country holding the rotating presidency needs to be re-established. He or she should play a "Vice President" role in the European Council, with a special role unlike other national leaders. He or she should be the only person in the European Council with detailed knowledge about the proceedings of all Council formations. At the European Council, he or she should not only report on Council work; he or she should also be able to confirm what is and what is not feasible on the Council level. Until now, the special situation belongs only to the President of the European Commission and his first deputy, the High Representative for the EU's foreign policy.

To achieve a higher degree of political centralisation – that is in the interest of any rotating presidency – the prime minister of the country holding the responsibility should be the one to chair GAC meetings. In some situations, it would be up to him or her to decide if a given issue needs to be dealt with at the highest political level at the European Council, or can still be returned to the Council formations; he or she may also attempt to strike a compromise at the GAC level. This way the GAC, in the hands of the rotating presidency, would become a central filter for all legislative and political processes. Only the most important ones would be delegated to the higher level. Which ones are the most important would remain at the discretion of the rotating presidency's head. This is how he or she could also influence the European Councils' agenda. So far it has not been the case.

#### Recommendations

The primary function of the rotating presidency is to be an honest broker within the Council. The Polish, Danish and the Cypriot rotating presidencies should try to play the role of honest brokers not only within the Council, but in the entire legislative process (i.e. involving the European Parliament). This way they should be able to shorten the legislative process.

The prime minister/president of the country holding the rotating presidency should chair the General Affairs Council. The GAC should be the central coordinating place of all sectoral Councils. With weak rotating presidencies too many decisions are taken up to the European Council level and the rotating presidencies are unable to control the political process. Regaining the posture of the rotating presidency by stronger centralisation of the work of the Council will also improve the position of the national leader holding the rotating presidency. Effectively, a strong rotating presidency's head becomes a Vice President of the European Council.

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