



On 1 July 2019, Finland assumed the rotating Presidency of the Council of the European Union. The Presidency will provide a unique opportunity for Finland to shape the EU Agenda and EU priorities for the next six months.

Finland takes the helm of the Presidency at a time of considerable uncertainty and transformation in the European Union (EU), with several persistent and long-term challenges unfolding, from climate change and migration, to insecurity and Brexit, to the retreat of multilateralism.

Setting the Scene: Domestic Political Change

Finland is taking over the Presidency of the Council for the third time since its accession to the EU in 1995. Finland has a new government, since 6 June 2019, made up of a five-party coalition, which includes the Social Democratic Party, the Centre Party, the Greens, the Left Alliance and the Swedish People's Party of Finland. The new coalition has agreed a governmental programme which includes increasing public expenditure on welfare and infrastructure, a programme to boost jobs, increase fuel taxes and a programme for Finland to become carbon neutral by 2035. In terms of climate change, the Finnish government set an ambitious target, which will require Finland to reduce its carbon emissions to below the amount that can be absorbed by forests, wetlands and new technologies.¹

Setting the Scene: Transition in the EU

The EU is currently undergoing a change of leadership in its institutions. The Finnish Presidency will therefore preside over a process which will see the appointments of a new President of the European Commission, a new President of the European Council, new President of European Parliament, a new High Representative of the Union for Foreign and Security Policy, the selection of a College of Commissioners as well as the President of the European Central Bank.

These newly appointed heads of their respective institutions, including the recently announced nomination for European Commission President, Ursula von der Leyen, former German Defence Minister, will have the opportunity to decide the objectives that will guide European policy into the future, alongside the Finnish Presidency.

In addition, a new, more fragmented European Parliament has just been elected and the Parliament's ninth legislative term of office officially commenced on 2 July, 2019. While the nationalistic and populist surge did not make significant gains in the European Parliament elections in May, they are still a substantial force in the Parliament and have the capability to disrupt the legislative process. This in turn could affect the EU agenda, impacting on the Finnish Presidency and its priorities.

Taking the Helm of the EU for the Third Time

This presidency is part of the Trio of Presidencies, which includes Romania, Finland and Croatia. The Trio has set very specific agenda goals and an agreement to set out the long-term objectives of the EU for the period 1 January 2019 – 30 June 2020. The focus is multifaceted, with priorities on jobs, growth and competitiveness; empowering and protecting citizens; policies on energy and the environment; freedom, security and justice; and strengthening the EU as a global actor.²

In many respects, the substance of the Presidency will be affected by internal EU developments policies as well as external factors. One key task of the Finnish Presidency will be to conclude the negotiations over the Multiannual Financial Framework (MFF), the EU's long-term budget for 2021-2027 by the end of the year. Finland's insistence on a disciplined fiscal policy within which Member States should exercise responsibility and adhere to budgets, could mean that Finland may take an active role in determining the framework for the EU's long-term budget.

Implementing the EU's Strategic Agenda for 2019-2024 and ensuring a smooth transition to a new European Commission will also be key for internal priorities.

The third major task for the Finnish presidency will be to officiate the UK leaving the EU and the major consequences for such a departure, should Brexit proceed.

Apart from Brexit, other external factors affecting the Presidency include developments in the Middle East, Turkey and North Africa, relations with Western Balkan countries, ongoing strained relations with the U.S., and Russia, a move towards an equal partnership with the African continent, and a complicated relationship with China, any or all of which could further move EU priorities off course or at least set objectives towards alternative directions.

Where will Helsinki lead Europe in the next six months?

The motto of the Finnish presidency is '*Sustainable Europe, Sustainable Future*,' and this policy objective sets the tone for Finland's agenda. Finland has announced four key priority goals which will determine its tenure, the four C's: Common Values, Competitiveness and Social Inclusion, Climate Leadership and Comprehensive Security. The Presidency will endeavour to advocate four central themes throughout its six months:

- To strengthen common values and the rule of law
- To make the EU more competitive and socially inclusive
- To strengthen the EU's position as a global leader in climate action
- To protect the security of citizens comprehensively

Common values are a principal feature of EU Presidencies. According to Finnish Justice Minister Henriksson: "The common value base of the Member States is a founding principle of the entire Union. Without a strong, shared value base, the EU will not be able to effectively respond to today's challenges and safeguard citizens' rights. A shared value basis is a prerequisite for a sustainable Europe and for a sustainable future."³

In addition, one of the leading themes on the Finnish agenda is the **rule of law**. Although this may appear strong in rhetoric and weak in implementation, new approaches may be adopted to help countries comply with the rule of law.

As the Finnish programme outlines, 'the European success story is anchored in democratic institutions, human rights and the rule of law. We need to strengthen the rule of law to enable the EU to credibly defend a rules-based multilateral system and international human rights institutions and to allow its citizens to enjoy peace and equal rights.'

Furthermore, the Finnish priorities for the Presidency are closely aligned to the EU's new Strategic Agenda released in June 2019. The agenda emphasised a commitment to the European project, common values, unity and consensus, as well as support for the multilateral system. In both the EU Strategic Agenda and in the priorities of the Finnish Presidency, **protection** is seen as a central theme: protection of citizens and freedoms, and protection of Europe's interests and values in the world (Strategic Agenda) and **protecting the security of citizens** (Finnish Priorities).

The EU agenda also outlined developing the EU economic base and a social Europe, including an important objective of the Finnish Presidency for a more **competitive and socially inclusive Europe**.

Finland's Ambitions for a Green Presidency

Climate change is an essential component of the Finnish Agenda and climate neutrality and placing the EU as a global actor in climate change is a core policy goal for the Finnish Presidency.

Indeed, fighting climate change has been the most dominant policy orientation of the EU and certainly top of the agenda in recent years. In his first speech as Prime Minister of Finland, Antti Rinne emphasised the necessity to confront the climate change crisis and for the EU to become a global leader in **climate action**.

Finland has also announced that it will offset emissions from air travel during its term in office and that it will fund green-friendly projects to 'reduce greenhouse gas emissions and simultaneously advance sustainable development goals.' Prime Minister Rinne also declared that 'solving the climate crisis could be Europe's next heroic act, one that will be admired and praised by future generations.'

However, EU regulations must be in line with climate change objectives and require enormous long-term investments to ensure a carbon-free future. While this may be commendable, EU leaders must be willing to implement policy changes in order to meet environmental targets that are sustainable and pragmatic.

Sustainability as a Motto for Finland's Agenda

The Presidency offers Finland an opportunity to demonstrate a determined role in creating a more sustainable future for all Europeans. The motto of **sustainability** for the Finnish Presidency is broadly interpreted and includes, sustainable growth and employment, for the single market economy, for a digital economy and a for a transition to a low carbon economy.

As defined in the Finnish programme priorities: 'The single market is among the world's largest economies, with a GDP of EUR 15 trillion. It includes 500 million consumers and 21 million small and medium sized enterprises.' Promoting this agenda as well as the European Pillar of Social Rights, in addition to **competitiveness** and a **socially inclusive** EU, requires determination on the part of EU leaders. It will need action, practical implication and implementation. Completion of the Single Market especially for services, and promotion of free trade is seen as an important goal for the Presidency.

On the social agenda, the Finnish Presidency will host a conference to take stock of the equal opportunities for men and women in the labour market. The focus is also on wellbeing and skills, especially for young people. It has coined the term an 'economy of wellbeing', to indicate its intention to promote a new holistic approach aimed at:

- increasing understanding of how people's wellbeing enhances productivity;
- generating sustainable economic growth; and
- reducing public expenditure in the long term.

Finland: Leading on Digital Matters

Linking the theme of the economy of wellbeing, the Finnish Presidency will explore how digitalisation can increase the quality of life and sustainable development in cities while continuing to accelerate economic growth. Digitisation, a focus on artificial intelligence and the data led platform economy are regarded by the Finnish presidency as essential prerequisites for growth and prosperity, and for the EU to become a global player in this policy area. The role of artificial intelligence, digitisation for defence capabilities, dealing with hybrid threats and the coordination of best practice in actions to counter cyber threats in EU Member States, are important elements of the Finnish agenda. This is not

surprising, as the country is host to the EU's Centre of Excellence for Countering Hybrid Threats (Hybrid CoE).

Conclusion: Commentators suggest that while some issues of 'unfinished business' such as migration are unlikely to make much progress during the Finnish Presidency, the ambitious agenda put forward by the Finns suggest that this Presidency will be both dynamic and challenging. As the Finnish Prime Minister stated: "The next six months will be crucial in terms of the future direction the EU will take."

Important Dates in the Finnish Presidency

- 15 July: Foreign Affairs Council
- 18 July: GAC
- 24 July: ECOFIN
- 25 July: Political and Security Committee
- 29 August: Informal Meeting of Ministers for Foreign Affairs
- 10 September: GAC
- 13 September: EUROGROUP
- 16 September: Flagship Conference on 'Building Social Europe'
- 9 October: EUROGROUP
- 10 October: ECOFIN
- 17 -18 October: European Council Summit
- 7 November: EUROGROUP
- 15 November: ECOFIN
- 4 December: EUROGROUP
- 05 December: ECOFIN
- 10 December: GAC
- 12 -13 December: European Council Summit

Endnotes

1. Morgan, Sam. 'Finland pledges carbon neutrality on the eve of the EU Presidency.' <https://www.euractiv.com/section/climate-environment/news/finland-pledges-carbon-neutrality-on-eve-of-eu-presidency/>
2. 'Endorsement of the Programme for the incoming Presidency Trio- Romania, Finland, Croatia- by the General Affairs Council.' 18 December 2018. <https://www.romania2019.eu/2018/12/12/endorsement-of-the-programme-for-the-incoming-presidency-trio-romania-finland-croatia-by-the-general-affairs-council/>
3. EU2019. Press Release. Press Release. EU2019FI.'Common values and the future course of internal security on the agenda of EU Justice and Home Ministers in Helsinki.' www.eu2019.fi