# Swedish Presidency of the Council of the European Union



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#### - first semester 2023

Sweden is assuming the Presidency of the Council of the European Union at a time of historic challenges for Member States and the Union as a whole. Russia's illegal, unacceptable and unprovoked invasion of Ukraine is a threat to European security, with dire consequences for migration, as well as global food and energy supplies. Ukraine is fighting for its survival as a nation – and for the security and lives of its citizens. The EU and its Member States have rallied unprecedented support for Ukraine and will remain firmly by its side. Continued cooperation with trusted partners, including a strong transatlantic link, needs to be secured.

European economies are severely affected by Russia's war as well as the ongoing manipulation of energy supply. Rising inflation levels, interest rates and energy prices have left companies and citizens struggling. While decisive action has been taken, it is imperative that we stay firm in our transition to the green economy and safeguard the basis of our economic model for long-term growth.

Our unity and readiness to act remain key to EU security, resilience and prosperity.

#### **Security – unity**

The swift and decisive EU response to the invasion of Ukraine is a manifestation of our strength when we act together. The Swedish Presidency will prioritise continued economic and military support for Ukraine, as well as support for Ukraine's path towards the EU. This will require further efforts at both national and EU level. Further steps are needed for reconstruction and reform towards EU integration.

To strengthen the security of our Union and citizens, we must build consensus towards a robust European security and defence policy, in close cooperation with partners. Further steps will build on our common action to counter Russia's aggression towards Ukraine, as well as the implementation of the Strategic Compass and other initiatives. The fight against cross-border organised crime will continue, responding to citizens' legitimate demands for safe and secure communities.

#### Resilience – competitiveness

The most urgent political attention is by necessity devoted to the war in Ukraine and its short-term consequences. Simultaneous attention on efforts to drive economic growth remains necessary to meet our long-term challenges. Europe's strength, resilience, and global standing depend on our economic output, which is closely linked to the single market and global trade opportunities.

Economic actors profit from operating in the largest single market in the world and compete successfully on world markets, laying the foundations for European wealth, welfare and international standing. The EU must continue to provide the best possible conditions for a sound and open economy based on free competition, private investment and successful digitalisation.

The Swedish Presidency will seek to anchor a concerted approach to European competitiveness at the top of the political agenda.

#### Prosperity - green & energy transition

The Swedish Presidency will continue efforts to tackle high and volatile energy prices while addressing long-term energy market reform.

The global climate challenge requires a global response. Europe must lead by example, by delivering on ambitious climate goals, boosting growth and competitiveness. We will put Fit for 55 into action and speed up the energy transition.

In periods of industrial and technological transition, early movers have a competitive edge. European companies and industries are already leading the transition. Joint European steps towards independence from fossil fuels are necessary not only for the green transition, but for our security. European companies that provide green solutions will be in high global demand and can help drive the transition towards a circular economy.

The transition to a resource-efficient, fossil-free future will require major investments in innovative industries that can translate the best ideas and innovations into functional solutions. We need to provide the right regulatory framework and policies to attract these investments.

#### Democratic values and the rule of law - our foundation

The European Union is based on democratic values, paving the way for cohesion, individual freedoms, non-discrimination, increased economic output and global influence. Upholding the principle of the rule of law and fundamental rights is therefore an essential element of Sweden's – and indeed every – Presidency of the Council.

### **General affairs**

The Swedish Presidency stands ready to actively contribute to the European Union's response to the consequences for the Member States of Russia's illegal aggression against Ukraine. In light of the current geopolitical situation, it is all the more important that we safeguard the Union's fundamental values, which are prerequisites for the trust upon which our deep-rooted legal and economic cooperation within the EU is based.

Taking as its starting point the Commission's annual Rule of Law Report, which includes recommendations addressed to the Member States, the Presidency will continue the Council's country-by-country rule of law dialogue. The Presidency will take the Council's work on the Article 7 procedures forward in a constructive spirit.

The Presidency will follow up on the European Council's decision to grant candidate status to Ukraine and Moldova and to offer a European perspective to Georgia, and will continue the EU integration process of the Western Balkan countries. The future of these countries and their citizens lies in the EU. The EU needs to continue to support these countries in their efforts to implement reforms as part of the accession process. Reforms in the area of the judiciary and rule of law are crucial.

Not much is yet known about the Commission's review of the functioning of the Multiannual Financial Framework, which is due to be published during the second quarter of 2023. The Presidency is, however, ready to deal with the matter in whatever way the Member States find most appropriate, in close coordination with subsequent presidencies.

The 2024 European Parliament elections will raise such issues as election integrity and the importance of facilitating the free formation of opinions. Russia's aggression against Ukraine has further demonstrated the risks associated with disinformation and the importance of protecting democratic elections from it. The Presidency will work to advance the EU's work regarding the negotiations on the Regulation on the transparency and targeting of political advertising. The Presidency will also continue working on the proposed amendments to the EU Electoral Act, with the aim of achieving a broad consensus.

The Presidency will support the Commission's efforts in the day-to-day implementation of the EU-UK agreements and thus work to establish a forward-looking and deeper relationship. The Presidency will work to strengthen and improve the EU's crisis preparedness and crisis management capabilities. In the area of cybersecurity, the Presidency will continue to build on the EU's efforts to prevent and deal with cyber threats.

The Presidency will follow up on the work of the Conference on the Future of Europe and strive to achieve a broad consensus among the Member States on how to proceed with its proposals. If circumstances permit, the Presidency will advance the discussions on effective decision-making processes, including qualified majority voting in certain areas of the Common Foreign and Security Policy.

The Presidency will support the Commission's work to present an initial voluntary review of the EU's implementation of the 2030 Agenda. The Presidency intends to work to ensure that there is broad and ambitious agreement among the Member States ahead of the midterm review of the 2030 Agenda and the continued implementation of the Sustainable Development Goals.

The role of the General Affairs Council in coordinating preparations for meetings of the European Council, and their conclusions, will be safeguarded by the Swedish Presidency.

# **Foreign Affairs**

Sweden is taking over the Presidency of the Council of the EU at a time when war is raging in Europe. Russia's invasion of Ukraine means that the Common Foreign and Security Policy will be high on the EU agenda during the Swedish Presidency. It is in the interest of the EU to contribute to counteracting Russia's aggression. Continued support for Ukraine – political, economic, military, humanitarian and legal – will be critical, as will various types of measures in response to Russia's aggression and action in a large number of areas affected by the war. This includes the ongoing enlargement process, cooperation with our key partners such as the United States and the United Kingdom, enhancing the EU's crisis management capability, and the broader global agenda. This places great demands on the EU as a foreign and security policy actor. The EU needs to promote its institutional integrity and strategic interests, uphold the rules-based international order, and safeguard fundamental values, international law, democracy, human rights and the rule of law in the EU's neighbourhood and globally.

The Swedish Presidency will support the President of the European Council and the High Representative in their efforts to fully utilise the unique set of tools at the EU's disposal, in close coordination with the Commission. The Presidency's most important task in the area of foreign and security policy is to contribute to a united, engaged and effective EU. The Swedish Presidency will work to strengthen the EU as a global actor.

#### **Foreign Affairs**

The Swedish Presidency will promote a continued active and united EU policy to counteract Russia's aggression against Ukraine. This involves putting pressure on Russia, Belarus and other responsible parties, including by imposing sanctions and demanding accountability, and providing Ukraine with political, economic, military, humanitarian and legal support, including in its reconstruction. Establishing an international coordination platform for reconstruction support is a priority task, and the EU has an important part to play. EU efforts to mitigate the serious global repercussions of the war, in terms of food security and ensuring broad and sustainable international support for EU policy, for instance, need to continue. Globally, including in UN activities, the EU must also remain a clear voice and a strong force for support for Ukraine and against Russian aggression. In parallel with the aggression against Ukraine, repression continues to increase in both Russia and Belarus. These countries' civil societies and democratic oppositions need EU support. EU consensus remains crucial.

Developments in the EU's neighbourhood are crucial for the EU. During its Presidency, Sweden will contribute to the efforts to foster closer contacts with relevant countries. Developing well-adapted formats for relations with the countries in the Eastern Partnership will be high on the agenda and, in addition to fostering closer ties with the EU, will also include strengthening the security dimension. Security developments in the Western Balkans are important to both the region and the EU. The EU has a strategic interest in stable and secure conditions in the Eastern Mediterranean, including cooperative and mutually beneficial relations with Turkey.

The European Political Community contributes to political dialogue and cooperation on issues of common interest to enhance security and stability on the European continent.

At a time of global democratic backsliding, the EU's voice is more important than ever. Sweden will work to ensure that human rights, democracy, the rule of law, gender equality, and peace and security have an impact on the EU Common Foreign and Security Policy. Sweden intends to contribute to the midterm review of the EU Action Plan on Human Rights and Democracy, which will be implemented during its Presidency. Sweden will strive to ensure that the Action Plan on Gender Equality and Women's Empowerment in External Action 2021–2025 (GAP III) is implemented.

The global and foreign policy dimensions of climate issues, including the security implications of climate change, will be important during the Swedish Presidency, as will continued efforts to enhance EU climate diplomacy.

Sweden will contribute to strengthening the EU's role as a security actor both in its neighbourhood and globally, with the implementation of the Strategic Compass playing a key role. During its Presidency, Sweden will also continue to show leadership in civilian crisis management and work to develop a new Civilian Common Security and Defence Policy Compact, as well as to enhance collaboration between EU internal and external crisis management formats. Sweden will continue the fight against terrorism and violent extremism, and against cross-border crime.

Within the context of the Presidency, Sweden will promote continued strong EU engagement in, and support for, the UN system.

The work to implement and develop the EU's response to antagonistic cyber threats will continue during the Swedish Presidency. Furthermore, Sweden will work to better integrate cyber diplomacy issues and the EU's external digital policy into its overall foreign policy. Sweden will also continue to work to achieve an effective and uniform implementation of EU sanctions and coordination with EU partner countries.

At this geopolitically turbulent time, EU cooperation with international partners is key. The Swedish Presidency intends to actively contribute to ensuring that the EU develops and enhances its transatlantic cooperation with the United States, but also EU-NATO cooperation, and cooperation with the United Kingdom, Canada and Latin America. Sweden intends to continue the efforts to implement the Global Gateway Strategy to enhance global connectivity.

Sweden will continue to support ongoing efforts for a clear, united and effective EU policy on China, based on the interests and values of the EU. The Swedish Presidency will work to increase information exchange and strengthen consensus and solidarity on issues relating to China. The Swedish Presidency will also continue to implement the 2021 EU Strategy for Cooperation in the Indo-Pacific and the conclusions of the 2022 ministerial conference. The focus will be on security and defence, value chains, climate and sustainability, and trade relations.

Sweden will support the implementation of the European Commission Communication on the Gulf region. The Swedish Presidency will work to strengthen the EU's commitment to the crisis in Yemen. A continued principled and common approach to the conflict in Syria will be sought. The Swedish Presidency will encourage the EU to continue its pursuit of a coherent Iran policy, including continued efforts to revive the nuclear deal and an increased focus on respect for human rights. Sweden will also strive to ensure that EU efforts to contribute to a negotiated two-state solution to the conflict between Israel and Palestine continue. Sweden will support the implementation of the EU partnership with the Southern Neighbourhood.

The Swedish Presidency will contribute to highlighting the EU's added value as a strategic partner of African countries, including on development, trade and security issues. The Presidency will also strive to strengthen relations with African countries and with the African Union, not least in light of Russia's invasion of Ukraine and its severe impact on the continent. Cooperation with Africa will be very important in promoting democratic development, upholding the rules-based international order and tackling global challenges. The African countries are important partners in global climate efforts, in promoting safe, orderly and managed migration, and in combating terrorism and transnational organised crime.

The Presidency will contribute to developing cooperation with the countries of the European Economic Area (European Free Trade Association) and ongoing work on the EU's future relations with Switzerland. Sweden will monitor the progress of the association agreement negotiations with Andorra, San Marino and Monaco, with a view to their conclusion.

Democracy, the rule of law, gender equality and human rights are important elements of EU cooperation with partner countries, for example in contributing to long-term security and development. Migration is an important aspect of EU cooperation with third countries, for example in counteracting irregular migration and increasing returns.

#### **Defence**

Given the deteriorating security situation in Europe, security and defence issues in the EU have become more important. Sweden welcomes efforts to strengthen European defence capabilities and the EU's ability to act. The Presidency will support EU efforts to continue providing military support to Ukraine, and issues such as long-term planning and consensus are particularly important. The Strategic Compass provides a framework for the development of EU security and defence policy in the years to come. The Swedish Presidency will work to implement the defence-related sections of the Strategic Compass.

The Swedish Presidency intends to contribute to the development of the EU's bilateral, multilateral and regional security and defence policy partnerships by highlighting the importance of enhanced cooperation and dialogue with strategic partners. Promoting EU NATO cooperation is a particular priority. Discussions on developing EU military operations and utilising the European Peace Facility will continue.

The Presidency will advance negotiations on a short-term instrument to enhance the European defence industry through joint procurement. The Presidency is prepared to initiate negotiations on an upcoming long-term European investment programme in the area of defence.

Sweden will support EU efforts to strengthen resilience to different types of threats and risks, in both digital and physical infrastructure. During its Presidency, Sweden will promote work on a space strategy for security and defence. The Presidency will also advance the work on the proposal concerning an EU cyber defence policy.

#### **Development**

In the area of EU international development, the Swedish Presidency will focus on support for Ukraine and addressing the global impact of Russia's aggression. The role that the EU and its Member States play as the world's largest aid donors will be further strengthened.

The Presidency will contribute to developing and strengthening the EU's role in global health based on the new EU Global Health Strategy and the lessons learned from the

COVID-19 pandemic. Sweden also intends to continue strengthening EU efforts to combat development obstacles such as corruption.

The European development policy agenda will continue to be developed, using the Global Europe instrument as a basis and the Team Europe Initiatives as tools. The work must be clearly linked to principles of effective development cooperation and sustainable financing for development, with a focus on mobilising private capital for sustainable investments in developing countries. The Swedish Presidency will contribute to utilising and advancing synergies between trade and development cooperation.

The Presidency will strive to conclude negotiations on the post-Cotonou Agreement with the aim of implementing a modern partnership agreement between the EU and African, Caribbean and Pacific countries. The Swedish Presidency is also an important platform for advancing the EU's leading role in global humanitarian contexts, including Sweden's hosting of the European Humanitarian Forum.

#### **Trade**

The Swedish Presidency will work to ensure that the EU continues to build open, strong and sustainable trade links with the rest of the world, and that it enters into modern bilateral and regional free trade agreements. The EU's ability to act both in its neighbourhood and globally is also strengthened by an open and sustainable external trade policy and a deepened single market. Trade policy aspects that contribute to the reconstruction of Ukraine are a priority. The Presidency will also prioritise trade relations with the United States, including in the Trade and Technology Council.

The Presidency will actively continue negotiations on ambitious free trade agreements with third countries to strengthen EU competitiveness. The Presidency will strive for continued support for the EU's free trade and partnership agenda in the Indo-Pacific region and Latin America, including Australia, Chile, India, Indonesia, Mercosur, Mexico and New Zealand.

The Swedish Presidency also intends to carry on with the review of the Regulation on removing or reducing tariffs for developing countries, and the negotiations on protection against economic coercion. The Presidency will continue to reform the system for investment disputes with the aim of setting up a multilateral investment court.

A modern and forward-looking EU trade agenda must include the digital transition and the transition to a sustainable, climate-neutral and fossil-free economy. The Swedish Presidency will thus facilitate digital trade through bilateral trade agreements and the joint initiative on eCommerce in the World Trade Organization (WTO), and support the

application of the Commission Communication on enhanced sustainability in trade agreements and the subsequent Council conclusions. The Presidency will also strive for continued reforms of the WTO.

### **Economic and financial affairs**

The economic outlook in the EU has deteriorated drastically following Russia's full scale invasion of Ukraine. The Swedish Presidency will be operating in an environment of great economic uncertainty, with high inflation, a serious energy crisis and rapidly rising interest rates curbing consumption, production and investment. Member States' governments are under severe pressure to manage the repercussions for households and businesses. The Presidency will strive for unity in this challenging situation, and for effective use of the joint instruments that are in place.

Ukraine needs extensive economic support from the EU in both the short and the long term. In the short term, it needs liquidity support. At the same time, the long-term reconstruction of Ukraine is a pressing concern. The Presidency will work to ensure constructive discussions and progress on ways in which the EU can support Ukraine, together with bilateral partners and international financial institutions. Other countries in the EU's neighbourhood, e.g. Moldova, may also require support in 2023 to deal with the economic consequences of the war.

Much work remains to be done both in the Member States and at EU level to implement important reforms and investments within the Recovery and Resilience Facility. The Presidency will move this work forward, taking account of REPowerEU. The Presidency will also work to ensure the effective implementation of the European Semester, which is an important tool for handling the current exceptional economic circumstances and modernising the EU economy.

The economic governance review will enter an intensive phase in the first half of the year. Taking the Commission's proposals and the progress made under previous presidencies as its starting point, the Swedish Presidency will move the work forward and help achieve consensus. The results of this review are important in terms of achieving responsible economic policy that supports a transition towards sustainable public debt and growth in all Member States. The Presidency also intends to tackle the deactivation of the Stability and Growth Pact's general escape clause ahead of 2024.

A review of the Energy Taxation Directive is under way, as the current directive is outdated and is not coordinated with other EU measures. The Presidency will continue discussions in the Council. The Presidency will also continue the work on the proposal for new VAT rules for the digital age.

In the area of direct taxation, priority will be given to measures aiming to prevent tax evasion, tax avoidance, aggressive tax planning and harmful tax competition, such as updating the EU list of non-cooperative jurisdictions. In addition, the Presidency will work to ensure greater tax transparency and to reinforce the exchange of relevant information within the EU. The Presidency stands ready to advance the work on further strengthening EU administrative cooperation on taxation.

In the financial area, the Presidency will seek to continue the fight against international crime by advancing the efforts to tackle money laundering and the financing of terrorism. This will involve advancing the negotiations on establishing a new EU body in this area and on the 'rulebook'. The Presidency will also prioritise efforts to create an open and competitive capital markets union to strengthen the internal market and bolster the green transition. It is crucial to ensure continued high consumer and investor protection and help ensure transparency and sustainability in the capital market. For this reason, the Presidency will continue the work on regulatory frameworks for funds and financial instrument markets, and a European single access point for financial and non-financial information. Financial stability efforts will continue, including through progress in the area of banking and insurance with regard to enhanced resilience, the implementation of international standards, and crisis management. The Presidency is also ready to initiate discussions on new proposals presented by the Commission during the first half of the year, including on the digital euro and consumer protection.

The Presidency is prioritising efforts to ensure the correct, appropriate and effective application of the conditionality mechanism to ensure sound financial management of the EU's budget and protection of the EU's economic interests. The Presidency will also seek to make progress on efforts to modernise the regulatory framework for sound financial management, in the form of a revised Financial Regulation. In addition, the Presidency intends to continue the ongoing dialogue on the Commission's proposal on next-generation own resources.

In the first half of 2023, the Council will undertake its customary scrutiny of the European Commission's implementation of the budget, and provide a recommendation to the European Parliament on whether to grant the Commission discharge. This scrutiny is significant in light of the special instruments and support established in the wake of the COVID-19 pandemic, which will be scrutinised for the first time.

In the area of customs, the Presidency will move the ongoing efforts to reform the customs union forward. The customs union plays an important role in many areas, not least in facilitating competitive neutrality in international trade. Improved cooperation among the Member States, and between the European Commission and the Member States, is crucial.

The Presidency will also move the negotiations forward on the revision of the Regulation concerning the illegal manufacture of, and trade in, firearms.

### **Justice and home affairs**

Russia's aggression against Ukraine has consequences for the EU's internal security and migration in our neighbourhood. At the same time, we are reminded of the power of the rule of law and fundamental rights.

Combating organised crime, terrorism and violent extremism is a priority in order to ensure the safety of EU citizens.

The EU needs an effective migration and asylum system. Achieving this requires action within the EU, and also outside its borders in cooperation with third countries. A review of the migration and asylum system is important as a matter of principle and in strategic terms, and also critical for ensuring effective Schengen cooperation.

Europol and Eurojust play a crucial role in the investigation and prosecution of cross-border crime. To ensure the effective prosecution of crime linked to several Member States, it is important that criminal investigations and prosecutions can be more easily coordinated in a single Member State. This requires clear rules. The Presidency will therefore prioritise the forthcoming proposal for a Directive on the transfer of criminal proceedings.

To ensure that the authorities can effectively confiscate proceeds of crime, the Presidency will intensify the continuing negotiations on the proposal for a new Directive on asset recovery and confiscation. If EU sanctions against Russia, Belarus and other countries and actors are to be effective, the Member States must prosecute sanction breaches. The Presidency will lead the work on the proposal to set a minimum level for the criminalisation of, and sanctions for, breaches of EU restrictive measures, as well as on demanding accountability for the war crimes and other serious crimes being committed in Ukraine.

To combat crimes committed online or planned and communicated using digital services, EU law enforcement authorities need access to readable information and electronic evidence, including encrypted data, from those digital services. States governed by the rule of law must be able to prosecute crimes whether they are committed online or offline. The Swedish Presidency therefore supports continued and intensified efforts to ensure and develop access to communication data and eEvidence. Increased automation and common standards are important prerequisites for more effective exchange of information. The Presidency will also move negotiations forward on the Prüm II Regulation, as well as on

the implementation of the interoperability programme and the Directive on information exchange. The Presidency intends to initiate negotiations on the Commission's proposal to improve the possibilities for collecting and using advance passenger information in order to strengthen border controls and law enforcement.

We must prevent and combat sexual offences against children. The work to combat men's violence against women and intimate partner violence is important, and the Presidency will drive negotiations forward on a new directive. Furthermore, the Presidency will advance the negotiations on the revision of the Environmental Crime Directive as far as possible. The Presidency will also continue to work to ensure that the EU ratifies the Istanbul Convention.

To safeguard the wellbeing of society and individuals, public health and public safety, the Presidency will work on the implementation of the EU Drugs Strategy and the EU Drugs Action Plan 2021–2025. The Presidency will also advance the work on a new mandate for the EU Drugs Agency.

In addition, the Presidency intends to advance the negotiations on a Pact on Migration and Asylum in accordance with the agreement between the institutions to conclude negotiations during the current parliamentary term. The Presidency also intends to work to ensure more operational, effective and coordinated cooperation with third countries and effective implementation of migration-related actions within the framework of the EU's external action. This will be done by, for instance, following up on the EU's work with priority third countries and current political issues. Returns are a central part of this. The Presidency will also have to deal with the migration consequences of Russia's invasion of Ukraine. In light of this invasion and the increased risk of natural disasters induced by a changing climate, the Presidency will also support EU civil protection cooperation.

The EU is founded on shared values and respect for fundamental rights and freedoms. The EU Charter of Fundamental Rights forms one of the cornerstones of the Union. We cannot take these rights and values for granted; safeguarding them is a continuous process. The Swedish Presidency therefore intends to actively continue the Council's efforts to uphold respect for fundamental rights and follow up on the application of the Charter within the EU. To strengthen the protection of fundamental rights and freedoms throughout Europe, the Presidency will strive to ensure that the EU accedes to the European Convention on Human Rights as soon as possible.

It should be easy to live in the EU. People should be able to work, study, trade and have a family across borders without their access to justice being compromised. Civil law regulations play an important role in this context. The Presidency will proceed with ongoing negotiations and take on new proposals, including on rules concerning the recognition of parenthood, insolvency and liability for defective products. In addition, the

Presidency will continue the work on a proposal designed to strengthen the protection of journalists and other media professionals participating in the public debate against baseless legal proceedings and abusive litigation.

Digitalisation is an important tool in making life easier for citizens and businesses. To improve individual access to justice and cooperation between judicial authorities, the Presidency will continue the work on the proposals concerning the digitalisation of judicial cooperation.

# Employment, social policy, health care and consumer affairs

The Swedish Presidency will take place in the wake of the COVID-19 pandemic and Russia's ongoing invasion of Ukraine, rising inflation and the energy crisis. These crises have considerable social, employment and health policy implications for European citizens, and demonstrate the importance of cooperation in addressing common challenges. All citizens must be equipped for a rapidly changing labour market. Basic skills and lifelong learning are the building blocks that resolve skills supply challenges. Work is the most important prerequisite for self sufficiency and reduces the risk of poverty and social exclusion, which also leads to increased opportunities to invest in publicly financed welfare.

#### **Employment and social policy**

All employees have the right to a good working environment regardless of the size of the employer or form of employment. The Swedish Presidency intends to advance the proposal to revise the Asbestos Directive and begin work on the anticipated proposal to revise the Chemical Agents Directive. The Presidency also intends to advance the proposed Directive on improving working conditions in platform work. An initial progress briefing on the EU Strategic Framework on Health and Safety at Work 2021–2027 is planned.

The social partners play a vital role in a well-functioning labour market. The Presidency intends to strengthen the social dialogue by addressing the proposal announced by the Commission for a Council recommendation on enhanced social dialogue.

The Swedish Presidency will continue working towards increased gender equality, including by following up on paragraph 202 of the Beijing Platform for Action on institutional gender mainstreaming.

Equality and non-discrimination are fundamental EU values that play a major role in ensuring equal rights and equal opportunities for all. Equality bodies play an important role in this work, and the Presidency will thus advance the proposed Directive on equality bodies. For the same reason, the Presidency intends to advance the trilogues on the

proposed Directive on binding measures for transparency in salary-setting and negotiations in the Council on the proposal for an anti-discrimination directive.

It is essential that the rules for coordinating social security are modernised and reflect the social and economic reality in the Member States. The Presidency will thus continue working on the revision of the regulations on social security coordination.

The Presidency will continue working on the strategy for health and social care and highlight issues concerning independent living for older people and an ageing population. In this context, the Presidency will highlight the forthcoming report of the High-Level Group on the future of social protection and of the welfare state in the EU. The Presidency will also strive to strengthen the rights of the child and promote the integration of these rights. The Presidency intends to use the EU Strategy for the Rights of Persons with Disabilities as a springboard for highlighting disability policy issues to promote, protect and ensure the full and equal enjoyment of human rights for people with disabilities.

#### **Health care**

The Swedish Presidency intends to build on lessons learned from the COVID-19 pandemic. The Presidency will address the many issues in the area of health and medical care that are due to be negotiated, such as the proposal concerning a Regulation for a European Health Data Space, and the proposal concerning a Regulation on standards of quality and safety for substances of human origin intended for human application.

The Presidency will also promote the implementation of Europe's Beating Cancer Plan. The Presidency will promote effective EU coordination during negotiations in the World Health Organization on an international pandemic treaty and supplementary amendments to the International Health Regulations. Another important issue is advancing efforts to renew the EU Global Health Strategy. The Presidency will also highlight public health policy risks relating to increased loneliness.

In the area of health, the Swedish Presidency will prioritise pharmaceutical products. In the case of unforeseen events, access to medicines and medical devices can be affected and shortages may occur. This was further accentuated during the COVID-19 pandemic. The Presidency will advance the Commission's forthcoming proposals on updating the general pharmaceutical legislation and proposals on new regulations concerning orphan medicinal products and paediatric medicines. Another issue that is expected to come before the Council is the proposal for a new Regulation concerning the European Medicines Agency's

fees. The Presidency will also support the work on implementing the newly adopted Medical Devices Regulation.

Antimicrobial resistance, particularly antibiotic resistance, is one of the greatest health threats of our time and affects high-, middle- and low-income countries. The Presidency will strive to maintain the possibility of effective treatment of bacterial infections in humans and animals, and to keep the issue at the top of the international agenda. In order to contribute to this, the Presidency will highlight efforts to ensure sustainable access to effective antimicrobials and the EU's contribution to reducing antimicrobial resistance at global level.

# Competitiveness

The Swedish Presidency will strive to ensure that the ambition of strengthened European competitiveness is the guiding principle. Russia's invasion of Ukraine, the energy crisis and rising inflation entail significant challenges for European businesses. Short-term emergency measures are needed to tackle these. However, temporary crisis measures cannot become the 'new normal', and the EU needs to plot a course for how it will handle future challenges and crises. It is therefore necessary to put competitiveness front and centre. Only through competitive businesses can we create sustainable growth, accelerate the green and digital transitions, increase economic resilience and strengthen the EU's geopolitical importance. Measures at EU level need to be based on fundamental values such as openness, freedom of movement, effective competition, uniform and growth-promoting regulatory frameworks and innovation. The Presidency will mark the 30th anniversary of the launch of the internal market. This is a natural starting point in establishing a path for how EU competitiveness can be strengthened in the long term.

#### **Internal market and industry**

Markets with effective competition play an important part in EU competitiveness. The Presidency will ensure that the importance of competition is highlighted in EU work on the green and digital transitions in the business sector and in the response to ongoing and potential future crises. The Presidency will work towards long-term and predictable rules that promote effective competition and reduce the regulatory burden, allowing the EU to take the lead on digital innovation. Among other things, the Presidency will work to promote comprehensive impact assessments and evaluations in the Commission, the Council and the Parliament.

In the area of the internal market, efforts to eliminate trade barriers for both goods and services will continue, along with efforts to improve the application of and compliance with the existing internal market regulations. The Presidency will mark the 30th anniversary of the launch of the internal market, with a view to attempting to establish a path for how EU competitiveness can be strengthened in the years to come. The need to develop the possibilities for strengthened competitiveness and an accelerated digital and green transition in the digital and services sectors will play an important part in this regard.

The Swedish Presidency will prioritise work on the interconnected negotiations on the new Ecodesign Regulation and Construction Products Regulation, both of which aim to ensure an efficient and effective internal market that contributes to a circular economy with reduced environmental and climate impacts. Furthermore, the Presidency will also work on the negotiations on the legislative draft of the Single Market Emergency Instrument, which is intended to help respond to crises. Two other legislative proposals to be dealt with concern prohibiting the placing on the market of products made using forced labour, and short-term accommodation rentals in the internal market. The Presidency will initiate negotiations on an upcoming proposal for a directive to expand and upgrade the use of digital tools and processes in company law.

In the area of industry, the Commission has announced an initiative on critical raw materials that is intended to be an important step towards reducing vulnerability and ensuring that the EU remains a world leader in the green transition. The Presidency will also prioritise the review of the Euro 7 emissions standards for combustion engine vehicles, and intends to initiate negotiations in the Council. The European Chips Act is a step towards strengthening Europe's semiconductor ecosystem and creating diversification opportunities for an increasingly digital economy. The Presidency will move the work on this forward.

In the area of intellectual property, the Presidency will highlight the entry into force of the unitary patent system, which is groundbreaking for the future of innovation in the EU. Furthermore, the Presidency will initiate negotiations on a review of the design protection legislation. The Presidency will also focus on informal trilogues on protected geographical indications for craft and industrial products. On the intellectual property front, the Presidency will focus on the question of remuneration when music from third countries is played in the EU. In the area of consumer protection, the Presidency will take the Directive on distance marketing of financial services and the negotiations on the Directive on empowering consumers for the green transition forward as far as possible.

#### Research and innovation

Alongside effective markets, knowledge and innovative capacity are important prerequisites for enhanced competitiveness. Research and innovation are also prerequisites for tackling crises and societal challenges, ensuring security and prosperity for the citizens of Europe and implementing the green and digital transitions. The Presidency will work to support measures that promote open exchange of knowledge and data within the European Research Area, increase knowledge valorisation in our societies, accelerate the transition to open science and allow increased access to research infrastructures.

Research infrastructures contribute to research quality and societal benefit, for example in efforts relating to the green and digital transitions. The Presidency will highlight the

importance of measures that increase access to research infrastructures, and to their data and services, for researchers, businesses and society at large.

The transition to open science entails comprehensive change, making as many stages and tools as possible in research processes freely available online. To facilitate and drive the transition to open science, there are challenges and needs that must be addressed at both national and international level. These concern costs, skills and merits, for example. Questions are also raised concerning security and protection of research data, which actors have intellectual property rights over various publications and research findings, and how actors' knowledge and strategic use of those rights can be promoted. The Presidency will work to promote open science.

One of the five strategic objectives in the draft European Chips Act is strengthening Europe's research and technological leadership through a European partnership focusing on semiconductors and related technologies. The Presidency will continue processing the amendments to the Regulation establishing the Joint Undertakings under Horizon Europe, as regards the Chips Joint Undertaking.

#### **Space**

Space activities are a strategic asset in developing the information society and intersect with many other important societal issues. The Presidency's aim is to work towards measures that promote fair and sustainable use of space. The Presidency intends to take up the negotiations on the proposal for a Regulation establishing the Union Secure Connectivity Programme for the period 2023–2027, and to take these negotiations forward as far as possible.

# Transport, telecommunications and energy

Russia's invasion of Ukraine is having a major impact on both the European energy market and the European transport market. The consequences, namely high energy prices, an uncertain energy supply and disruptions in the supply of goods, have quite clearly demonstrated that the EU must quickly become independent of Russian fossil fuels and accelerate the green transition, which is also necessary if the Union is to achieve its climate targets. To achieve a successful climate transition and strengthen competitiveness, the EU needs a secure supply of more fossil-free electricity. At the same time, the Member States' right to determine their own energy mix must be respected. By accelerating the transition to a sustainable transport system, the EU will lead the way in the green transition. At the same time, infrastructure and transport need to be competitive and efficient and make the entire EU accessible.

The digital changeover also provides great opportunities for society and individual citizens. At the same time, the EU needs to remain open to the rest of the world in order to become a technological leader and navigate in a more geopolitical world.

#### **Transport**

Putting in place the regulatory framework required to achieve the EU climate targets and reduce EU greenhouse gas emissions by at least 55 per cent by 2030 is a priority. The Presidency therefore intends to focus on trilogues on transport legislation within the Fit for 55 package.

The further development of the Trans-European Transport Network (TEN-T) is an important aspect in terms of sustainably and efficiently strengthening and modernising Europe's transport infrastructure. The Presidency therefore intends to advance the TEN-T negotiations and, if necessary, take forward the work on revising the Intelligent Transport Systems Directive. This is an important step in promoting connected and automated mobility in road and other modes of transport. Negotiations on the revision of the Single European Sky rules will also continue.

There is high demand for green, safe and efficient transport within the Union and the EU needs to meet this demand. In line with this objective, the Commission is expected to

present a number of proposals on road, rail and intermodal transport in the first half of 2023, including a revision of the Directive on driving licences and a package for green freight transport. The Presidency intends to initiate negotiations in the Council on a number of these proposals.

A well-functioning internal aviation market is vital, not only to ensure good accessibility for all EU citizens but also to create conditions that are favourable to improved access to non EU regions and countries. The Presidency is ready to negotiate the Commission's forthcoming proposals to improve the internal aviation market and strengthen the resilience of aviation.

In the area of maritime transport, the Presidency will initiate negotiations in the Council on the legislative acts in the Maritime Safety Package: a revision of the directives on compliance with flag State requirements, port state control and maritime accident investigation. The proposals are necessary in order to adapt the EU regulatory framework to international regulatory developments and recent digital and technological developments, and to streamline supervisory activities.

#### **Telecommunications**

Developing new technologies, especially in the field of artificial intelligence, is a tool for achieving a more innovative, competitive, inclusive, secure and sustainable Europe. This includes introducing uniform rules on artificial intelligence within the internal market. The Presidency will initiate negotiations with the European Parliament and advance them as far as possible.

Efforts to put in place an interconnected European electronic ID and digital wallet system have the potential to lead to groundbreaking internal market reform. The Presidency's ambition is to initiate negotiations with the European Parliament and to advance them as far as possible.

Data is a strategic resource and the Presidency intends to contribute to the implementation of the European Data Strategy. At the same time, the EU must not cut itself off from the rest of the world. The Data Act is an important part of this work. The Presidency intends to take over work on the Act in the Council, initiate negotiations with the European Parliament and advance these negotiations as far as possible.

Digital infrastructure is a prerequisite for taking advantage of the opportunities afforded by digitalisation. The Presidency will begin the Council's work on the Connectivity

Infrastructure Act, which is designed to reduce the costs of expanding the high-speed electronic communications networks.

The Interoperable Europe Act is a key initiative to create the conditions for better EU-wide cooperation on data exchange and IT solutions between national administrations. Cooperation lays the foundations for both economies of scale and innovation. The Presidency intends to advance negotiations on this Act in the Council.

With increased digitalisation and a new global environment, the EU's information and cyber security efforts assume greater importance. The Presidency's objective is to advance as far as possible the negotiations in the Council on the Cyber Resilience Act and the trilogues on the Regulation on cybersecurity measures for the EU's own institutions, bodies, offices and agencies.

Security and protection of privacy in electronic communications remain of great importance for the further development of the digital single market. The Presidency will continue negotiations with the European Parliament on the ePrivacy Regulation.

#### **Energy**

The EU must be well-equipped for next winter and to address challenges in subsequent years too. The Presidency is ready to act quickly and resolutely to meet the pressing challenges presented by the current energy crisis. The priorities will be to closely monitor developments in the energy markets and the implementation of measures, deal with any further emergency proposals and reform the design of the EU's electricity market.

Implementating the Fit for 55 package is important so that the EU can achieve its goal of climate neutrality by 2050. The Presidency will continue to drive the informal trilogues with the European Parliament forward regarding the proposals for a revision of the Renewable Energy Directive and the Energy Efficiency Directive. It is important that the EU maintains high ambitions, while also taking into account the fact that the Member States are differently placed to help achieve its energy targets for 2030.

The Presidency will also advance the work on the proposal for a revision of the Energy Performance of Buildings Directive. By reviewing the regulatory framework, the EU can jointly improve the energy performance of buildings, reduce emissions from buildings and improve the availability of charging infrastructure.

The Presidency will advance the work on the proposals in the hydrogen and decarbonised gas market package. It is important to increase the proportion of renewable and low-

carbon gases in the energy system while reducing natural gas use. The Presidency will also continue to work on the proposal for a Regulation on the reduction of methane emissions in the energy sector. Reducing methane emissions from fossil energy sources is an important measure in the efforts to achieve the green transition. The Presidency will also continuously manage and, where necessary, coordinate the EU's position for international energy negotiations.

# **Agriculture and fisheries**

The European Union's work within the purview of the Agriculture and Fisheries Council will also be affected in 2023 by developments in Russia's aggression against Ukraine. Food production and food security issues will remain at the top of the agenda. In addition, the Swedish Presidency will actively promote the EU's work to achieve climate neutrality by 2050, in parallel with an increase in competitiveness, employment, food production, and health and welfare. In this spirit, the implementation of the European Green Deal will be high on the agenda in the first half of 2023. The green and blue industries' contribution to achieving the climate targets and their climate adaptation are important in this context.

#### **Agriculture**

The Presidency will monitor the market situation, not least in light of Russia's invasion of Ukraine, and trends in the prices for agricultural inputs, and will maintain a readiness to deal with any crisis or other market disturbances. The Russian invasion has affected agricultural costs for inputs such as diesel, fertiliser, electricity and feed. In addition, the scarcity of fertiliser poses a problem for future crop seasons. The Commission Communication on guaranteed access to, and fair prices for, fertilisers is important in this respect. The Presidency intends to follow up on any proposals and initiatives designed to strengthen European food production. Moreover, the Presidency will address trade-related agricultural issues and prioritise work on the role and potential of the bioeconomy.

The Presidency will move the negotiations on the revision of geographical indications forward as far as possible. In addition, the Presidency will advance the negotiations in the Council regarding the proposal for a Farm Sustainability Data Network.

The Presidency will prioritise negotiations on the revision of the Food Information to Consumers Regulation and its food labelling provisions. These proposals are an important part of the Farm to Fork Strategy and play a major role in helping consumers and producers make conscious and sustainable food choices. Moreover, the Presidency plans to advance the negotiations on the Regulation on the sustainable use of plant protection products.

The Presidency will initiate discussions both on the proposal for the revision of the legislation on seeds and plant and forest reproductive material and on the Commission's forthcoming proposal for a revision of the legislation for plants produced by certain new genomic techniques.

The Presidency may initiate discussions in the Council on the legislative proposal on forest monitoring and strategic plans. In global forums such as the United Nations Forum on Forests, the Presidency will encourage the promotion of sustainable forestry and value chains. The Presidency will monitor the implementation of the EU's Forest Strategy and ensure that the balance between the three dimensions of sustainability is observed.

#### **Fisheries**

In addition to participating in a number of international negotiations within the framework of the UN/FAO, sustainable fisheries partnership agreements and regional fisheries management organisations, the Presidency will initiate a debate on a review of the EU Common Fisheries Policy (CFP), including the common market organisation. In the fisheries sector, the Presidency will also work to advance the trilogues on the Fisheries Control Regulation in line with the objectives and principles of the CFP.

### **Environment**

The climate crisis and biodiversity loss are existential problems that must be resolved together. The EU has an important role to play as a global leader of the green transition. The EU reducing its net emissions by at least 55 per cent by 2030 and achieving climate neutrality by 2050 will make a key contribution towards halting climate change. The ongoing Russian invasion of Ukraine has further highlighted the need to reduce emissions, complete the transition to a more resource-efficient and circular society, and make the EU independent of fossil energy. Technological advances by European companies and citizens point the way towards the green transition for industry, transport and societies. This is crucial for jobs and welfare in the EU today and in the future.

Environment and climate issues are high on the EU agenda, and a large number of proposals are already on the table or will be presented by the Commission in the near future. The Fit for 55 proposals presented in July 2021 lay the foundations for the way in which the EU will achieve its climate targets. The pricing of carbon dioxide emissions is crucial, and emissions trading is a mainstay of the EU's climate framework. Certification of carbon sequestration and carbon capture is expected to be important in the future, not least for the development of biogenic carbon capture. The rate of transition and electrification in the EU's world leading automotive industry is an excellent example of the significance of the green transition in driving innovation.

The EU's actions for the climate transition within the Union affect the whole world's prospects of achieving the commitments in the Paris Agreement. For this reason, the Swedish Presidency will prioritise moving the negotiations on any remaining parts of the Fit for 55 package forward with a high level of ambition in the Environment Council. It will also be important to take the results of the UN Climate Change Conference (COP27) forward. The EU plays a crucial role in keeping global ambitions high.

A review of the CO2 emissions standards for new heavy-duty vehicles will provide an important framework for accelerating the transition of the transport sector. The Presidency will take forward the proposal for a certification scheme for carbon removal to promote the emergence of a commercial carbon capture market. The Presidency will also continue the negotiations on a revised Regulation on F-gases and on the Ozone Regulation, with the ambition of making as much progress as possible. The Swedish Presidency will also prioritise the revision of the Industrial Emissions Directive. Another important proposal in terms of realising the EU's zero pollution vision is the revision of the Ambient Air Quality Directives.

Developing a circular economy is important for the green transition. The Presidency will work to ensure that the EU is at the forefront in this area too. This involves both how the products we consume are produced and how they are packaged and transported before they reach the consumer. The Presidency intends to advance the work on the revision of the Packaging Directive. The Presidency will also work on the EU regulatory frameworks that promote non-toxic material cycles, increased use of high-quality recycled materials in products, and other business models that promote a circular economy. The Presidency will also strive for as much progress as possible in the negotiations on the revision of the Waste Shipments Regulation. This plays an important part in increasing controls of waste streams and tackling illegal waste shipments. A number of international negotiations, including on a legally binding global agreement on plastic pollution, are due to take place during the Swedish Presidency of the Council of the EU.

The green transition needs to happen in all areas, and one vital condition is the protection of natural environments and biodiversity – today and for future generations. The Presidency will therefore continue the work on the Regulation on nature restoration. Another important task for the Presidency will be following up on the outcomes of the UN Biodiversity Conference (COP15) and ensuring the prompt implementation of the global biodiversity framework.

# Education, youth, culture and sport

Artistic and cultural freedom has to be constantly reinforced and defended, not least due to the ongoing Russian invasion of Ukraine. Education, continuing education and further education can help equip individuals, societies and businesses for the digital and green transitions and are important tools for achieving the objective of enhanced EU competitiveness and the right skills for the jobs of the future in the EU.

#### **Education**

The European Year of Skills is taking place in 2023, and the Presidency intends to link up with this and one of its focus areas, matching skillsets to labour market needs. The Presidency will highlight how education can contribute to transition and upskilling and will initiate a discussion on the conditions necessary for both individuals and businesses to be able to obtain the skills they need for the green transition.

In addition, the Presidency will move the work on the European Education Area forward, for example regarding mutual recognition of qualifications. The Presidency also plans to begin considering both of the Council recommendations announced by the Commission on digitalisation in the area of education.

#### **Youth**

Young people's participation in political decision-making enables better, more sustainable decisions. Young people's knowledge, perspectives and experiences offer important contributions to the democratic process. The current themes in this area follow a common overarching priority decided on by the presidency trio and the national culture councils in 2021, based on Youth Goal 3 on inclusive societies and Youth Goal 10 on a sustainable green Europe. The Swedish Presidency intends to highlight the social dimension of sustainable development. The Presidency also intends to work on a Council resolution on the conclusions of the ninth cycle of the EU Youth Dialogue, as is customary at the end of each cycle, and on a Council resolution on the midterm review of the work plan for the EU Youth Strategy 2022–2024.

#### **Culture and media**

In the area of culture, the Presidency intends to present Council conclusions on the subject of displaced artists, with the aim of emphasising the importance of giving them protection and support to continue their artistic endeavours within existing programmes and structures. The Presidency also intends to highlight other aspects of the prerequisites for artistic creativity, as well as artistic freedom and the conditions for the cultural and creative industries.

Independent and strong media and cultural sectors are crucial elements of a vibrant and resilient democracy. The Presidency will advance the work on the proposal for a European Media Freedom Act.

#### **Sport**

Sweden will work on current matters such as the EU Work Plan for Sport 2020–2024, which includes good governance and administration in sport. The EU's work in the World Anti-Doping Agency will also be highlighted.