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# The challenges of the French Presidency of the Council

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On 1 January, France took over the [presidency](#) of the Council of the European Union for six months. The exercise, which mainly consists of leading meetings of European ministers, is also an opportunity for the country temporarily in charge to convey its priorities and even a political vision for Europe. In this respect, the French Presidency comes at a particular time for the European Union, for France and for its President, Emmanuel Macron.

Hard hit by the pandemic, the European Union is both emerging from the crisis and adapting to the global changes accelerated by the crisis. France, for its part, is preparing for a major political event, the presidential election in April, followed by the legislative elections in June. For Emmanuel Macron, the French Presidency of the Council will bring to a close a presidential term of office that has focused strongly on European issues, almost five years after his [speech at the Sorbonne](#).

Although France's mandate is often referred to as the 'French Presidency of the European Union' (FPEU) for the sake of convenience, it is in fact the Presidency of the Council of the Union, the institution that represents the Member States within the 'institutional triangle' formed with the Commission and the Parliament. The European Council, which brings together the Heads of State and Government, has a permanent President, the former Belgian Prime Minister Charles Michel. For France, this is the thirteenth Presidency of the Council, the first having taken place in 1959.

The Presidency is responsible for planning and chairing Council meetings in 9 of its 10 ministerial configurations<sup>[1]</sup> and its preparatory bodies at expert and ambassadorial level, as well as organising

various formal and informal meetings in Brussels and in the country holding the Presidency. More than 400 events are planned in France, including 19 informal meetings of European ministers. The Presidency is also responsible for representing the Council in relations with the other EU institutions, in particular the Commission, and the Parliament, with which it is co-legislator and must agree to adopt European laws.

Each six-monthly presidency is part of a 'trio' of presidencies, usually comprising one large Member State and two smaller ones, all from a different region of the Union. The three states publish a joint programme for the next 18 months to ensure continuity in the Council's work. Each state publishes its six-monthly presidency programme, in which it highlights the issues and projects it wishes to prioritise among the current dossiers. The trio of France is completed by the Czech Republic and Sweden, which will hold the Presidency of the Council in the second half of 2022 and the first half of 2023 respectively.

In their [programme](#), the three countries have set themselves the priority of protecting citizens and freedoms, promoting a new growth and investment model for Europe, building a greener, more socially equitable Europe that protects the health of Europeans, and a global Europe that is a world player. In its [presidency programme](#), France identifies three main objectives: a more sovereign Europe, a new European model for growth, a humane Europe.

Each trio's programme is in line with the programme of the previous one. All are developed within the framework of the strategic agenda defined by the

<sup>[1]</sup> The Foreign Affairs Council is chaired by the High Representative of the Union for Foreign Affairs and Security Policy, Josep Borrell.

European Council every five years (the [present programme](#) was adopted in 2019), in conjunction with the Commission's annual work programme, which is the 'operational' transcription of the programme. The Presidency of the Council is therefore a highly structured institutional exercise, serving common objectives defined in advance, with a view to short, medium and long-term action. The core of its activity is legislative, since it is mainly a matter of ensuring that proposals for directives, regulations or decisions presented by the Commission are taken forward or completed.

In the complex machinery of the European institutions, the Council Presidency is the equal of the Presidency of the Commission, the institution that has the exclusive right of legislative initiative, and the Presidency of the Parliament, the institution that shares the legislative and budgetary functions of the Union with the Council. But the political weight of the Member States and the historical legitimacy of their representatives also give the Council Presidency a strong symbolic dimension which the leaders of the countries holding it can use to broaden its scope. The institutional function is thus coupled with a programmatic function intended to leave a more or less strong political mark on the development of the Union. By declaring on 9 December that, "In essence, we have to define our shared vision for Europe in 2030," Emmanuel Macron openly claims this function for the FPEU more than other leaders.

This characteristic is supported by the fact that the country holding the presidency, in the person of its permanent representative who chairs the Permanent Representatives Committee (Coreper), plays a major role in the preparation of the meetings of the European Council, the supreme political body of the Union which defines its main orientations. It can also play a diplomatic role, as Coreper prepares the meetings of the Foreign Affairs Council, or through the Political and Security Committee which it chairs.

The FPEU must be analysed from this dual perspective, which makes it possible to distinguish the issues at stake in a presidency, between what

relates to the strict institutional function and what comes from the political dimension, in order to better evaluate its action and results.

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In its political communication, the programme of the FPEU is summarised by the slogan "*recovery, power, belonging*". "*If I had to sum up in one sentence the goal of this Presidency from 1 January to 30 June, I would say that we need to move from being a Europe of cooperation inside of our borders to a powerful Europe in the world, fully sovereign, free to make its choices and master of its destiny. This is the goal we should pursue*", [explained](#) Emmanuel Macron on 9 December.

This slogan, which expresses both the European priorities of the trio and the personal vision of the French President, also places the FPEU in different time frames for action. Europe must indeed consolidate its economy affected by the unprecedented shock of the Covid-19 pandemic and lay the foundations for long-term prosperity. Since the pooling of coal and steel, the "sustainable development of Europe" (Article 3 of the Treaty on European Union) has been the condition for the social and political stability of the Member States. But unlike the time of the construction of the Common Market, the Union is now evolving in a globalised economy and global framework, where common rules are no longer spontaneously shared and are less and less respected. Strengthening Europe economically, but also politically, diplomatically and even militarily, is necessary in the medium and long term to guarantee the security of Europeans and the control of their destiny. To achieve this, a sense of common cultural, social and political identity is essential, to consolidate and deepen the "de facto solidarity" initiated by Robert Schuman. France's activity at the head of the Council, which will cover all the Union's areas of competence, cannot be entirely reduced to this triptych, but several themes make it possible to identify the challenges ahead.

#### **ECONOMIC RECOVERY AND REORIENTATION**

The immediate priority for the European Union is economic recovery, which covers the overcoming of

the crisis but also the adaptation of industrial and commercial tools to technological, climatic and geo-economic challenges, and the preparation of future fiscal policy. This area will not be the focus of the legislative activity of the FPEU, but it will be central to the discussions led by France in the Council, or in other fora, notably the informal meeting of Heads of State and Government on a "new European model of growth and investment" scheduled for 10 and 11 March in Paris.

The European recovery programme is largely part of the €750 billion *NextGenerationEU* plan and its main component, the [Recovery and Resilience Facility](#), 672.5 billion to finance Member States' national plans. As of 1 January, 22 of the 26 plans submitted to the Commission have been approved and the 22 countries concerned have received 13% pre-financing. France is expected to preside over the adoption by the Council of the Swedish and Bulgarian plans, as well as the Dutch plan, once the new government has presented it. The validation of the Hungarian and Polish plans remains subject to the governments concerned respecting the conditions laid down in terms of the rule of law and guarantees on the use of the funds.

For the plans already approved, the disbursement of the tranches of grants and loans, planned according to objectives to be met by the Member States, is steered by the Commission, after consultation with the Member States, and will therefore not be the responsibility of the French Presidency of the Council. The implementation of the recovery plans will however be monitored by the Finance Ministers, in connection with the application of the European Semester and the debate on the reform of the economic governance of the Union.

The main issue of this reform will be the revision of the rules of the Stability and Growth Pact. Suspended in March 2020 to facilitate the response to the pandemic crisis, these rules are due to be applied again in 2023. Their revision, already planned before the pandemic, has changed dimension with the crisis, the recovery plans and the acceleration of the

climate and digital transitions. France will lead the discussions between the ministers on this subject in the Council, but it wants to take advantage of its presidency not to limit the discussion to a simple redefinition of deficit or debt criteria and sanction mechanisms, and to go further towards a more political governance of the euro zone and of the European Union's economic policies.

The informal summit on 10 and 11 March will be the moment for France to impose this theme on the European agenda beyond 30 June. At his press conference on 9 December, Emmanuel Macron outlined the broad lines of the reflection in which he wants to engage his European partners, from the dual climate and digital transition to industrial cooperation and the financing of innovation. Some elements cover projects already undertaken by the European Union but which require political support for their implementation, such as the strategies on batteries, hydrogen or semiconductors. The French President will not obtain firm decisions on the new model he is calling for, but he will try to obtain the political support of France's partners, particularly Germany, for a long-term reorientation of the European Union's policies in this area.

In the short term, the challenge for the French President will be to link the revision of the budgetary rules to the support of the recovery plans so as to prolong and secure their effects and to the necessary financing of the dual climate and digital transition. The FPEU will be an opportunity to guide future discussions and decisions in this direction. In a [joint article](#), Emmanuel Macron and Mario Draghi, President of the Italian Council, have already called for a "European growth strategy for the next decade", which integrates the revised rules with a common investment plan and permanent "better coordination".

France will also be in charge of launching discussions on another crucial issue for the Union's capacity to act: own resources. These resources, which allow the Union to finance its budget without depending on contributions from the Member States (known as GNI

resources), have long been a subject of disagreement between the institutions and the States. It has become more important and urgent with the withdrawal of the United Kingdom, which has led to a drop in GNI resources, and the *NextGenerationEU* recovery plan, financed by a loan that must be repaid by 2057. On 22 December the Commission [presented](#) its proposals to direct three sources of revenue to the EU budget by 2026-2030: 25% of the revenue from the Emissions Trading Scheme (ETS), 75% of the revenue from the border carbon adjustment mechanism, and 15% of the tax on residual profits of multinationals paid to states under the OECD agreement on global corporate taxation. An agreement by the end of June seems unlikely.

### CLIMATE TRANSITION

As a major priority for the EU, the climate transition is indeed an important part of the EUFP's agenda. In particular, [the Fit for 55 package](#), presented by the Commission in July 2021, is being examined by the Environment, Transport and Energy Council and the Economic and Financial Affairs Council.

Three dossiers crystallise the difficulty of the task: the carbon adjustment mechanism at borders (MACF), an emissions trading scheme (ETS) specific to the construction and road transport sectors, and the Social Fund for the Climate, partly financed by the revenues of the new ETS.

The MACF is a priority objective for France to "reconcile industrial competitiveness with climate ambition" according to Emmanuel Macron. However, an agreement in the Council, and even more so a final adoption before 30 June, seems difficult to achieve, due to the complexity of the dossier and the stakes involved. While some states are opposed to the project as presented by the Commission, because they fear the consequences for trade and the competitiveness of companies, others support the project but are opposed to the fact that the revenue collected will mainly go to the European budget rather than to national budgets.

The discussion between the Environment Ministers at their last meeting on 20 December also highlighted the

differences between Member States on the two other key measures. On the one hand, a significant minority is opposed to the building-transport ETS. On the other hand, there are differences between those who support the Fund, those who believe that the Fund is not necessary and those who believe that it is insufficient to mitigate the impact of the ETS on the most vulnerable populations.

Other issues, which are also complex to manage, concern effort sharing, the Land Use and Forestry Regulation (LULUCF), and the revision of the rules on CO2 emissions for new cars and vans.

### HEALTH AND SOCIAL POLICY

Health, which according to the treaties is only a shared competence in certain cases, has become as much a European issue as a national one with the Covid-19 pandemic, and will be an important theme of the six months of the French Presidency.

France will aim to conclude the negotiations between the Council and the Parliament to adopt the European Health Union project presented by the Commission at the end of 2020. While the Council and the Parliament must validate their agreements reached in November on the role of the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA), France will try to conclude negotiations with the Parliament on the regulation on serious cross-border health threats. The text should strengthen the surveillance of infectious diseases and other health threats, as well as the planning and coordination of measures to be taken. The Council must also definitively adopt the [framework regarding urgent medial counter-measures](#), which will help the new European Health Emergency Response and Preparedness Authority (HERA) to function.

The health ministers will undoubtedly review the course of the pandemic on a regular basis and discuss further measures. They will also meet on 18 January to discuss the resilience of health services in their countries and at EU level.

On social issues, France should be able to obtain the adoption of a text with strong symbolic significance

and will try to make progress on two dossiers concerning gender equality.

The priority text to be concluded, as it responds to a request from the Sorbonne speech, will be the directive on a framework for adequate minimum wages. Member States adopted their [common position](#) on the text on 6 December and negotiations with Parliament, which adopted [its own](#) in November, start on 13 January. As a common minimum wage for all states has been ruled out, discussions will focus on the proportion of workers who should be covered by collective agreements (at least 70% for the Council and 80% for the Parliament), and on the appropriateness of setting a minimum wage level (the Commission has proposed 60% of the gross median wage and 50% of the gross average wage).

France would also like to start negotiations with the Parliament on the draft [directive](#) on pay transparency, aimed at tackling the gender pay gap, on which the Parliament has yet to adopt its position. It has also pledged to "advance discussions" on the draft directive on gender balance in boards of directors, which has been blocked in the Council for several years due to opposition from several Member States on the grounds of subsidiarity.

The Council will also begin to consider the Commission's [proposal](#) to regulate the status of platform workers presented in December. However, the discussions are expected to be at expert level and not to reach political level before the end of the FPEU.

## PLATFORM REGULATION

Since the Sorbonne speech, the European Union's control of the activity of large digital platforms and, more generally, the control of standards and data is considered by France as a central element of European sovereignty. The adoption of the dual legislation on digital services and markets (DSA and DMA), proposed by the Commission in December 2020, will therefore be a priority of the FPEU.

The Digital Markets Act (DMA), which aims to ensure fair competition between dominant and

non-dominant players, should be finalised during the FPEU. The [Council](#) and the [Parliament](#) adopted their position at the end of 2021 and the main divergence, which concerns the turnover and market capitalisation thresholds above which companies are considered "gatekeepers" subject to the obligations of the legislation, should be resolved.

The Digital Services Act (DSA), which is intended to combat illegal content and limit the role of algorithms, will be more difficult to achieve before the end of the FPEU. The Council adopted its [position](#) at the end of 2021, but Parliament will not vote on its [position](#) before January, which will delay the start of negotiations between the two institutions. The text is complex and the positions of Member States and MEPs are likely to be more difficult to reconcile than in the case of the DMA.

## SECURITY AND DEFENCE

A highlight of the FPEU will be the adoption by the European Council in March of the EU Strategic Compass. This document, [under preparation](#) since autumn 2020 under the German Presidency, should provide the European Union with its political and strategic guidelines for the coming decade in four areas: crisis management, resilience, operational capabilities and international partnerships.

This is a major challenge for France and Emmanuel Macron, who said in his speech at the Sorbonne that "what Europe, Defence Europe lacks most today, is a common strategic culture". The most visible measure proposed by the Commission is the establishment of a "rapid deployment capability" of 5 000 men by 2025 to respond to imminent threats or to react to a crisis situation, but the High Representative of the Union for External Affairs, Josep Borrell, is also proposing to strengthen the mandate of the Union's civilian and military missions and to develop operational links with European coalitions such as Task Force Takuba in the Sahel. The draft compass also provides for the strengthening of Europe's cyber defences, as well as the strengthening of planning and cooperation in terms of capacity development and the defence industry, including the creation,

from 2022, of a defence innovation centre within the European Defence Agency.

For France, the challenge will be to impose a rapid pace in implementing the Compass. The publication by the Commission, scheduled for 9 February, of a "defence package" including a roadmap on security and defence technologies should allow it to keep the subject on the agenda, even if the defence summit announced last September by Commission President Ursula von der Leyen is no longer on the programme.

### MIGRATION AND ASYLUM

Migration and asylum is one of the most important issues for the security and cohesion of the European Union, but as such it is also one of the most complex and difficult to bring to a successful conclusion. The [new pact](#) for Migration and Asylum, proposed by the Commission in September 2020, includes a revision of the rules for examining asylum applications to better filter migrants and ease the burden on countries of first entry, a more flexible mechanism for distributing asylum seekers between Member States and a recommendation for a mechanism for preparing for and managing migratory crises. However, due to the deep differences between Member States, in particular those in the Mediterranean and Central and Eastern Europe, consideration of the Pact has remained at the stage of exploratory discussions. It has only been possible to set up the new European Asylum Agency.

The adoption of the Pact in its form presented in 2020 appears to be in jeopardy. In its presidency programme, France simply undertakes to "draw on the Pact" to define "solutions to the most pressure issues". The discussions will be based more on the demands of the heads of state and government, who are confronted on the one hand with the situation in the Mediterranean and now on the eastern borders of the Union, and on the other hand, for some of them, with internal political pressure.

Faced with the continuous influx of migrants who do not qualify for asylum, the Member States are

concentrating on border protection and the so-called external dimension of migration policy with, in particular, returns to the countries of origin. In its [conclusions](#) of December 2021, the European Council urges the Commission to "swiftly take action to ensure effective returns", but also to make operational "without further delay" the action plans presented for countries of origin and transit, and to implement "without delay" funding for "migration-related actions on all routes".

The summit with the African Union in Brussels on 17-18 February, organised by the Commission and the President of the European Council, will focus largely on migration issues and partnerships with countries of origin and transit. France, with its particular position on Africa, is promoting an "economic and financial New Deal" and will use the Council Presidency to try to broaden the discussions.

This external orientation of migration action must be linked to "political steering" of the Schengen area of free movement, "through regular meetings of the ministers responsible for these issues", according to the French President. France wants to rely on the revision of the [Schengen evaluation and control mechanism](#) proposed by the Commission in June 2021 to speed up procedures in the event of serious breaches and increase "peer pressure" on offending countries. France is expected to push for adoption before June. It will also launch the examination of the [revision of the Schengen code](#) presented by the Commission on 14 December to improve control of migratory flows at external and internal borders and to better manage crises such as terrorist threats or future pandemics.

### DEMOCRACY AND THE RULE OF LAW

Warned by the 2016 US elections, and faced with the information manipulation campaigns that grew during the pandemic, the European Union is trying to put in place tools and mechanisms to [protect](#) its democratic system from foreign interference. France wants to push forward with the adoption of the revision of the status and financing of political parties, the regulation

of online political advertising and the modification of the Electoral Act [presented](#) by the Commission in November 2021. It also committed to reflect on the preservation and promotion of media pluralism and to work on the creation of a European support fund for independent and investigative journalism, in view of a European law on media freedom that the Commission plans to present at the end of June.

Democracy and the rule of law are also under threat in some Member States from their own governments. As President of the General Affairs Council, France is responsible for pursuing the Article 7 proceedings against Poland and Hungary for six months. It is committed to seeking a solution "by maintaining an open and constructive dialogue", and should therefore not attempt to organise a vote to establish the "clear risk of serious violation" of the Union's values in both countries, even if Council hearings of the two countries have been planned. If the Commission initiates proceedings against either country, or any other, under the budgetary conditionality regulation, France assures that it will "ensure a swift and proper implementation" of the sanctions foreseen.

Nevertheless, since the Commission is waiting for the Court of Justice to rule on the validity of the regulation and since a procedure, once launched, will take [at least five months](#), it is highly unlikely that a decision will be taken during the French Presidency.

The [Conference on the future of Europe](#), a major participatory democracy project initiated by France, will end during the FPEU. A 'high level' event will be held in Strasbourg in May and the citizens' recommendations should be discussed at the European Council at the end of June. The FPEU will come to an end and France's position on the future of the Union will then depend in part on the outcome of the presidential and parliamentary elections that will have just taken place.

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 <div style="text-align: center;"> <b>Priorities and main events of the French Presidency of the EU Council (January-June 2022)</b> </div> 		
<b>Presentation of the Presidency's priorities by Emmanuel Macron:</b> European Parliament, Strasbourg: 19 January		
<b>European Council :</b> 24-25 March and 23-24 June		
Priorities	Texts under discussion	Events
<b>STRENGTH</b>		
<b>Defence: strengthening the EU's strategic sovereignty and developing common priorities.</b>	<i>Strategic Compass:</i> Project initiated under the German EU Council Presidency in the second half of 2020. Final political discussion to be concluded in March 2022.	
<b>Health: developing a European health policy capable of empowering the European Union.</b>	The establishment of the European Health Emergency Response and Preparedness Authority (HERA). Pending adoption by the Council of the Regulation on urgent and targeted medical countermeasures in public health emergencies.	
<b>Stability and prosperity in our neighbourhood: strengthening partnerships with neighbouring third countries and promoting economic development and European values.</b>		EU-African Union Summit on 17-18 February in Brussels
<b>Migration challenge: strengthening European security and managing the migration challenge.</b>	<i>Pact on Migration and Asylum</i> proposed by the Commission in 2020, pending a common position by the Council. <i>Revision of the Schengen Code</i> proposed by the Commission on 14 December 2021, pending consideration by the Council.	Western Balkans Conference in June
<b>RECOVERY</b>		
<b>Social:</b> to offer workers "quality, qualified and better paid jobs".	<i>Directive on adequate minimum wages in the Union.</i> Negotiation scheduled between Council and Parliament for final adoption.	
<b>Climate issues:</b> meeting the EU's climate objectives while maintaining the competitiveness of European companies.	<i>Carbon border adjustment mechanism (CBAM),</i> proposed by the Commission in July 2021. Pending consideration of Council and Parliament positions.	
<b>Economic Ambitions :</b> strengthening the EU's technological sovereignty through a "New European Growth Model" (Horizon 2030).		Summit on the new European growth and investment model: 10-11 March 2022 in France.
<b>Digital :</b> curbing the distribution of illegal content and combating abusive and anti-competitive behaviour by digital companies.	<i>Digital Services Act (DSA).</i> Awaiting Parliament's position to start negotiations for final adoption.  <i>Digital Markets Act (DMA).</i> Negotiation scheduled between Council and Parliament for final adoption.	
<b>SENSE OF BELONGING</b>		
<b>Youth and Citizenship :</b> meet citizens' expectations and strengthen their sense of ownership of the Union.		Closing of the Conference on the Future of Europe in May  Major meeting of European universities in June
<b>Democracy:</b> strengthening media independence and fighting political interference.	Legislative package on strengthening democracy and election integrity, proposed by the Commission on 25 November 2021. Pending consideration by the Council.  The Commission is expected to present a "Media Freedom Act" in the first half of the year.	