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## “A Europe that Protects”: Austria’s EU Council Presidency

Łukasz Ogrodnik

*The number one priority of the Austrian presidency of the EU Council, which began on 1 July, is security. This issue is subordinated to the other main points of the presidency programme: migration, digitisation, and integration of the Western Balkans with the EU. Although the Austrian approach is similar to the Polish one in the sphere of migration policy, differences remain regarding the EU’s Multiannual Financial Framework for 2021–2027 (MFF), energy policy, and the European Commission’s enforcement of the rule of law.*

**The Extreme Right in the Background.** Austria’s EU Council presidency falls to the ruling coalition of the Christian Democratic People’s Party (ÖVP) and the far-right Austrian Freedom Party (FPÖ). In 2000, when a similar coalition ruled, EU Member States imposed sanctions on Austria. This time, the presidency has narrower competences than during the Austrian presidencies in 1998 and 2006 and the FPÖ itself has since moved slightly towards the political centre.

The tone of Austria’s European policy has been set by Chancellor Sebastian Kurz (the chairman of ÖVP and former foreign minister in 2013–2017), with the head of diplomacy, Karin Kneissl, also indicated by FPÖ to hold this position. This tone is the result of gradually introduced institutional changes. Supervision over the executive secretariat responsible for the organisation of the EU Council presidency was transferred in January this year from the Ministry of Foreign Affairs to the Chancellor’s Office. These changes, among others, have contributed to limiting the impact of FPÖ on Austrian European policy. Nevertheless, politicians from this party, including those controlling the Ministry of Interior in Kurz’s government, will try to influence EU migration policy.

**Austria’s Ideas for the EU.** The presidency’s priorities are being implemented under the motto, “A Europe that protects”. Security, which dominated last year’s election campaign in Austria, became the main point of the Council presidency programme. Austria puts migration at the centre of the security focus, in part following on from the country’s position on the so-called “Balkan route” and experiences from 2015 when the number of asylum applications in Austria exceeded 88,000, the highest in the EU per capita. According to Kurz, it is necessary to secure the EU’s external borders, which the Austrian government also sees as protection of the Schengen area, increase the number of Frontex officers by up to 10,000 and expand its mandate, create Australia-like reception centres for refugees in non-EU countries, and combat smuggling of refugees (human trafficking). The Austrian authorities are critical of mandatory quotas of asylum-seekers, questioning its effectiveness. Every presidencies’ main event, an informal summit of the European Council—this year planned for 20 September in Salzburg—will be devoted to migration. In addition, Kurz has proposed an EU summit with African countries, with migration issues as one of its themes.

Austria also carries the topic of security over to other priorities of the presidency: digitisation and European integration of the Western Balkan countries. To increase EU support of Member States in cybersecurity, Austria supports further work on a new mandate for the European Union Agency for Network and Information Security (ENISA). In turn, setting fair conditions for competition is aimed at an equalisation tax

within the EU on the turnover of internet giants like Google and Facebook. Austrian authorities traditionally have championed the EU's enlargement to the Western Balkans. Kurz's government goes further, linking the stability of this area to the internal security of the EU in the context of the mass-migration crisis.

In the debate on the future of the EU, Kurz eagerly appeals to the Prime Minister of the Netherlands Mark Rutte,<sup>1</sup> who favours the "less but better" concept. Emphasizing the principle of subsidiarity, Kurz criticises ideas to establish new European institutions. That is why he opposes the French demand for the post of an EU Minister of Finance and a separate budget of the euro area. An exception to this is the work on the banking union, which Austria supports. Kurz also aims to cut spending within the EU through a reduction in the number of EU commissioners from 28 to 18 and the removal of one of the European Parliament's seats (either Brussels or Strasbourg).

**Challenges for the Presidency.** Presenting their country as a "bridge-builder",<sup>2</sup> Austria's authorities refer to its neutrality and declare they will seek a reconciliation of interests among the various EU members. This is necessary given the current, major challenges of the Council presidency, among which Kurz's government acknowledges as Brexit and the continuation of negotiations on the MFF. The final stage of negotiations between the UK and the EU will come in the second half of this year. Austria declares support for the European Commission's chief Brexit negotiator, Michel Barnier, and seeks the protection of EU citizens' rights in the UK. Britain's exit from the EU and the consequent reduction of the EU budget has made negotiations on the MFF more difficult. Austria is in the group of so-called "net payers", so it is not an advocate of increasing the budget to compensate for the loss of the UK input. It advocates instead, among other ideas, for changes in the Common Agricultural Policy and budget transfers from cohesion funds to the development of Common Security and Defence Policy (CSDP). As a non-NATO member, Austria sees the development of CSDP as a means of strengthening its own national security. Although the programme of the Austrian presidency lists the U.S. as one of the EU's global partners, in practice in the next six months, the Union will have to respond to the confrontational trade policy of Donald Trump's administration.

Management of the Council's work will be hampered by factors independent of the Austrian authorities and by some of their European policies, which will be difficult to reconcile. The first group of problems includes individual decisions by Member States, which may lead, for example, to difficulties in the functioning of the Schengen area. In just the first few days of the presidency, the Austrian authorities were confronted with signals that the German government is ready to create special transit centres on the country's southern border to facilitate returning some asylum-seekers to the countries where they registered, including Austria. On the other hand are some paradoxes of Austrian European policy, including the promise of continuing work on the energy union to diversify gas supplies to the EU market while supporting the construction of Nord Stream 2 (NS2), the second branch of a gas pipeline to Germany that may increase the dependence of the EU on Russia as a supplier.

**Conclusions and Recommendations.** The Austrian presidency of the EU Council will be a test of its claim to be "building bridges". Kurz's previous activities within the EU consisted of entering into alliances with groups of countries in specific areas of cooperation. In matters tied to the EU budget and cohesion policy, Austria advocates positions held by the Netherlands, Sweden, and Finland while on migration policy, it is closer to the Visegrad Group of states (the V4, or Czech Republic, Hungary, Poland, Slovakia). Therefore, Poland might see in Austria an opportunity to reduce the tensions between the V4 countries and other EU Member States on migration issues.

However, the Austrian presidency will be limited in advancing the interests of Poland's government. The reason is the differences between the two countries, including different views about the priorities of the future EU budget and conflicting interests in energy policy. Among the issues Austria took over from the prior, Bulgarian presidency is an amendment of the Gas Directive to subject NS2 to EU rules, currently exempted. With pressure to start NS2 construction soon, it is in Poland's interest to accelerate the work on this amendment. To increase Austria's focus on this effort, Poland could, in turn, support Austria in the area of migration policy or opposing the creation of a separate budget for the euro area.

The EU's procedure concerning respect of rule of law in Poland will occur during Austria's presidency. Statements by the Austrian government and the contents of the presidency's programme indicate that Austria explicitly supports the European Commission's position in this matter. Therefore, it is difficult to expect that Austria, given the scope of its competences in the presidency of the Council, will endeavour to amicably settle this dispute in Poland's favour.

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<sup>1</sup> M. Szczepanik, "Less Is More—The Future of the EU, by the Dutch Prime Minister," *PISM Spotlight*, No. 44/2018, 14 June 2018.

<sup>2</sup> Ł. Ogrodnik, "Austria in Central Europe: The Aspiration to Become a Bridge-Builder," *PISM Policy Paper*, No. 2 (162), 23 March 2018.