

# SWEDISH PRESIDENCY

# OF THE COUNCIL OF THE EUROPEAN UNION

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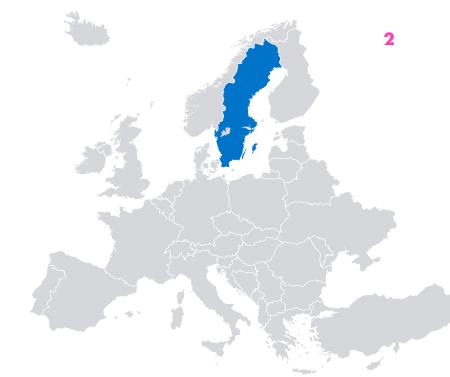




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# **01** Context of the Swedish EU Council Presidency



Speaking to the Riksdag on 14 December, Sweden's Prime Minister Ulf Kristersson was open about the difficult times ahead of Europe. In his words, "unprecedented challenges" await at the close of a year marked by war, political uncertainty and economic crisis. And indeed, the outcome of Sweden's sixmonth period at the helm of the EU Council will in large parts be shaped by the environment in which Europe finds itself.

The issue of overriding importance remains Ukraine. What observers expected to be a short (albeit bloody) military operation has become a protracted attritional war, drawing in several hundred thousand combat troops and resulting in untold suffering for the Ukrainian nation. Over the past months, European countries have increasingly become involved in the conflict, providing large-scale military and humanitarian aid to the Kyiv government. Moreover, the EU agreed in mid-December on a much-needed €18 billion structural aid package involving interest-free loans financed by the member states. However, Ukraine will require ongoing support to sustain itself through difficult winter months and the threat of a Russian spring offensive.

Inseparable from the war has been the European energy crisis, triggered by Putin's aggression and exacerbated by many member states' traditional reliance, and in some cases dependence, on Russian fossil fuels. While the Commission has taken energetic measures to restore EU energy independence – including the REPowerEU package, a comprehensive embargo on Russian oil and recent efforts aimed at a gas price cap – member states are facing drastic price increases for heating and electricity as well as the risk of localized energy shortages. More concerningly, the lack of adequate substitutes for Russian energy could mean that the supply situation could further deteriorate in 2023, making energy procurement a key issue for the upcoming Swedish Council Presidency.

Finally, among a broad range of possible issues, the ongoing EU-US trade dispute is expected to continue in 2023, as President Joe Biden's Inflation Reduction Act (IRA) is widely perceived in Europe as a massive US industrial subsidy at the cost of European companies. With free-trade and protectionist advocates struggling for a united approach in the EU Council, Sweden will have an important coordinating role to play.

On a positive note, Sweden is no stranger to turbulent Council presidencies. The country's last turn at the rotating helm was in the second half of 2009, in the wake of the Great Recession and amidst the Eurozone debt crisis. The government's verdict then: "We have brought the EU back on track."

> If you want to know more about our German perspective on politics, have a look at our weekly bit "**In a Krautshell**".



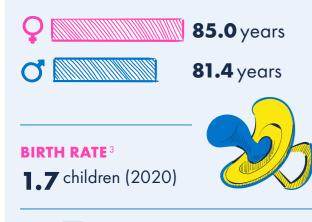


### DEMOGRAPHICS

POPULATION 10.4 Million (2021)

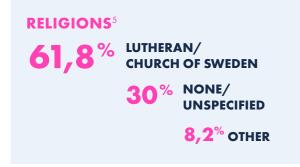
### LIFE EXPECTANCY<sup>2</sup>

83.2 years (average)





**MINORITY LANGUAGES**<sup>4</sup> Sámi Languages, Romani, Yiddish, Meänkieli, Finnish



All footnotes are included on the last page of this **#THEÜBERSICHT** 

#THEÜBERSICHT > Swedish Presidency of the Council of the European Union

### ECONOMY

#### **CURRENCY: SWEDISH KRONA SEK**

### **GDP**

€ 530,4 Billion



**Annual GDP** (2021)<sup>6</sup> **GDP** growth (2021)<sup>7</sup> 8th in the EU

# €50,910



billion

#### **MAIN TRADING PARTNERS 10**



NORWAY, GERMANY, **UNITED STATES, DENMARK, FINLAND** 

exports (2021)

#### **ECONOMIC SECTORS BY REVENUE**<sup>1</sup> (2021)



• Services (65,33%) Industry (22,01%) • Agriculture (1,35%)

#### **MAIN INDUSTRIAL** SECTORS<sup>12</sup>

Public Administration, Defence, Education, Human Health, Social Work Activities, Wholesale and Retail Trade, Transport

Accommodation and Food Services



### **POLITICAL SYSTEM**

#### Sweden is a **Constitutional Monarchy**<sup>14</sup>

King Carl XVI Gustaf is the nonpolitical head of state. The monarch has primarily ceremonial and representative duties.<sup>15</sup> He opens the new parliamentary session each autumn and chairs the Advisory Council on Foreign Affairs.<sup>16</sup>

The parliament is **unicameral** and is called the **Riksdag**. It is made up of 349 members who are elected in direct elections through a proportional voting system every 4 years.<sup>17</sup>

The Prime Minister, **Ulf Kristersson**, is head of the government and elected by the parliament.

The **Prime Minister** chooses the ministers who make up the government. The **government** implements the decisions of the parliament and formulates new laws or law amendments, on which the parliament decides. It is also accountable to the parliament. Further responsibilities of the government include exercising responsibility for the budget approved by the Riksdag, representing Sweden in the EU and directing central government activities.<sup>18</sup>

Sweden is divided into 290 municipalities at the local level, each with an elected assembly or council. At the regional level, Sweden is divided into 21 counties. The county councils are responsible for overseeing tasks such as health care and are entitled to levy income taxes to cover their costs.<sup>19</sup>

#### **GOVERNMENTAL COALITION:** Moderaterna, Kristdemokraterna and Liberalerna



#### **MAIN POLITICAL PARTIES 20**

- Socialdemokraterna (Social Democratic Party, center-left)
- Sverigedemokraterna (Sweden Democrats, right-wing)
- Moderaterna (Moderate Party, center-right)
- Vänsterpartiet (Left Party, left-wing)
- Centerpartiet (Center Party, liberal)
- Kristdemokraterna (Christian Democrats, center-right)
- Miljöpartiet de gröna (Green Party, liberal)
- Liberalerna (Liberal Party, center-right)

neutrality.

# HISTORY

1523-16 16 17

19

### 1914-19

19 19 19

19

- 20
- 20
- 20





### **CULTURE & SCIENCE**

Sweden has the highest number of patents in Europe.

Sweden is the only country in the world where **donations** stand at more than 1% of GDP.



Sweden's King and Queen met at the Munich Olympics in 1972, where Her Majesty worked as a hostess.

Sweden is due to change course in its foreign policy - aspiring to join NATO after over 100 years of

611	۲	Early Vasa dynasty creates modern Swedish state
548	0	Thirty Years' War ends: Swedish Empire at height of its powers
721	۲	Sweden loses Great Northern War against Russia, end of Swedish Empire
905	0	Union between Sweden and Norway peacefully dissolved
945	۲	World Wars I and II: Sweden remains neutral
971	۲	Constitutional reform replaces bicameral system with unicameral system
975		Constitutional reform: monarchy retains purely ceremonial functions
986		Assassination of Prime Minister Olof Palme (case unresolved to this day)
995		Sweden joins EU
800	۲	Swedish economy hit hard by global financial crisis
015		Sweden at center of European immigration crisis
020		COVID-19 Pandemic – Sweden's "light touch" strategy
022	0	Sweden announces intention to join NATO, breaking with long-standing tradition of neutrality

03

## **Priorities of the Swedish Presidency**

With the Ukrainian war, the ongoing inflation, as well as the increasing climate crisis, the Swedish EU Presidency takes place in a time with numerous challenges Sweden intends to focus on the topics of security, resilience, prosperity, democratic values, and the rule of law.

#### Priority 1

#### SECURITY - UNITY

The Swedish EU Council Presidency wants to continue the ongoing economic and military support for Ukraine and prioritize the implementation of the Strategic Compass. The Swedish EU Council Presidency expresses clear support for Ukraine's path towards the EU. In order to strengthen the security of the European Union and its citizens, Sweden aims to build a strong consensus towards a robust European security and defence policy, which entails a close cooperation with partners and allies. Besides the war in Ukraine and the resulting security threats, another key occupancy for the Council Presidency will be the fight against cross-border organized crime.

#### Priority 2

#### **RESILIENCE - COMPETITIVENESS**

The Swedish EU Council Presidency wants to put the EU in the position to continue to provide the best possible conditions for a sound and open economy. In order to do so the presidency aims for stronger private investments and digitalization. This needs, from the presidencies point of view, a concerted approach to European competitiveness. Sweden gives the single market particular attention, as Europe's strength, resilience and global standing depends on it. Economic actors through all parts of the economy of the European Union profit from operating in the largest single market in the world, which helps them to grow and be competitive on world markets. The Swedish Presidency seeks to anchor a concerted approach to European competitiveness.

#### Priority 3

#### **PROSPERITY - GREEN & ENERGY TRANSITION**

For the Swedish Council Presidency the volatile energy prices and energy market are a prime concern. To address this concern the presidency aims for a long-term energy market reform and wants to further speed up the Energy transition after RepowerEurope. The Swedish Council Presidency wants to provide the right regulatory framework and policies to attract further private investment in European companies and industries leading the transition to a resource-efficient and fossil-free future. Further the Swedish Presidency aims for a global response to the global climate challenge.

#### Priority 4

### DEMOCRATIC VALUES AND THE RULE OF LAW – OUR FOUNDATION

Democratic values and the rule of law are fundamental principles of the European Union. The Swedish Council Presidency wants to uphold the principle of rule of law and fundamental rights in order to pave the way for further cohesion, individual freedoms and, non-discrimination. For the Swedish Presidency, the rule of law is a fundamental value of the European Union and needs to be uphold vigorously.

# 04

## **Program of the Swedish Presidency**



#### **GENERAL AFFAIRS**

The Swedish Presidency will contribute to the European response to the consequences of Russia's invasion of Ukraine, including safeguarding the EU's fundamental values. The Presidency will continue the Council's country-by-country rule of law dialogue and will take Council's work on the Article 7 procedures forward. Sweden wants to continue the EU integration process of the Western Balkan countries, follow up on the decision to grant candidate status to Ukraine and Moldova and offer a European perspective to Georgia. Yet, it stresses the need for judiciary and rule of law reforms in these countries. The presidency aims to advance the negotiations on the regulations on the transparency and targeting of political advertising concerning the upcoming European election. It will also continue working on the proposed amendments to the EU Electoral Act. The Swedish Presidency wants to support "the Commission's efforts in the day-to-day implementation of the EU-UK agreements". Furthermore, it wants to improve European crisis preparedness and management capabilities, with a focus on cybersecurity. The presidency supports the commissions initial voluntary review of the EU's implementation of the 2030 Agenda and aims to achieve consensus on the work on the conference on the future of Europe.

#### FOREIGN AFFAIRS

The Swedish Presidency's focus in terms of foreign affairs lies on the EU's response to Russia's invasion of Ukraine. The strengthening of the Common Foreign and Security Policy is thus a key priority. Besides political, economic, humanitarian and legal support, the establishment of an international coordination platform for reconstruction support will be a major task. Moreover, Sweden aims to further develop formats for relations with Eastern Partnership countries as well as to buildup secure and stable relations in the Eastern Mediterranean Region and specifically with Turkey. International cooperation is also to be strengthened at a transatlantic level but also in terms of EU-NATO relations and cooperation with the United Kingdom, Canada and Latin America. Global connectivity shall be improved by implementing the Global Gateway Strategy. In terms of Human Rights, Sweden aims to contribute to the midterm review of the EU Action Plan on Human Rights and Democracy and to implement the Action Plan on Gender Equality and Women's Empowerment in External Action 2021-2025 (GAP III). Sweden will develop a new Civilian Common Security and Defense Policy Compact to further improve civilian crisis management. Overall, Sweden will contribute to strengthen the EU as a global actor.

#### **ECONOMIC AND FINANCIAL AFFAIRS**

The Swedish Presidency's outlook on the economic and financial situation facing Europe is relatively bleak. High inflation, the energy crisis, and rising interest rates are the largest of these woes. In terms of the program, the Swedes consider long- and shortterm economic aid to Ukraine, implementation of the reforms and investments from the Recovery and Resilience Facility, and the economic governance review as top priorities. In the field of taxation, review of the Energy Taxation Directive will continue to be pushed, measures to prevent tax evasion and -avoidance will be given priority, and EU administrative cooperation on taxation will be advanced. On the digital euro and consumer protection, the Presidency will initiate discussions on new Commission proposals, to be presented in the first half of 2023. Finally, for financial policy, the Presidency plans to continue efforts in fighting money laundering and financing of terrorism, create a single access point for financial and non-financial information, begin the revision of the Financial Regulation, and continue the dialogue on next-generation own resources.



#### JUSTICE AND HOME AFFAIRS

The European Union must prioritize the rule of law, migration, and security in order to ensure the safety of its citizens, according to its Justice and Home Affairs agenda. This includes combating organized crime and terrorism, as well as developing an effective migration and asylum system in cooperation with third countries. The EU will review its migration and asylum system, and prioritize the transfer of criminal proceedings in order to more easily coordinate criminal investigations and prosecutions. Additionally, the EU will intensify negotiations on asset recovery and confiscation, and work to prosecute breaches of EU sanctions. Sweden will also focus on developing access to communication data and eEvidence, as well as ratifying the Istanbul Convention.

# EMPLOYMENT, SOCIAL POLICY, HEALTH

As with many other issues, the effects of the on-going war in Ukraine and the aftermath of the COVID 19 pandemic play an important role in shaping healthy policy. Therefore, the Swedish Presidency will prioritize the accessibility of pharmaceutical products and medical devices to avoid shortcomings in case of unforeseen events. Additionally, the presidency will put a focus on the upcoming negotiations on the Regulation for a European Health Data Space as well as the proposal for a Regulation on standards of quality and safety for substances of human origin intended for human application.

In terms of employment and social policy, the Swedish Presidency intends to advance on the proposed Directive on improving working conditions in platform work, revise the Asbestos Directive and begin work on the anticipated proposal to revise the Chemical Agents Directive. Beyond that, the Swedish Presidency seeks to strengthen the social dialogue, progress towards more gender equality and work on the revision of the regulations on social security coordination in order to "reflect the social and economic reality in the member states."

#### COMPETITIVENESS

The Swedish Presidency understands the importance of healthy and strengthened competitiveness to mitigate potential future crises and for digital innovation, for which they ensure an accelerated digital and green transition in the digital, business, and services sectors. In order to respond to crises, the presidency will work on a legislative draft of the Single Market Emergency Instrument, and for the future of innovation in the EU, the presidency will highlight the entry into the unitary patent system.

The presidency will prioritize 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. It will also prioritize the review of the Euro 7 emissions standards for combustion engine vehicles and take a step towards strengthening Europe's semiconductor ecosystem with the European Chips Act, in which one of the five strategic objectives in the draft is strengthening Europe's research and technological leadership through a European partnership focusing on semiconductors and related technologies.

Knowledge and innovative capacity are important prerequisites for enhanced competitiveness. Research and innovation are also prerequisites for tackling crises. In order to accelerate the transition to open science and allow increased access to research infrastructures, the presidency will work to support measures that promote the open exchange of knowledge and data within the European Research Area.

#### TRANSPORT, TELECOMMUNICATIONS

#### AND ENERGY

Against the background of the ongoing war in Ukraine, tackling the energy crisis will be at the forefront of the Swedish agenda. This entails reforming the EU's electricity market and implementing any further emergency proposals if necessary. As there is no time to lose, the presidency will already start preparations on securing energy supplies for next year's winter.

Becoming independent of Russian fossil fuel goes hand in hand with accelerating the EU's green transition. To achieve the goal of reducing EU greenhouse gas emissions by at least 55 per cent by 2030, the Swedish Presidency plans to put a big focus on trilogues in transport legislation within the Fit for 55 package. Also in the realm of Fit for 55, the presidency seeks to achieve progress proposals on the revision of the Renewable Energy Directive and the Energy Efficiency Directive.

On digital topics, the EU has a full plate: the on-going legislative procedures on the AI Act, Data Act, eIDAS, Interoperable Europe Act, Cyber Resilience Act and the Connectivity Infrastructure Act. The Swedish Presidency aims to push for further progress, however, digital policies rank rather low on the list of priorities.



#### **AGRICULTURE AND FISHERIES**

In accordance with the previous Czech Presidency, the Swedish Presidency aims at furthering the sustainability and resilience of European agriculture. In an effort to strengthen Europe's agricultural sector the presidency is looking to follow any proposals to strengthen domestic food production. Among other initiatives, the presidency will prioritise the negotiations on the revision of geographical indications and the negotiations regarding the proposal for a Farm Sustainability Data Network.

The presidency will also address agriculture's role in trade negotiations and explore the potential of the bioeconomy. In order to help consumers make conscious choices in regards to sustainable food choices, the presidency is looking forward to renegotiate food labelling provisions as part of the EU's Farm to Fork strategy.

In accordance with the goals of the agriculture policies the presidency wants to aim at improving the sustainability of the fishing industry, too. This will include continued participation in the UN's sustainable fisheries partnership agreement a review of the Common Fisheries Policy.

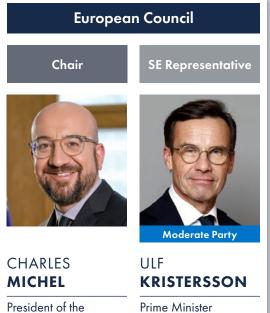
#### **ENVIRONMENT**

The climate crisis and biodiversity loss are existential problems that must be resolved. The Swedish Presidency of the EU will prioritize negotiations on the Fit for 55 package, which aims to reduce the EU's net emissions by at least 55% by 2030 and achieve climate neutrality by 2050. The pricing of carbon dioxide emissions and emissions trading will be crucial in achieving this goal. The presidency will also work on certifying carbon sequestration and carbon capture, reviewing emissions standards for heavy-duty vehicles, as well as revising regulations on F-gases and ozone, in order to support the transition to a more sustainable society. The presidency will also prioritize the revision of industrial emissions directives and focus on developing a circular economy and protecting natural environments and biodiversity. 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. The presidency will therefore continue the work on the Regulation on nature restoration.

#### EDUCATION, YOUTH, CULTURE AND SPORT

The Swedish Presidency sees the importance of education, youth, culture, and sports in light of the current crisis in the Ukraine harming artistic and cultural freedom and in the digital and green transition in need of educated individuals, societies, and businesses. Thus, concrete plans of the presidency include the European Year of Skills 2023, improving mutual recognition of qualifications and digitalization in the area of education. Moreover, the presidency aims to highlight the social and youth dimension of sustainable development. Ensuring media freedom and protection of displaced artists will be a key objective worked on within the proposal for a European Media Freedom Act. Regarding sports, the presidency will work on good governance and administration and highlight the EU's work in the World Anti-Doping Agency.





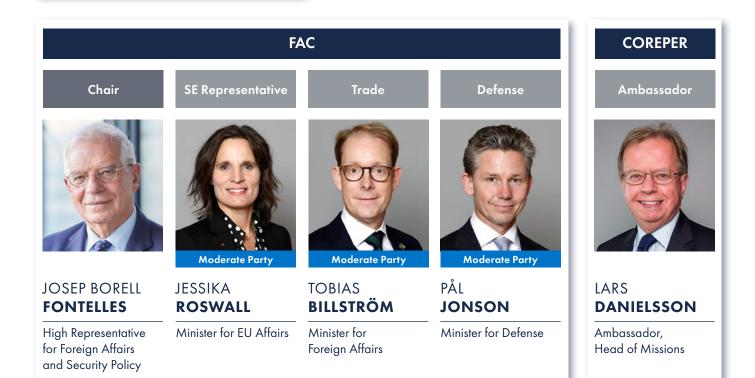
European Council



in Sweden

#### **COUNCIL CONFIGURATIONS**

AGRIFISH	Agriculture and Fisheries
COMPET	Competitiveness
ECOFIN	Economic and Financial Affairs
ENVI	Environment
EPSCO	Employment, Social Policy, Health and Consumer Affairs
EYCS	Education, Youth, Culture and Sport
FAC	Foreign Affairs
GAC	General Affairs
JHA	Justice and Home Affairs
TTE	Transport, Telecommunications and Energy



\*Swedish government in office until September 2026





## Who is Who?

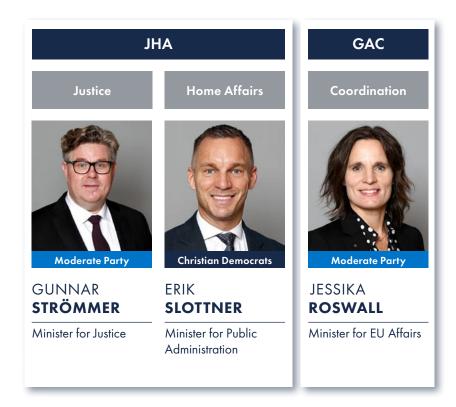




\*Swedish government in office until September 2026



## Who is Who?





\*Swedish government in office until September 2026



# **Further Information**

#### **OFFICIAL WEBSITE OF THE COUNCIL PRESIDENCY**

https://swedish-presidency.consilium.europa.eu/ https://www.government.se/sweden-in-the-eu/

#### 5 OTHER SOURCES (ALL ACCESSED DECEMBER 2022):

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https://www.euractiv.com/section/digital/news/digital-policy-ranks-low-on-swedisheu-presidencys-priority-list/\_\_\_\_\_\_

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https://www.euronews.com/2022/12/14/global-conversation-what-are-swedensplans-when-it-takes-the-eus-presidency-in-january

### SOURCES

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- <sup>3</sup> <u>https://data.worldbank.org/indicator/SP.DYN.TFRT.IN?locations=SE</u>
- <sup>4</sup> https://etranslationservices.com/languages/what-are-the-languages-spoken-in-sweden/
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- <sup>13</sup> https://tradingeconomics.com/sweden/indicators
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### UNDERSTANDING POLITICS ENVISIONING THE FUTURE

ANALYSIS, STRATEGY, POSITIONING