



# AGENDA FOR CZECH FOREIGN POLICY 2014

— Ed. —

Vít Dostál  
Jakub Eberle  
Tomáš Karásek



Asociace  
pro mezinárodní  
otázky  
Association  
for International  
Affairs

**PRAGUE 2014**



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## **AGENDA FOR CZECH FOREIGN POLICY 2014**

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# LIST OF ABBREVIATIONS

ASEAN	– Association of Southeast Asian Nations
CDU/CSU	– Christian Democratic Union of Germany/Christian Social Union of Bavaria
CEB	– Czech Export Bank
CNB	– Czech National Bank
CSDP	– Common Security and Defence Policy
ČSSD	– Czech Social Democratic Party
DEMAS	– Association for Democracy Assistance and Human Rights
EAEO	– European Academy for Elections Observation
EaP	– Eastern Partnership
ECB	– European Central Bank
ECFR	– European Council on Foreign Relations
EMU	– Economic and Monetary Union
EP	– European Parliament
EU	– European Union
IVF	– International Visegrad Fund
KSČM	– Communist Party of Bohemia and Moravia
MoD	– Ministry of Defence
MoF	– Ministry of Foreign Affairs
MoI	– Ministry of Interior
MoIT	– Ministry of Industry and Trade
NATO	– North Atlantic Treaty Organization
OECD	– Organisation for Economic Co-operation and Development
OSCE	– Organization for Security and Cooperation in Europe
PACE	– Parliamentary Assembly of Council of Europe
SPD	– Social Democratic Party of Germany
TTIP	– Transatlantic Trade and Investment Partnership
UN	– United Nations
V4	– Visegrad Group

# GRADING METHODOLOGY

We utilized the traditional grading system used in Czech schools, scoring criteria on a scale of 1 to 5 (with 1 being the best, 5 the worst). There were two sections involved in this process:

**A. POLITICAL ENGAGEMENT** expresses the willingness of political elites to involve themselves in the issues of foreign policy, to appreciate their importance, to advocate a resolution and not to hold them hostage to unrelated political disputes.

**B. INSTITUTIONAL COHESION** indicates the coherence of promoting foreign-policy interests among individual institutions (the President, the government) and central authorities (MoFA, MoIT, MoD, MoI, Office of the Government).

**C. STRATEGIC VISION** is the capacity for a longer-term outlook, the overlap with purely tactical steps and, last but not least, the willingness and boldness to formulate priorities and to efficiently structure foreign policy according to these priorities.

**D. PROACTIVE APPROACH** indicates an effort to overcome reactive thinking in foreign policy and to consciously influence the international environment, mainly partner states, through our own policy initiatives.

**E. INTERNATIONAL RELEVANCE** is a category which expresses how strongly Czech politicians and diplomats resonate within the dominant trends moving through international relations, including European policy.

Individual thematic and regional spheres of Czech foreign policy, which are rated in the relevant chapters themselves. Here we looked at four indicators:

**A. ACTIVITY (30 % OF THE GRADE)** is defined as the frequency and scope of particular steps (beginning with acts of rhetoric and ending with signing agreements, dispatching units, etc.) and their effectiveness from the perspective of the functioning of Czech foreign policy. A rating of “excellent” is given to active policy characterised by unforced initiative; “commendable” is the rating used for active policy in response to international events; “good” is the rating used for limited, predominantly reactive steps with no independent initiative; “satisfactory” is used for a predominantly



passive stance and limited activity; and “unsatisfactory” indicates an entirely passive stance by the Czech Republic without any activity at all.

**B. DETERMINATION (30 %)** is the “seriousness of intent” that accompanies certain foreign policy (i.e. whether it was part of plans implemented over the long term, whether it was consistent with previous steps and whether sufficient human and financial resources were allocated to its implementation). “Excellent” is the rating given to strategic action drawing fully on long-term plans and supported by sufficient resources; “commendable” is the rating used for activity drawing partly on long-term plans and supported by limited resources; “good” is used for tactical responses that took existing strategic plans and a resource framework into consideration, at least in part; “satisfactory” is the rating used for tactical responses without any long-term coherence and very limited resources; and “unsatisfactory” is used for chaotic action without any resources at all.

**C. THE IMPACT (20 %)**, meaning whether the declared intentions led to the desired results (i.e. if an agreement was signed, a political prisoner released, a source of energy secured). We ascribe a mark of “excellent” when all declared aims were achieved; “commendable” is used when most of the declared aims were achieved; “good” is used when a limited number of declared aims were achieved; “satisfactory” was used when only a few of the declared aims were achieved; and “unsatisfactory” was for situations in which none of the declared aims were achieved.

**D. NORMATIVE RATING (20%)** gives the subjective view of the authors, which complements the overall view with factors that cannot be clearly defined in the context of the previous categories. This is a qualitative indicator, hard to specify, which is why we have added a brief verbal assessment for each grade. This grade shows whether we consider the aims, tools and activities in the given area as correct and beneficial.

We also differentiated individual areas according to their importance to the Czech Republic. We chose a number of *strategic priorities*, marked with three asterisks (\*\*\*) in the text, and several other significant priorities, marked with two asterisks (\*\*). Other topics are given one asterisk (\*).

We then reached the final grade shown on the cover of the book in the following way:

- 30 % is the rating of sectional indicators in the opening chapter;
- 70 % is the weighted average of the ratings of individual areas. Each component was calculated according to the priority of the subject-matter at hand – for example, the calculation for a “\*\*\*” topic was weighted at three-times that of a “\*” topic.

**FROM INDIFFERENCE TO  
IGNORANCE: CACOPHONY  
IN CZECH FOREIGN POLICY  
2013**

With the help of a metaphor, it would not be unreasonable to compare foreign policy to a string quartet. Diplomacy can also achieve the desired results only through mutual cooperation and precise coordination of individual players. Last year, however, Czech foreign policy resembled an ensemble that could occasionally play a finely tuned chord, but most of the time produced rather discordant sounds. While the government, the first violin of foreign policy, only played pianissimo, the new President, who should have played second violin, usurped the role of a soloist, here and there alternating his traditional instrument with the triangle or kettledrum. The viola of political parties fell totally silent with their foreign policy experts seemingly not existing at all in the election year. The situation could not be saved by the bass line, represented by the civil servant component of politics, which gave a solid performance, but only managed to maintain the basic line and rhythm of Czech diplomacy with great effort. The result was uncontrolled cacophony.

In last year's issue of *Agenda*, we expressed hope that the new Czech President would have a positive effect on Czech foreign policy compared to his predecessor. It was difficult to imagine a deeper decline following the unconventional conduct of Václav Klaus, who was at odds with the government's official position not only on European issues. Unfortunately, the past year has shown we were too optimistic. Although, at least rhetorically, Miloš Zeman abandoned the anti-EU position of his predecessor, he brought his own problematic emphasis to other areas of Czech diplomacy. Zeman replaced the systematically cultivated parallel line taken by President Klaus with bombastic statements with which he peppered his trips abroad, and which were equally destructive in disrupting the established consensus.

Of course, it would be a mistake to identify foreign policy in 2013 solely with the new President, which is why the following chapters provide a detailed analysis from many different perspectives. However, it is impossible to ignore the fundamental impact President Zeman had during his first year in office. The President made it abundantly clear that he intended to use his newly acquired legitimacy to intervene in political processes more actively than his predecessors. What's more, he did so in the manner that considerably lowered the already poor standard of Czech political culture. Unfortunately, this repeatedly occurred on foreign state visits, where Klaus's spite was replaced by pure crudity. Just recall Zeman's comments on the Sudeten Germans during his visit to Austria or his jest to a German journalist ("Allahu akbar"). He was joined on occasion by members of the executive as for example by the conversation among senior members of Rusnok's government concerning Nelson Mandela's funeral. Although it would be an exaggeration to attribute the President's statements the power to fundamentally affect the Czech

Republic's interests and position abroad, at the very least, his ill-considered statements can influence the Czech Republic's image.

This is not just rhetoric. The President's activity in foreign policy has unfortunately underscored and highlighted two negative trends that we pointed out in last year's Agenda. The first of these is the increasingly evident spillover of political and party-related conflicts into the Czech Republic's external representation. A marked example is the appointment of Livia Klausová as the Ambassador to the Slovak Republic, which can be seen as the President's repayment of a political debt to his predecessor in office. The responsibility for running the embassy in a country that can be considered as an important foreign partner was thus taken up by a person with no previous diplomatic, executive or political training, solely on the basis of a personal political expression of gratitude. What's more, Zeman sidelined the MoFA's official candidate, who had passed the approval process at the time, and had even sought approval in Bratislava.

As well as gratitude for support in the presidential campaign, the appointment of Vladimír Remek revealed the second negative trend, which is the undermining of the value foundations of Czech foreign policy and the resulting activities, such as the support of human rights, democratisation and transition processes. Rhetoric questioning the importance or appropriateness of this area was far from the prerogative of the President over the past year. In fact, it appears the position that values are in conflict with economic interests, which must be given preference, has become the mainstream of political debate. Even if we overlook the material disputability of this argument, the position of the Czech Republic as a country that has used the values agenda to build its good name long-term, and which has high quality expertise in this area, could be jeopardised by this shift in priorities. What's more, it is evident that this has occurred inadvertently, without a strategic plan, more from a lack of better ideas than due to fundamental problems brought by the current direction of Czech foreign policy.

Prior to its fall, the Nečas's government opposed some of the above trends, which was evidenced by the fierce dispute between the President and Foreign Minister Schwarzenberg on the appointment of ambassadors. Furthermore, the government's activities occasionally gave rise to interesting initiatives, such as Prime Minister Nečas's successful visit to Bavaria. The fall of the Cabinet, however, gave the President an excuse to try to push for the expansion of the President's powers, which culminated in the appointment of Jiří Rusnok's government. At the same time, it must be recognised that in the somewhat panoptical composition of the President's government, Jan Kohout acted as a competent and knowledgeable minister, who, among other things, avoided the mass dismissal of senior representatives at his entrusted ministry.

Despite this, the existence of a government appointed without the support of the Chamber of Deputies and without an agreement between political parties was a dangerous precedent, even in terms of foreign policy, which damaged the Czech Republic in the eyes of important partners (as evidenced, for example, by the statement by German President Gauck). Perhaps we should be glad no one was willing to take such a step until Miloš Zeman. Imagine if Václav Klaus appointed Ladislav Jakl as Prime Minister in the spring of 2009, following the fall of Mirek Topolánek's government, and Jakl then chaired the European Council.

The Rusnok's government could not provide foreign policy with the desired strategic leadership – and in a way, it is good that its foreign policy activities were limited and insignificant, with few exceptions. On the other hand, the Rusnok's government's activity further emphasised the lack of interest in international affairs by Czech politicians. This was not just evident at government level, but also in the stagnating, disappearing or even non-existent expertise of political parties. The year 2013 underscored the view that foreign (as well as defence and European) policy did not interest political parties, their members did not want to take up these issues and expertise in these areas did not help build a political career.

The dismal situation on the political scene was in stark contrast to the satisfactory operation of the bureaucratic sector. Here too there were exceptions, such as the long-term animosity between the MoFA and the MoIT in the field of economic diplomacy, which in contrast was institutionally overcome by political agreement in 2013. In general, however, the activity of Czech foreign policy administration is characterised by professionalism, which continues to grow year after year.

However, state representation requires political activity and courage. The Czech Republic thus cannot boast any achievements in many of its priority areas from last year. For example, political engagement did not correspond to the fact the Eastern Partnership was a key instrument in bringing the post-Soviet region closer to Western standards. Even appropriate responses to developments in Ukraine following the refusal to sign an Association Agreement came late. Czech diplomats were then almost comical as they sighed that the Eastern Partnership was a Czech idea that the Poles and Swedes had simply adopted and sold. Equally inappropriate were ironic jeers aimed at the European Union for its indecision, slowness and ambivalence in the face of the Ukrainian crisis, or sanctimonious and empty demands for it-the-EU to take action.

Other examples where the preparedness and diligence of civil servants and diplomats ran into a wall of political ignorance can be found. The Czech Republic failed to adequately respond to tightening Russian legislation that

culminated in a campaign against non-profit organisations and homosexuals. Since the beginning of the so-called Arab Spring, Czech policy in the Middle East has been looking for new purpose. As yet, it has been unable to overcome its shadow in the form of unconditional support for Israel as the only stable democracy in the region and the limited provision of transitional assistance. Despite stagnation of the democratisation process and the cataclysm in Syria, 2013 was a year the Czech Republic withdrew from the region, spiced up by Miloš Zeman's visit to Israel.

In the end, it comes as no surprise that the international think-tank, the European Council on Foreign Relations (ECFR), which annually assesses EU foreign policy, labelled the Czech Republic as the most passive country. In not one of the total of 66 categories was the Czech Republic named as "leader" (4x previous year) or "slacker" (2x previous year). Simply put, Czech foreign policy outside the EU was invisible - as if it didn't exist - and it was left behind in ECFR assessment by even the Baltic States, Slovakia and Malta.

Although we saw a new policy document, which the Nečas's government promised in its programme declaration in the area of European policy, we cannot be pleased with its content or the manner in which it has been received. The Czech Republic's EU Strategy is a cluster of general positions on individual sector agendas, while only offering empty phrases on a key issue of Czech foreign policy - joining or not joining the euro area. What's more, the document arose without wider social reflection or expert debate. Ultimately, it remained a strategy in name only.

Yet the question of future membership of the euro area must be answered politically, and above all, quickly. Developments in recent years suggest that the euro area will continue to integrate economically, politically and institutionally. An informed decision on the Czech Republic's future position in the EU must be made, no matter what the decision. However, political leaders are evidently not aware of this fact. While some pass the buck and talk vaguely of the need to put budgets in the euro area and the Czech Republic in order, others have focused on the form of the decision itself, and the question of a possible referendum. In 2013, politicians were also completely unwilling to deal with key European matters. Hanging the EU flag above Prague Castle or pro-European, euro-federalist rhetoric and other self-identification is not enough.

The October elections were decisive in determining the future direction of Czech foreign policy. However, watching pre-election debates or reading programme material did not inspire much hope. Political parties are not interested in foreign policy and their expertise is pitiful. For most parliamentary parties, it is hard to even guess which political candidate is the foreign policy spokesperson. Honourable exemptions are the Communists

(KSCM) and Social Democrats (ČSSD), where the situation is a little better. Thus the elections did not bring the long-expected return of the debate on foreign policy. No one pulled any interesting programme documents out of the drawer, because no one had put them there in the first place, which was reflected in the quality of the relevant part of the coalition agreement.

Yet, the close of 2013 gave reason for moderate optimism. The best of the nominated candidates was appointed as Foreign Minister and this despite well known opposition by the President. Lubomír Zaorálek had prepared for the post for two electoral terms, and appointed leading Czech expert on international relations, Petr Drulák, as first deputy. Both will now have the opportunity to realise their vision of foreign policy, which they have talked about for several years. The adoption of the Civil Service Act and the Foreign Service Act promised in the government's programme declaration should be reflected positively in Czech diplomacy, which has been regularly marked by instability at the highest positions.

The two greatest political risks are also well-known. The first is clearly President Zeman - even the strongest government will have little to no ability to prevent his further faux pas, ill-considered statements or blocking the nomination of ambassadors. Let's therefore hope that Sobotka's Cabinet is able to find a satisfactory *modus vivendi* with the President and that Czech diplomacy succeeds in continuing to minimise any potential damage. The government's relations with the President will not be helped by its second (not only) foreign policy problem, which is Andrej Babiš. In addition to weakening the government, which opens the door for Zeman, the new Finance Minister's conflict of interest also jeopardises key Czech-Polish relations, where the priorities of the Czech Republic and Agrofert may not coincide. If these two problems can be resolved, Czech foreign policy could experience a more fortuitous year than the last.

### *Rating*

**POLITICAL ENGAGEMENT**  
**INSTITUTIONAL COHESION**  
**STRATEGIC VISION**  
**PROACTIVE APPROACH**  
**INTERNATIONAL RELEVANCE**

**5**  
**4**  
**5**  
**4**  
**4**



**AUDIT OF  
RECOMMENDATIONS  
IN 2013**

① Involve the newly-elected President in the implementation of a uniform foreign policy. The President must represent the position formulated by government, which should also provide him with freedom for self-realisation in areas that are his priorities and that are not at odds with the official line. Mutual trust must be restored in relations between the President and government in relation to foreign policy and a productive atmosphere created.

#### UNSUCCESSFUL

*Cautious optimism regarding the role of the new President was quickly replaced by disappointment. Through his faux pas (for example, his appointment of ambassadors, the proposal for the relocation of the embassy in Israel, the idea of expanding the Visegrad Group or his comments on Sudeten Germans), Miloš Zeman has surpassed the non-constructiveness of his predecessor. The President proved to be a clearly destructive factor in foreign policy, who favours his short-term personal interests.*

② Respond to the Lidice initiative of German President Gauck with a similarly accommodating move. This mainly opens the floor to President Miloš Zeman, who, in spite of the instrumental abuse of anti-german sentiment in his election campaign has repeatedly condemned the “wild resettlement” of Sudeten Germans. An ideal opportunity would be to commemorate the victims of one of the worst excesses in this stage of resettlement, for example in Ústí nad Labem, Postoloprty or Brno. This should primarily be a conciliatory and human gesture over and above, rather than against the spirit of the Czech-German Declaration.

#### PARTLY SUCCESSFUL

*Miloš Zeman’s role was also clearly destructive in relations with neighbouring countries. Not only did the President make no accommodating gesture, but he abused his visit to Austria to further insult Sudeten Germans. However, Prime Minister Nečas played an appreciably positive role in overcoming historical burdens on his visit to Munich, in his conciliatory speech before the Bavarian State Parliament. The Prime Minister thus managed to overshadow Zeman’s vociferous nationalism and his speech received considerable acclaim in the Federal Republic. However, we have yet to see an act commemorating the victims of post-war violence.*

③ Implement a coherent and consistent European policy. The Czech Republic should join the Fiscal Compact and the Euro Plus Pact as it previously approved the principles found within these initiatives as part

of secondary legislation and promotes them in domestic economic policy. It should also complete the ratification of the amendment to Article 136 of the Treaty on the Functioning of the EU. The government should stop sending signals to other partners in the EU that it wants to separate itself from the integration process. Inconsistent European policy weakens the leverage of the Czech Republic in bilateral relations, including strategic relations with Poland and Germany. The Czech Republic should try to halt the adverse de-Europeanization trend in these areas. Moreover, the same move should be made as part of Visegrad cooperation.

#### **PARTLY SUCCESSFUL**

*The Czech Republic's European policy in 2013 could be only deemed coherent and consistent at the cost of resignation in any significant political activity. Neither the Fiscal Compact nor the Euro Plus Pact were adopted, nor were they discussed following the constitution of Jiří Rusnok's government or as part of the election campaign. Although the amendment of Article 136 of the Treaty on the Functioning of the EU was ratified, it was with unnecessary pomp and misinterpretation of the importance of this step. The de-Europeanization trend in relations with Poland and Germany was halted, although once again this was probably due to external impulses (calming of the crisis at EU level).*

④ Submit the Concept of the Czech Republic's Role in the European Union, which the government undertook to prepare in its programme declaration. European policy without vision and a lack of interest in this area among political elites shows that there is a need for broad debate on the Czech role in the EU. Starting a discussion that includes economic and social partners and civil society, led by the Ministry of Foreign Affairs or the Office of the Government would appear to be a suitable move toward the explicit formulation of basic starting points and their introduction to social-political discussion.

#### **PARTLY SUCCESSFUL**

*The Czech Republic's EU Strategy was approved by the government, though its content fell short of even very modest expectations. The document is more of a synthesis of general positions and those participating in its creation evidently resigned on serious political debate. In contrast, they concentrated on quietly neutralising problem passages and fulfilling undertakings made in the programme declaration without greater controversy. Although the Office of the Government launched the National Forum on the EU, this focused more on explaining government positions*

*than an aggregation of new ideas on the Czech Republic's position in the EU. This was a positive, but entirely inadequate step.*

5 Not to shy away from support for human rights and democratic transition; to use this dimension more effectively. Long-term support for human rights abroad and consistent transition policy are among the main units of currency in Czech foreign policy. The interconnection of government policy and the work of non-governmental organisations is also unique. Doubts raised in public by state representatives in this area are counterproductive, weaken the brand built over the long-term and will not bring sufficient effect in the form of business opportunities in non-democratic countries. By contrast, the Czech Republic should try to make this dimension of policy more visible and to be more active within the V4 and the European Endowment for Democracy.

#### UNSUCCESSFUL

*Even in 2013, we witnessed needless statements by Czech politicians weakening the long-built brand of the Czech Republic as an advocate of human rights and democratisation in the world. It also appears that, at least during the current President's term of office, Czech diplomacy will be characterised by a shift away from human rights issues. The growing involvement of external donors in financing projects within the Visegrad 4 Eastern Partnership Programme of the International Visegrad Fund can be rated positively. However, the Czech Republic has not joined in funding the European Endowment for Democracy.*

6 Support civil society in Russia more significantly. Representatives of the Czech Republic should not only concentrate on well-known cases such as Pussy Riot, but should be more vocal in their support of other representatives of civil society, culture or the opposition who have the wider support of the Russian public. The Czech Republic should try and reach a uniform position within the EU to condemn repressions of civil society and in helping to increase support for Russian non-governmental organisations, including those not registered. Pushing through support as part of the European Endowment for Democracy would also be a good idea. The EU should adopt a European form of the Magnitsky Act that includes sanctions against representatives of the Russian regime responsible for violating human rights.

**UNSUCCESSFUL**

*Although some steps were taken, such as Prime Minister Nečas's meeting with representatives of the Russian non-governmental sector, or the summoning of the Russian ambassador following the arrest of demonstrators reminiscent of the August 1968 invasion, these gestures generally remained sporadic. The Czech Republic did not release any official statement condemning the sanctions imposed on the non-governmental sector or the adoption of increasingly repressive legislation in Russia, whereby these issues were not even discussed on a bilateral level. The equivalent of the Magnitsky Act was not adopted at EU level and the Czech Republic took no active part this respect.*

**7** Contribute towards the implementation and deepening of the Eastern Partnership. The Czech position would be strengthened were it to have greater representation of Czech staff members in European Union delegations in partner countries. Another significant step would be to simplify Czech visa policy and make it more effective, for example by issuing visas for a period of five years. The Czech Republic should push through the introduction of visa-free relations with Moldova, if it complies with the conditions of visa dialogue in 2013.

**PARTLY SUCCESSFUL**

*A lack of support by Czech politicians was the main obstacle to effective engagement in Eastern Partnership policy, as evidenced, for example, by the lukewarm response to the pro-European demonstrations in Ukraine at the end of the year. In visa policy, we rated the unification of the positions of the MoFA and MoI positively, as well as the more frequent issue of multiple entry Schengen visas. The Czech Republic continued to support visa liberalisation with Moldova, which will probably be introduced for holders of biometric passports in the first half of this year.*

**8** Promote the integration of the countries of the Western Balkans in the EU at a bilateral and multilateral level. The Visegrad Group should be effectively used to make progress in the integration processes with Macedonia, Serbia and Albania. One possible tool is the creation of a joint non-paper in response to the regular evaluation report by the European Commission. The Visegrad Group should also continue in its support of multilateral communication and cooperation among the countries of the Western Balkans. The V4 model could act as suitable inspiration.

**UNSUCCESSFUL**

*The Czech Republic's involvement in building relations with countries of the Western Balkans as part of the EU accession process at a bilateral level slackened. In contrast, complications arose in the case of Albania in the form of an inconsistent position on resolving the problem of ČEZ, articulated in the threat of a veto on the allocation of candidate status by Prime Minister Jiří Rusnok. There was no conceptual initiative or greater multilateral support by the Visegrad Group.*

9 Use the capacities freed-up by withdrawal from Afghanistan for more active involvement in the EU's joint security and defence policy. The Czech Republic did itself proud in Afghanistan and the decision to continue supporting the stability of the country through non-military resources is the correct one. It is also clear, however, that Europe will have to respond sooner or later to the United States decision to shift attention to the Pacific. The destabilisation of the Middle East and North Africa is a problem Europe will have to face up to, as evidenced by the French operation in Mali, for example. The Czech Republic, whilst maintaining NATO commitments, should also actively involve itself in European civil and military missions, which offer a unique opportunity to use the know-how that the armed forces, diplomats and non-profit organisations obtained over a decade of work in Afghanistan.

**SUCCESSFUL**

*A Czech contingent sent to Mali was the first significant involvement of the Czech Republic in an EU mission since the withdrawal from operations in Bosnia and Herzegovina. If this is a long-term trend, Czech diplomacy has a chance to amend its reputation in this area as a Member State that is, in principle, sceptical towards the Common Security and Defence Policy.*

10 Coordinate and simplify the work of the MoFA and MoIT in economic diplomacy. The MoFA should primarily be in charge of the coordination and technical and formal coverage of the external representation of the Czech Republic given that individual ministries are unable to operate entirely independently abroad. The MoIT should guarantee support for exports and gaining investments, mainly because career diplomats without any real experience in the world of commerce cannot effectively represent the interests of exporters.

**PARTLY SUCCESSFUL**

*With the signing of a memorandum between the Foreign Ministry and the Ministry of Industry and Trade, there was a greater coordination and simplification of the work of both ministries in the area of economic diplomacy. The MoFA is responsible for overall coordination, while the MoIT provides specific support for companies and information. However, a recommendation for the greater role of the MoIT, which has better expertise in the area, was not implemented.*





**THE CZECH REPUBLIC IN  
THE EUROPEAN UNION**

## THE CZECH REPUBLIC'S EU STRATEGY



A few weeks prior to the fall of Petr Nečas's government, the Czech Republic's EU Strategy was adopted, fulfilling one of the commitments undertaken in the government's programme declaration. However, disputes and lack of interest in European policy were reflected in the manner of preparation and final form of the document.

The preparation of the Strategy was sponsored by the Section for European Affairs which forms part of the Office of the Government, with other ministries also participating in the preparation of the text. The document was subsequently unanimously passed by the government. Unfortunately, there was no deeper consultation with experts or the opposition. Discussion with the expert public as part of the National Forum on the Future of the EU was only started after the Strategy had been adopted.

By its nature, the Strategy is more of a bureaucratic document stating the position of the Czech Republic on various aspects of integration. In many cases it is also based on previously formulated general positions and therefore brings no comprehensive original thoughts in this area. The text lacks a long-term (strategic) overlap, which shows the lack of interest by political representatives in formulating strategic goals, or their incompatibility. Discussion of the document, which had not progressed for some time, only moved forward after the presidential election. This might have been due to concerns regarding media coverage of European issues, as both the Foreign Minister and the Prime Minister could have come into mutual conflict or dispute with President Klaus.

The text of the Strategy ultimately neutralised a number of pressing issues. Only one paragraph is devoted to the prospects of adopting the common currency, which - aside from pointing out the changes in the operation of the euro area and their possible impact on the Czech Republic following the adoption of the euro - simply highlights the need for public and political debate. There is also no reference to the fourth part of the proposal Towards a Deep and Genuine Economic and Monetary Union, which examines the issue of political union and democratic legitimacy.

The Czech Republic's EU Strategy is more of a summary of its current and valid positions, rather than a formulation of new tasks. It's good to see that the bureaucracy can agree on various sector issues in European policy, which is also evidenced by the adoption of other position papers in 2013: on internal market priorities and the future of the Economic and Monetary Union (EMU). It shows, among other things, an improvement in the coordination of European affairs. But this is not enough. Without

deep public and political debate, which did not take place prior to the adoption of the Strategy, we cannot expect consistent conceptual policy, and certainly not the creation of a document of a truly strategic nature.

### *Rating*

<b>ACTIVITY</b>	<b>3</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>4</b>
<b>FINAL MARK</b>	<b>3+</b>

*The Strategy does not answer fundamental questions concerning the future position of the Czech Republic in the EU, and is a mere summary of individual position papers with no aspiration for strategic outreach. Unfortunately, this situation reflects the political disinterest in European policy and a reluctance to begin a wider public debate.*

## **BANKING UNION**

**—**  
**\***

The year 2013 was marked by preparations for the commencement of the common supervision of major banks in participating Member States, which began operation as the first pillar of the project in January 2014. Other parts of the banking union were also addressed towards the end of the year: common deposit insurance and the resolution mechanism for resolving banking crises.

The Czech Republic decided not to participate in the project in 2012. Petr Nečas's government maintained a reserved approach to the banking union and Jiří Rusnok's government also remained cautious. Although the banking union was perceived as necessary and beneficial, this was only for members of the euro area, without Czech participation. The Czech Republic, however, actively and constructively participated in the approval of further pillars, even though it was now in the role of a non-participating state. Negotiating positions remained practically unchanged (with the exception of pushing for the earlier implementation of the bail-in mechanism, i.e. participation of the private sector, by the Rusnok's government), while the representatives of the Czech National Bank (CNB) had a significant impact on the Czech position.

The establishment of a banking union will have an impact on the national banking sector, even without Czech participation, largely due to the connection of local commercial banks with their foreign parents. In

conducting the supervision, the European Central Bank (ECB) may also request information on Czech subsidiaries, which could change their system of reporting. They will thus be subject to the indirect supervision of the ECB, without any involvement of the CNB.

Mention of the possibility to join the banking union, which infiltrated the coalition agreement, can be seen as the government's determination not to close the debate on optional Czech membership; that is, joining regardless of the decision to adopt the common currency in the mid-term future. This is a fairly rational approach, as only the launch of the first pillar from January 2014 will indicate the real implications of the establishment of the banking union for the Czech Republic.

### *Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>3</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2</b>

*The Czech Republic's decision not to participate in the banking union was made in 2012, during the decision on the form of the first pillar. The Czech Republic maintained a constructive position in negotiations on further parts of the banking union - common deposit insurance and the resolution mechanism - in which it accentuated the possibility of joining the project in the future.*

**VISEGRAD COOPERATION  
AND CZECH FOREIGN  
POLICY**

## VISEGRAD COOPERATION



There was progress in 2013 at the end of the Polish Presidency of the Visegrad Group and the beginning of the Hungarian Presidency, particularly in security and defence cooperation, energy and strengthening V4 relations with other countries.

In the area of energy, a road map for the creation of a regional market in gas between Visegrad countries was adopted, which includes a reinforcement of infrastructural connections, unification of legislation, finding common positions at European level and cooperation between regulators and transmission system operators. Together with the constitution of a consultation forum on this area, there was also confirmation of the strategic interest of the V4 countries to cooperate in this dynamic area and to not only strengthen the energy security of the region, but also to create a common market and increase the predictability of the commercial environment. Last but not least, the constitution of a consultation group on nuclear energy can also be seen in a positive light.

The meeting of V4 Prime Ministers with Angela Merkel and François Holland in March had more of a declaratory nature, but was significant in terms of external visibility of the Visegrad Group. In contrast, the June meeting of V4 Prime Ministers + Japan was a true promotion of long-term cooperation at premier level. Foreign Ministers also met with the US Deputy Secretary of State, Turkish Foreign Minister and Austrian Minister of State in October. Cooperation with third countries reflects the growing cohesion of the Central European region and the long-term activities of the V4 in priority areas, especially countries of the Western Balkans.

Current developments in the V4 in accordance with the long-term objectives of Czech foreign policy and general acceptance are evidenced by the first mention of the V4 in the coalition agreement. The President however, does not share the general satisfaction with the operation of the V4 today, and has repeatedly expressed his support for the expansion of the V4 by other countries, which is not a position consulted with the government, or based on broader political consensus. The President's words may have thus lowered the Czech Republic's credibility and Visegrad cooperation as a whole in the eyes of partners in the V4 and third countries that are beginning to see Visegrad as a stable and permanent component of European politics.

*Rating*

<b>ACTIVITY</b>	1
<b>DETERMINATION</b>	2
<b>IMPACT</b>	2
<b>NORMATIVE ASPECT</b>	2
<b>FINAL MARK</b>	<b>2+</b>

*Visegrad cooperation has been established as a stable component of Czech foreign policy, as evidenced by the growing number of joint projects and increasing international importance of the V4. However, the general acceptance of the present form of Visegrad by Czech political representatives was jeopardised by President Zeman’s proposals to expand the V4.*

**VISEGRAD COOPERATION AND SECURITY AND DEFENCE POLICY** —  
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Perhaps the most intense cooperation in security and defence policy between the members of the Visegrad Group culminated in 2013. It was driven by the preparation of a joint battle group, which should become operational from 1 January 2016, and the year-long consultation concerning the European Council on security and defence policy, which took place in December.

In preparing positions for the European Council, there was not only a convergence in the position of V4 countries on the creation of joint position papers (especially the Joint Declaration by Foreign Ministers in April), but also consultation with other important players. In February, Foreign Ministers spoke of EU security and defence policy at a meeting of Visegrad, Nordic and Baltic countries and the Defence Ministers of the V4, France and Germany discussed the same topic in March. The joint position of the V4 on cooperation between the EU and NATO and the armaments market was incorporated in the conclusions of the December session of the European Council. Chiefs of Staff spoke about the preparation of the Visegrad battle group at an April meeting in Sopot.

Prime Ministers approved the line of future cooperation on defence policy in October. Defence Ministers were charged with preparing a long-term vision of cooperation, strengthening cooperation in military exercises and exploring the possibility of joint military planning.

*Rating*

<b>ACTIVITY</b>	<b>1</b>
<b>DETERMINATION</b>	<b>1</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>1</b>
<b>FINAL MARK</b>	<b>1</b>

*Reinforcement of regional cooperation in security and defence policy is a positive step and the right response to reducing resources allocated to defence. The preparation of a joint battle group and identifying other areas of cooperation shows the way for a gradual convergence in security and defence policy.*

## **INTERNATIONAL VISEGRAD FUND**

**1**  
**\***

The annual contribution for the work of the International Visegrad Fund (IVF) was increased in 2013 by one million euro to seven million euro (effective from 2014). The IVF continued to develop activities in relation to Eastern Partnership countries. The credibility of the IVF in the provision of grants in this area was confirmed by a contribution from Sweden and the Netherlands at the end of 2013 for the announcement of a special call administered by the IVF. In this context, Czech foreign policy consulted the possible entry of further partners (Canada, Switzerland), which can be described as a positive trend.

At a meeting in June, V4 Prime Ministers decided on an evaluation of the operation and objectives of the IVF. Although the IVF continues to confirm its usefulness through the continually increasing interest by applicants in individual calls for grants and the expanding activity and willingness of Member States to increase the budget, a review of its activities is undoubtedly a step in the right direction. In recent years, there has been a change in the environment supporting civil society in Central Europe, in which the non-profit sector has undergone partial professionalization, while, at the same time, having to deal with the departure of many international donors. It is therefore appropriate for the IVF to consider better ways to set its grant instruments, which should reflect the nature of the supported projects and the development needs of non-profit organisations.



*Rating*

<b>ACTIVITY</b>	<b>1</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>1</b>
<b>NORMATIVE ASPECT</b>	<b>1</b>
<b>FINAL MARK</b>	<b>1</b>

*Gradual expansion of the International Visegrad Fund's activities, increased budget and the fact that other countries with more experience in supporting civil society have begun to contribute to its calls for grant applications, shows the positive trends in the development of this institution. The evaluation of the operation of the IVF, decided by V4 Prime Ministers, is another important positive step in view of the change in conditions for the non-profit sector.*



# KEY BILATERAL RELATIONS

## UNITED STATES OF AMERICA



The main features of relations with the United States in 2013 were stability, continuity and a focus on specific projects. Cooperation primarily took place at the level of everyday work contacts, i.e. outside the interest of political representatives, the media and the public. Indeed, in the chaotic situation, the American side found it difficult to find political partners. The sense of an absence of “big issues” was partially disrupted by two cases. The first was the tender for the expansion of the Temelín nuclear power plant, which will not be decided until 2014, at the earliest. The second was the exposed activity of American intelligence services in Europe, where the Czech Republic stood aside and tried to calm the situation. Cooperation at working level continued to be governed by the “three pillar” rhetoric – security, economy and issues concerning shared values.

The main topic relating to security was cooperation in Syria. Due to the absence of an American diplomatic mission here, the Czech Republic continued to represent the United States for the second year. Although this primarily concerned the provision of consular services to U.S. citizens, the Czech Republic also gained the reputation of a reliable ally. Talks also took place on the Czech Republic’s participation in the stabilisation of Afghanistan after the departure of U.S. and NATO troops or the establishment of a NATO training centre for helicopter pilots.

The most dynamic development was evident in the economic area. The Czech Republic closely followed negotiations on the Transatlantic Trade and Investment Partnership (TTIP) led by the European Commission on behalf of the EU. The conclusion of this agreement is a priority for the Czech Republic, as evidenced by the appointment of a special envoy answering directly to the Foreign Minister. On a practical level, the TTIP could annul existing agreements on the protection of investments, where the Czech Republic has long strived for a review of the disadvantageous and outdated agreement of 1991. Prague has hitherto avoided a unilateral termination of the agreement and would therefore consider its resolution in the context of the TTIP as optimal. The Czech Republic also emphasised the geopolitical aspect of the agreement, which it sees “tying” the USA to Europe.

The Czech Republic joined other countries in Central and Eastern Europe to lobby the U.S. Congress to approve a bill that would allow the export of shale gas to NATO countries and Japan. Special Envoy for Energy Security, Václav Bartuška defended this position in an article for *The Washington Post*, where, aside from the mutual economic benefits, he also emphasised the geopolitical dimension again.

The wide range of value issues continued to include various activities in support of human rights, transition and democratisation. Aside from well-functioning projects such as the Vaclav Havel Journalism Fellowship, the Czech Republic showed significant reserves in its commitments to the Open Government Partnership promoted by Washington. In March, the government itself noted that it had met neither of the three of its commitments for 2012. However, due to political turbulence, two key points were not met (adoption of the Civil Service Act and the amendment of the Act on Access to Classified Information) even in 2013.

### *Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2-</b>
<b>FINAL MARK</b>	<b>2</b>

*Pragmatism and a focus on concrete intersecting points of interest were not only a necessity for the Czech Republic in terms of its capabilities, but also a good way to push through its own agendas. However, as a confident partner, the Czech Republic should not drag geopolitical undertones into economic issues. There is no need to “tie” partners where there are common values and interests.*

## **GERMANY**

**\*\*\***

Czech-German relations were very good in 2013. Both sides attributed them considerable importance, as evidenced by the wording of both incoming governments’ programme documents. It was a relatively quiet period at the highest political level, especially in the second half of the year. This was due to the concurrence of Czech, German and Bavarian elections and the associated workloads of politicians.

Fortunately, this atmosphere was not significantly disrupted by the populist resurrection of the Sudeten issue by Czech President, Miloš Zeman, who simply repeated his previous views. His statements were therefore ignored by German politicians, who devoted their attention to more constructive partners. Miloš Zeman’s poor reputation in Germany was reinforced following the fall of the Nečas’s government, which even drew diplomatic jibes from his German counterpart, Joachim Gauck. At a meeting in Berlin, Gauck stated that

the President should act as a peacemaker, not as a second government. Although the President's role did not have a significant impact on overall assessment of the bilateral relation, it certainly did not contribute to its quality.

In contrast, Petr Nečas scored points on his trip to Munich, which was the Czech Prime Minister's first official bilateral visit to Bavaria. In a speech before the Bavarian State Parliament, he stressed the long history of peaceful coexistence between the Czech and German people and expressed remorse over the victims of the Second World War and the subsequent expulsion of German inhabitants from the Czech Republic. This gesture received considered acclaim and was probably Nečas's most important act in foreign policy. This was not just about symbolism; a broad Czech-Bavarian agenda followed the visit, including areas such as science and research or the organisation of a joint regional exhibition. Czech-Saxony relations were also traditionally problem-free, helped in part by the first year of operation of the Saxony contact office in Prague.

Karel Schwarzenberg also received a cordial welcome on his visit to Berlin, to mark the celebration of fifteen years of the Czech-German Fund for the Future. A commitment to ensure the continuation of the fund after 2017, which appeared in the CDU/CSU and SPD coalition agreement, is the achievement of Czech diplomacy.

Naturally, mutual relations did not remain unaffected by problematic issues arising from the close connection between both countries. The first of these was the intermittent overflow of energy from Germany, which poses a serious problem for the Czech transmission system. This issue continued to be addressed at the level of system operators. ČEPS announced a tender for the construction of border transformers that would protect the Czech network. Another problem was cross-border crime, especially drug smuggling into Germany. Constructive cooperation took place here too, where the Czech side managed to explain the situation and gain trust through the actions of political leaders and the police (for example, by introducing intensive checks of drivers on the Czech side of the border). However, drug-related crime remains a potential risk factor in mutual relations.

### *Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2</b>

*The Czech Republic is rightly aware of Germany's crucial importance and actively seeks close cooperation at all levels, which deserves unequivocal commendation. However, these efforts were limited in 2013 by political instability and the uncoordinated, if not downright destructive actions of the President.*

## POLAND

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The quality of Czech-Polish relations was confirmed in 2013 by further Czech-Polish intergovernmental consultations and President Zeman's successful visit to Warsaw. Despite this, mutual relations are not entirely problem-free and mention of Poland was noticeably lacking in the Sobotka's government's coalition agreement.

Media coverage with unfounded accusations of the harmful effects of food imported from Poland and Poland's exaggerated share of detected faulty samples was a sensitive issue in Warsaw. The restrained approach of the Czech Ministry of Agriculture was very important in this context, which did not succumb to public and media pressure. It did not resort to sanctions and, in contrast, responded to the tense atmosphere with efforts to improve cooperation between supervisory authorities.

Mutual trust also strengthened on the issue of the future of Unipetrol, whose majority shareholder is the partly state-owned PKN Orlen. There has been speculation about the possible sale of Unipetrol for several years, which was partly eased in 2013. An amendment of the Fuels Act came into effect in the Czech Republic, which should help reduce grey areas in the retail market. In its strategic plan for 2013-2017, Unipetrol is to increase its investments, which can be seen as an effort to strengthen its position on the Czech market. On the other hand, the issue of transit fees remains unresolved, which is a risk factor often emphasised by the Polish investor. Stability in this area will not be strengthened by the entry of the ANO 2011 movement into government, as, among other things, Andrej Babiš also has business interests in the chemical industry, which presents the question of a possible conflict of interests.

The activity of the Czech-Polish Forum continued in 2013; however, the promotion of this programme by the MoFA is very weak. The specialised website has not been regularly updated and there is no information on completed projects. At the time of the media campaign against food imported from Poland, it should have been a case of improving interpersonal relations and a better understanding of Polish culture by the general public.

*Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>3</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2</b>

*Apparent efforts to calm, or at least not aggravate problem areas in relations (imported food, Unipetrol), are commendable. However, stability is jeopardised by the entry of the ANO 2011 movement into government, where the Polish side is concerned of a conflict of interest in the person of Andrej Babiš.*

**RUSSIA****—**  
**\***

In 2013, contacts between the Russian Federation and the Czech Republic were affected not only by the change in domestic political representation, but also disagreements within the Nečas's government or the year-long absence of a Czech ambassador in Moscow. The election of Miloš Zeman as a president friendly to the Kremlin, instead of Karel Schwarzenberg, was a positive impulse. The Czech Republic's ambiguous position ended with the fall of Petr Nečas's government. The appointment of Vladimír Remek as ambassador sent a clear signal that human rights would not be at the centre of attention of Czech foreign policy in relation to Russia. The new ambassador's comments against criticizing Russia are well known.

In the area of energy, the completion of the Temelín nuclear power plant and supplies through the Druzhba pipeline were the main topics of discussion in bilateral relations. While the decision on the expansion of Temelín was postponed, the problem of supplies was resolved in June with the signing of an agreement between the Russian state-owned oil company Rosneft and the Polish owner of Czech refineries, PKN Orlen. This agreement (valid until June 2016) met the wishes of the Czech side for the supply of oil to be as cheap as possible.

Bilateral trade did not grow as strongly as in previous years. However, the positive trend - from the Czech perspective - in reducing the negative trade balance continued. Problems also continued in relation to several projects funded by the Czech Export Bank (CEB). This includes defaults on older loans provided to Uralvagonzavod or funds provided for the



construction of a power plant in the city of Krasavino. In trade terms, Prime Minister Petr Nečas's visit to Russia in May can be deemed a success, in the context of which Czech companies signed contracts with Russian partners worth several billion crowns.

Events, which led to the Russian ambassador in Prague being summoned for consultation at the Foreign Ministry, involved the detention of ten activists on Red Square in Moscow, who had been commemorating the invasion of Czechoslovakia by Warsaw Pact troops. The activists were arrested during a peaceful rally and sentenced to financial penalties. Court proceedings are still underway and are being closely monitored by the Czech side. The Czech Republic also took a passive approach to other human rights issues such as the homophobic campaign or oppression of the non-governmental sector.

Overall, there were no fundamental changes in the actual agenda on relations with Russia compared to previous years. The agreement on supplies through the Druzhba pipeline, or the signing of the final agreement on the settlement of the former USSR and Russian Federation's debt to the Czech Republic, which successfully completed a complex process of many years, can be described as positive outcomes. On the other hand, mutual relations could be negatively affected by the CEB projects mentioned above or continuing legal wrangles associated with the arrested activists.

### *Rating*

<b>ACTIVITY</b>	<b>4</b>
<b>DETERMINATION</b>	<b>4</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>3-</b>
<b>FINAL MARK</b>	<b>3-</b>

*The Czech Republic should be more vocal in its support of human rights and European values, even in situations that do not directly affect Czech citizens, such as support for the rights of homosexuals. An improvement in relations cannot continue at the cost of looking away from growing repressive measures in Russia.*



**EASTERN EUROPE  
AND THE BALKANS**

## THE EASTERN PARTNERSHIP



In view of the preparation of the summit in Vilnius at the end of November, the Eastern Partnership (EaP) represented one of the main foreign policy priorities in 2013. The bureaucratic sector placed sufficient emphasis on this topic. Thanks to this, Czech priorities were reflected in the EU's annual policy in relation to Ukraine and the conclusions of the Vilnius summit. This was essentially a confirmation of the "European aspirations and European choice" of partner countries. On the other hand, the support of political representatives was inconsistent. The credibility of the Czech Republic's position was not helped by President Zeman's comments on Azerbaijan, or his ambiguously assessed visit to Ukraine.

These incidents show that although the EaP is supported as a priority at a declaratory policy level, its long-term importance and the specific problems of its implementation have not been properly assessed. This approach has also led to insufficient communication with the media and the public and an inability to explain the benefits of the implementation of this project; above all in strengthening the security and stability of the European Neighbourhood and better conditions for Czech businesses on these markets.

The superficial approach of political leaders to the EaP was revealed by the crisis in Ukraine following the summit in Vilnius. Although Minister Jan Kohout met with opposition leader Klitschko in December at a meeting of the Organization for Security and Cooperation in Europe (OSCE) in Kiev, Czech diplomacy remained silent for a whole week after the summit. The V4's position also came with a delay. As a result, occasional lamentation regarding the ambivalence and passivity of the EU by some Czech politicians seems almost comical, given the lack of their own proactive policy.

Czech foreign policy lacks a clearly profiled personality to advocate the EaP on a bureaucratic and political level, both in relation to foreign and domestic players. Czech diplomats resent the monopolisation of the EaP by Poland and Sweden in view of the amount of work they have done in this area (the activity of embassies, support for the development of civil society and democratisation through transition cooperation). However, without activity at all levels, the Czech Republic will never be seen at the driving force of this project.

*Rating*

<b>ACTIVITY</b>	2-
<b>DETERMINATION</b>	2
<b>IMPACT</b>	2
<b>NORMATIVE ASPECT</b>	3
<b>FINAL MARK</b>	<b>2-</b>

*The work of the bureaucracy is insufficiently supported by political representatives, due to which the Czech Republic is no longer seen as a strong supporter of the Eastern Partnership at EU level. Neither the support of civil society in the region nor everyday diplomatic work can substitute for political indifference. The Czech Republic is thus losing its position as the driving force of the Eastern Partnership for which it fought all this time.*

**UKRAINE AND CZECH FOREIGN POLICY**


Ukraine remains an important foreign policy partner for the Czech Republic in view of its size, strategic position and key role in the Eastern Partnership project. The attraction of this country for the Czech Republic is further increased by the large Ukrainian community in the Czech Republic, as well as the fact that this is one of the priority countries in the Czech Republic's export strategy.

The Czech Republic's position on Ukraine was very strongly influenced by events in the country last year. Attention was focused on the long-awaited signing of an Association Agreement with the EU, which was to have taken place at the November summit in Vilnius, and the subsequent mass protests following the surprise postponement of the signing. In this context, it is unequivocally positive that the Czech Foreign Ministry has consistently supported the signing of an Association Agreement with Ukraine and condemned the break-up of the demonstrations on Independence Square in Kiev. The Czech Republic also relayed this position at the level of international organisations such as the EU or the Visegrad Group. On the other hand, it must be noted that the response of both the Czech Republic and the V<sub>4</sub> came late.

Bilateral relations calmed in 2013, following their disruption by the expulsion of two Czech diplomats in 2011 and asylum granted to Bohdan

Danylyshyn and Oleksander Tymoshenko in the Czech Republic. This trend culminated in October with President Zeman's state visit to Ukraine. But, aside from confirming good bilateral relations and verbally supporting Ukraine's European aspirations, it brought few tangible results.

However, there were concrete changes in relation to the issue of visas. In May 2013, Czech consulates in Ukraine began issuing multiple entry visas for the purposes of tourism and medical treatment. With this step, the Czech Republic wants to support the country's European prospects. However, in the interests of increasing the transparency of the process, applicants will only be able to apply for this type of visa in person effective from 1 January 2014.

### *Rating*

<b>ACTIVITY</b>	<b>2-</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>3</b>
<b>NORMATIVE ASPECT</b>	<b>3</b>
<b>FINAL MARK</b>	<b>2-</b>

*Following previous conflict, there were positive developments in bilateral relations, which culminated in President Zeman's state visit to Ukraine. Despite the refusal to sign an Association Agreement with the EU at the summit in Vilnius, the Czech Republic consistently supports convergence between Ukraine and the EU. However, verbal support came too late and was not accompanied by stronger action.*

## **AZERBAIJAN AND CZECH FOREIGN POLICY**



Czech-Azeri relations have long been negatively affected by the dispute between advocates of unconditional support for Czech export on one side and protectors of human rights on the other. While mutual trade exchange between the Czech Republic and Azerbaijan thrived last year, support for democratisation and human rights was unsuccessful, which was mainly reflected in the presidential elections in October 2013.

There was a diplomatic skirmish between the President and the MoFA at the beginning of the year. Minister Schwarzenberg called Aliyev's regime a "solid family dictatorship". His comment brought a sharp response not only from Azerbaijan, but also from President Miloš Zeman, who said that such words could have a negative effect on the position of Czech companies in Azerbaijan.

Several Czech politicians took part in monitoring missions during the presidential elections. These were primarily missions or delegations organised by the European Parliament, Parliamentary Assembly of the Council of Europe (PACE) or the non-profit organisation, European Academy for Elections Observation (EAEO), which unlike OSCE missions are not based on longer-term field research and are only present in the field at the time of the elections. The moderate opinions of Czech observers were often used by the pro-regime Azeri media.

What's more, Czech politicians taking part in the mission did not assess the course of the campaign, electoral legislation or the general situation in the country, just the election itself. This may have led to significant distortion. There are also concerns that some Czech observers may have become part of so-called caviar diplomacy, i.e. the regime's efforts to improve its image abroad through gifts and other benefits provided to foreign politicians.

The conduct of Czech politicians did not remain without a response at home. However, it was clear from the response of Czech politicians to an open letter from the Association for Democracy Assistance and Human Rights (DEMAS) that they were unclear of how a monitoring mission should actually be carried out or what the real situation was like in Azerbaijan.

### *Rating*

<b>ACTIVITY</b>	<b>3</b>
<b>DETERMINATION</b>	<b>4</b>
<b>IMPACT</b>	<b>3</b>
<b>NORMATIVE ASPECT</b>	<b>4</b>
<b>FINAL MARK</b>	<b>3-</b>

*On an economic level, Czech-Azeri relations were very successful last year, though on a human rights level Czech political representatives failed across the board. Czech politicians should avoid controversial PACE, EP or EAEO monitoring missions, in addition to which, they should better acquaint themselves with the situation in the country prior to departure.*

## **WESTERN BALKANS AND CZECH FOREIGN POLICY**



The process of accession negotiations between countries of the Western Balkans and the European Union saw its most significant success last year with the accession of Croatia to the EU on 1 July 2013. This step,

which has long been strongly supported by the Czech Republic, is a clear incentive to other candidate states in the region and, at the same time, evidence that the accession process is continuing despite the economic crisis. Active support for EU enlargement remains a priority of Czech foreign policy in relation to the countries of the Western Balkans. However, the accession of Croatia to the EU opens that phase of its integration into European structures, where the Czech Republic should play a positive role, thanks to the quality of its relations with the new Member State.

Aside from a date for the commencement of accession negotiations with Serbia and continuing dialogue between it and Kosovo, there was no significant progress in the accession process for other aspiring countries. Despite the Czech Republic's declared support, the line taken by Czech representatives was not entirely unified. The revocation of its licence and problems concerning the protection of ČEZ's investments in Albania played a negative role in this respect. What's more, a similar situation arose in Bulgaria, which did little to increase general support for the policy of enlargement.

At a meeting of the Committee for European Affairs of the Chamber of Deputies in December, Prime Minister Jiří Rusnok expressed a very negative view of Albania's European aspirations, which he justified by ČEZ's unresolved claims, although the arbitration case in this matter is not yet closed. Such statements damage the image of the Czech Republic as a stable supporter of the enlargement policy. Overall, the Czech Republic saw a slump in activities leading to the consolidation of economic and political cooperation with countries in the Western Balkans compared to previous years.

### *Rating*

<b>ACTIVITY</b>	<b>3+</b>
<b>DETERMINATION</b>	<b>3</b>
<b>IMPACT</b>	<b>3</b>
<b>NORMATIVE ASPECT</b>	<b>3-</b>
<b>FINAL MARK</b>	<b>3</b>

*The Czech Republic's position as a supporter of the accession process of the countries of the Western Balkans was damaged by negative statements and the threat of a veto to grant Albania candidate status by Prime Minister Jiří Rusnok in response to continuing arbitration on the revocation of ČEZ's licence.*



# MIDDLE EAST

## THE ROLE OF THE PRESIDENT IN CZECH MIDDLE EAST POLICY



Although the traditional line supporting Israel and the emphasis on promoting human rights, democratisation and transition cooperation were not always well coordinated, they have recently represented a functional framework for the execution of Czech foreign policy in the region. However, the activities of the new President have significantly disrupted this delicate symbiosis.

Miloš Zeman's deprecatory views of Islam and Arab culture became part of the Czech Republic's official foreign policy discourse upon his election as President. This was supplemented by a distinctive mix of fervent support for Israel and vague calls to fight terrorism, which were reflected in several of the President's initiatives. The proposal to move the Czech embassy in Israel from Tel Aviv to Jerusalem provoked a negative international response, and was sharply condemned not only by Palestinian leaders, but also the League of Arab States. A similar faux pas in relation to the Israeli-Syrian conflict was an unrealistic proposal to send Czech troops to the Golan Heights as part of a UN contingent.

The President made another gaffe during his June visit to Germany. In an interview on the fate of two Czech women kidnapped in Pakistan, Miloš Zeman asked the German journalist if she was an agent of Taliban or Al-Qaeda, and ended with a mocking cry of "Allahu akbar!" In the given situation however, his ironic banter could jeopardise the life of the two women.

The President's activities have pushed the Czech Republic's traditionally pro-Israel position in the Middle East to a hardly sustainable extreme. Zeman's views have disrupted the continuity of policy in the region and undermined the positive image the Czech Republic has gained in the Arab world with its support of transition processes and democratisation. There is also the danger of a deepening dual-track approach by the President and the MoFA. What's more, the President's comments damage the image of Czech diplomacy in the world, and in an extreme case, could present a security risk if the Czech Republic is perceived as an "anti-Islamic" country. Although the MoFA and the Office of the President have tried to moderate the impact of Zeman's comments, this has had only limited success due to their media coverage and the President's activism.

*Rating*

<b>ACTIVITY</b>	<b>1</b>
<b>DETERMINATION</b>	<b>4</b>
<b>IMPACT</b>	<b>5</b>
<b>NORMATIVE ASPECT</b>	<b>5</b>
<b>FINAL MARK</b>	<b>3-</b>

*The President's views on Middle East issues deviate from the established tradition of Czech foreign policy. In the context of efforts to improve the Czech Republic's image and increase its influence in the region through new initiatives launched following the outbreak of Arab Spring, the steps by the head of state are harmful and potentially dangerous.*



ASIA

## DEMOCRATISATION IN BURMA



Former dissident and now active politician, Aung San Suu Kyi, visited the Czech Republic in 2013, where Minister Kohout offered further aid and support for the democratisation process in Burma. Czech diplomacy fulfilled this promise in several ways. In addition to opening the embassy in Burma and providing direct financial assistance, this important agenda was also pushed through in the European Union. Burma now represents one of the main pillars of Czech value-oriented foreign policy.

Czech diplomats deemed constitutional reform to be a key element in the continuing democratisation process. This was long neglected, but has now finally appeared on the agenda of Burmese politicians. This was partly due to pressure by the Czech Republic, which together with Great Britain and the Netherlands successfully pushed this issue into the conclusions of the December meeting of the Foreign Affairs Council. It is positive to see, that diplomacy has actively used the tools that EU membership allows.

On the other hand, the fact that the Czech Republic is more often associated with Burma on the grounds of the EU than in the country itself is problematic. Although the activities of People in Need (Člověk v tísni), the opening of the embassy and the planned appointment of an ambassador will all help, the Czech Republic's footprint could be more pronounced. It is sensible that our diplomacy is not primarily focused on economic cooperation, as there is a queue of strong countries such as the USA or Japan waiting in line for this. Sharing know-how on democratic transition, the provision of development aid and the embassy's active policy in Burma can contribute much more to the improvement of mutual relations.

### *Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>2-</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2</b>

*In the case of Burma, the Czech Republic has a clear goal, and that is to help in democratic transition. It is actively working on this, but its efforts could be stronger – for example, in pointing out the Burmese government's failure to fulfil its commitments to release political prisoners.*

## DEVELOPMENT OF CZECH-CHINESE RELATIONS



Following a major discussion of the role of China and export in Czech foreign policy in 2012, 2013 was much calmer. Policy continued in the course set by the Nečas's government, which joined China's initiative to develop cooperation with sixteen countries in Central, Eastern and Southeast Europe. The main priorities thus remain the development of trade cooperation and the full restoration of trust in political relations. This is gradually being achieved, at least according to reports from both sides. At the same time however, there has been no major progress, as, once again, there have been no independent bilateral negotiations at a higher level.

The China+16 Group is still searching for its form and objectives. Still, the fact the Czech Republic is actively participating and has not skipped any meetings is a positive factor. The last meeting was held in Bucharest in November, where an action plan of cooperation was approved, which, among other things, reminds China of its commitment to provide countries in the region with a loan of \$10 billion or to organise an investment forum in Prague. Perhaps the most important event was the arrival of the Secretary General for the 16+1 initiative and the Chinese Deputy Foreign Minister Sung Tao, who attended November's China Investment Forum. The forum was also visited by a number of Czech government officials, including Prime Minister Rusnok.

On an economic level, the greatest achievement was an agreement on cooperation in healthcare reform between the Ministry of Health, the City of Beijing and Hunan Province. An agreement was also signed between hospitals and universities on cooperation in education and the exchange of research students. Similar agreements are certainly one way of improving Czech-Chinese relations.

### *Rating*

<b>ACTIVITY</b>	<b>3</b>
<b>DETERMINATION</b>	<b>2-</b>
<b>IMPACT</b>	<b>2-</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2-</b>

*Efforts to establish correct political and economic relations, as well as a focus on specific cooperation are welcomed. The main aim at diplomatic level is to avoid any surprises from both sides and to slowly restore mutual*

*trust. The situation is more problematic at political level, as there is still the lack of a clearly formulated vision on how the Czech Republic envisages relations with China.*

## SOUTH AND SOUTHEAST ASIA



Czech diplomacy tried to strengthen relations with countries that are not traditionally part of its narrowest priorities last year. This was particularly true of countries in South Asia and some members of the regional organisation, the Association of Southeast Asian Nations (ASEAN), such as Singapore and Thailand. However, the fall of the Nečas's government, the indisposition of President Zeman and the unstable political situation in Thailand complicated any significant advance in mutual relations.

Given that senior Singaporean representatives do not come to Europe very often, the postponement of the presidential arrival to the Czech Republic due to Miloš Zeman's health problems was a missed opportunity. There is no need to overestimate the impact of the state visit, but the Czech Republic is currently less visible in Singapore than other Central European countries, and thus it may have contributed to greater cooperation in areas such as education, innovation or investment. In the end, the official Czech visit to India, Sri Lanka and Bhutan took place at ministerial level, with Foreign Minister Kohout attending instead of the Prime Minister. The trip was, however, largely a courtesy act, despite that fact that these countries are to play an important role in Czech foreign policy according to current strategies.

Promising negotiations on mutual cooperation in healthcare and transport took place in Thailand, whose internal political instability and probable change of government have hindered any concrete results so far. The situation was similarly unfortunate in Vietnam, where the state visit of the Czech Republic by the Vietnamese President was postponed for internal political reasons. The Czech Republic was also highly visible in the Philippines, although largely through the contribution of the private sector. Inekon's notification of the corrupt conduct of the Philippine contracting authority in the tender for the construction of the subway was perceived very positively in the country, and as a welcome attempt to increase transparency in the sector. Although the idea of the Czech Republic as an exporter of anti-corruption practise is somewhat absurd, it would be a shame not to exploit this positive image further and build on it.



*Rating*

<b>ACTIVITY</b>	<b>2</b>
<b>DETERMINATION</b>	<b>2-</b>
<b>IMPACT</b>	<b>3</b>
<b>NORMATIVE ASPECT</b>	<b>2-</b>
<b>FINAL MARK</b>	<b>2-</b>

*Exploring further opportunities for cooperation in Asia is appropriate, however, the Czech Republic should focus more on countries that correspond to its limited resources and not unnecessarily repeat the mantra of regional powers.*



**HUMAN RIGHTS AND  
TRANSITION POLICY**

## THE WEAKENING HUMAN RIGHTS DIMENSION IN FOREIGN POLICY

\*\*

In 2013, we witnessed a distinct shift away from the support of democracy and human rights at the highest political level. This trend intensified following the fall of Petr Nečas's government.

Outwardly, the most visible action in human rights and transition policy was criticism of the authoritarian regime in Azerbaijan by Minister Schwarzenberg. The activity of the MoFA, however, contrasted to the February resolution by the Committee on Foreign Affairs of the Chamber of Deputies, which, without a detailed knowledge of the facts, condemned the Armenian massacre in Khojaly during the Karabakh war. This faux pas, along with the strange involvement of Czech legislators in monitoring missions, led to greater efforts by human rights associations to pass on their information and experience to politicians in a systematic manner.

At general level, the artificial dispute between human rights support and the promotion of economic diplomacy continued in 2013, which was primarily reflected in relations with Russia. Although Prime Minister Nečas personally supported civil rights activists during his May visit, foreign policy was dictated more by the President, who remained silent on events in the country. The opportunity to award leading dissident Natalya Gorbanevskaya (who died in November) state honours remained untapped as well as the opportunity to join criticism of Russia prior to the controversial Olympic Games in Sochi, for example, in relation to the suppression of the rights of homosexuals or the continuing demonization of non-governmental organisations by the Putin regime. The appointment of Vladimír Remek as the ambassador in Moscow can thus be seen as the logical and unfortunate culmination of a trend that places the human rights agenda on the back burner in foreign policy.

### *Rating*

<b>ACTIVITY</b>	<b>2-</b>
<b>DETERMINATION</b>	<b>3-</b>
<b>IMPACT</b>	<b>3</b>
<b>NORMATIVE ASPECT</b>	<b>4-</b>
<b>FINAL MARK</b>	<b>3</b>

*The Czech Republic is an internationally established player in human rights and transition policy. However, a significant part of Czech political elites, headed by the President, have resigned on this role. Although these*

*changes have not yet affected financial and human resources, the actions of the President, the silence of the MoFA and the diplomatic faux pas by parliament force us to rate human rights and transition policy very negatively in 2013.*



**SECURITY AND DEFENCE  
POLICY**

## FOREIGN MILITARY MISSIONS: FROM NATO TO THE EU?



In February 2013, the Chamber of Deputies approved deploying a contingent of the Czech Army to join the European Union mission in Mali. The operation can be interpreted as management of the consequences of the international military intervention against Gaddafi's regime in Libya. However, there is also a direct link here to previous missions, which were aimed at supporting Sahel countries faced with internal conflicts.

This was an interesting development in terms of Czech foreign and security policy that could lead to a correction of the previously virtually exclusive focus on military operations in the context of NATO, as the Czech Republic has only taken part in EU operations symbolically since the withdrawal of Czech troops from the operation in Althea in 2008. Although the size and tasks of the Czech contingent in Mali are limited, this is a breakthrough from a political perspective. It is conditioned by the perceived seriousness of the threats from the Maghreb and Sahel regions, and scepticism on the direction of US policy under President Obama.

However, it is too early for a definite assessment of the importance of the mission in Mali for the formation of the Czech Republic's position on the Common Security and Defence Policy (CSDP) and NATO. Much will depend on further developments in the given region, the willingness of the EU (or NATO) to be involved, as well as the situation in other key areas for the Czech Republic (especially in Eastern Europe). In any case, the Czech Republic's participation can be considered as a relinquishment of its unproductive and outdated position that regarded NATO as the only relevant framework for the implementation of external defence policy and only allowed symbolic offerings to the EU in this respect.

### *Rating*

<b>ACTIVITY</b>	<b>1</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2-</b>
<b>NORMATIVE ASPECT</b>	<b>1-</b>
<b>FINAL MARK</b>	<b>2+</b>

*An end to ignoring the CSDP as a possible framework for sending Czech armed forces on foreign missions is a step in the right direction, especially in the context of the gradual phase out of NATO operations in Afghanistan.*



## DEVELOPMENT OF THE CZECH AIR FORCE



Acting Minister of Defence Pícek presented a draft agreement in September for the extension of the lease of Gripen fighters for another twelve years, with a two-year option. The Swedish partner simplified the negotiations significantly by reducing the price by almost a third and agreeing to the ongoing modernisation of the aircraft. Although a final decision on the proposal was postponed, it is likely that the agreement will be approved by the new government.

It has been shown that a dependence on previous decisions in such crucial contracts considerably narrows the scope to find alternatives. In case of an extension of the lease, the original decision will have thus significantly affected the development of the Czech armed forces for almost a quarter of a century. If the fighters are able to take part in other NATO operations than patrolling the space over the Baltic States in the future, this will ultimately be an acceptable, though not ideal outcome. The question remains whether a reflection on this experience will resonate in other contracts of a similar scope in the future.

This particularly applies in the context of the Concept for the Development of Military Transport Aircraft and Helicopters, which the government approved in November. The aim to establish a training centre for NATO military helicopter pilots in the Czech Republic is positive and it is the most important NATO project followed by the Czech Republic long-term. In terms of acquisition policy, it will be crucial how the MoD handles the purchase of new multipurpose helicopters, which are also mentioned in the strategy.

A conceptual issue is the degree to which the Czech Republic needs to maintain its own tactical fighters. It is a pity that alternative solutions such as sharing the protection of Czech airspace with other countries were dismissed so quickly. What's more, it is possible that because of the Gripens, the Czech army will not be able to purchase as many quality helicopters and transport aircraft as it could have, or that it will not be able to invest funds in the development of the internationally important training centre. Yet the need for this type of aerial technology is significantly more likely in terms of the types of operations in which Czech armed forces will probably be involved in the future.

*Rating*

<b>ACTIVITY</b>	<b>1-</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>3</b>
<b>FINAL MARK</b>	<b>2</b>

*The focus of the Concept for the Development of Military Transport Aircraft and Helicopters on transport helicopters and the NATO pilot training centre is positive. However, given the limited resources, the decision to extend the lease of Gripens without looking for possible alternatives is problematic in this context.*

# ECONOMIC DIPLOMACY

## UNIFICATION OF ECONOMIC DIPLOMACY



The year 2013 was a turning point in economic diplomacy, which has long been a bone of contention between government parties. Although this was a declared priority, in practice it was probably the most paralysed sector in Czech foreign policy. The incoming Rusnok's government, however, opened the way for better communication between the MoFA and the MoIT.

The caretaker government made an important decision when it officially resolved the long-standing dispute on the role of both ministries in the support of Czech export and the acquisition of investments from abroad. In July 2013, a memorandum was signed, which awarded the MoFA the primary role. The MoIT would operate through its foreign offices, established by merging the CzechTrade and CzechInvest agencies. Their employees will not have diplomatic status.

The key problem for Czech economic diplomacy was not so much the model of allocated competencies, but its constant changes. Entrepreneurs themselves admit that stability, functionality and the quality of services are much more important for them. The chosen model is therefore welcome, especially as it is clearly defined and has the potential to work long-term. The question is whether the MoFA will have sufficient capacity to professionally undertake the tasks it has been assigned. It is also impossible to predict whether the next leadership of the MoIT will accept the new situation and not try to reallocate competencies in its favour.

At the end of 2013, however, it can be unequivocally said that Czech economic diplomacy has changed - and in this case, for the better. Whether the agreement between the MoFA and the MoIT holds and continues to be met will be in the hands of the new government. The fact that both ministries will be run by the same party, after more than ten years, can only help.

### *Rating*

**ACTIVITY**  
**DETERMINATION**  
**IMPACT**  
**NORMATIVE ASPECT**  
**FINAL MARK**

1-

1-

2

2-

**2+**

*The division of competencies and coordination is definitely a step in the right direction. However, the frequent presentation of economic diplomacy as the main instrument or objective of foreign policy harms its other priorities, especially the human rights agenda.*

## SELECTED INSTRUMENTS OF ECONOMIC DIPLOMACY



We could see development in the instruments of economic diplomacy in 2013, both on the part of established institutions and new approaches and management in existing structures.

There was a final clarification of the form of MoIT foreign offices. Their employees would only receive diplomatic passports in exceptional cases, for short periods and for a specific purpose. The division of labour between diplomats and MoIT office staff has its logic. The Ministry of Foreign Affairs mainly deals with issues requiring cooperation at intergovernmental level (i.e. energy, healthcare, etc.), while classic information and support activities fall within the competency of the Ministry of Industry and Trade.

Minister Kohout also formed the Trade and Investment Council, which acts as a communication channel between senior ministry staff and representatives of companies, associations and selected experts. Although supplementary, this consultation body is a promising instrument that could overcome communication barriers.

The agreement between the MoIT and the MoFA also led to a standardisation of announced business trips in which entrepreneurs can take part. Greater emphasis is to be placed on feedback on the success and effectiveness of these missions. Other innovative elements are, for example, the application of Organisation for Economic Cooperation and Development (OECD) methodology or inspiration by models of diplomacy from Scandinavia, which support the independence and resourcefulness of foreign office employees. Certain scepticism must be expressed here on whether there is sufficient motivation among diplomats for these activities. The Ministry has also given embassies the task of analysing one segment each month to identify possible business opportunities for Czech companies. The Ministry will then process these suggestions and pass them on to entrepreneurs. It will be up to them whether they rate these opportunities as interesting for their business activities.

The year 2014 will be decisive in allocating instruments of economic diplomacy. The everyday operation of economic diplomacy can still lead to duplication and inefficiency in the activities of parallel structures, if administrative bodies do not communicate sufficiently. Equally, it is

unclear what results officials will be able to achieve without diplomatic status in countries where there is a greater sensitivity to formal requirements or an uncertain security situation.

*Rating*

<b>ACTIVITY</b>	<b>1-</b>
<b>DETERMINATION</b>	<b>2</b>
<b>IMPACT</b>	<b>2</b>
<b>NORMATIVE ASPECT</b>	<b>2</b>
<b>FINAL MARK</b>	<b>2</b>

*A true effort at greater transparency and efficiency in instruments of economic diplomacy was clearly evident in 2013 and deserves real commendation.*

# SUMMARY OF RATINGS

## SUMMARY OF RATINGS

Subject-matter	Mark
Political engagement	5
Institutional cohesion	4
Strategic vision	5
Proactive approach	4
International relevance	4
Average	4,4

## THEMATIC AND REGIONAL AREAS

Subject-matter	Mark	Sig.
The Czech Republic's EU Strategy	2,75	**
Banking Union	2,00	*
Visegrad Cooperation	1,75	**
Visegrad Cooperation and Security and Defence Policy	1,00	*
International Visegrad Fund	1,00	*
United States of America	2,00	**
Germany	2,00	***
Poland	2,00	***
Russia	3,50	*
The Eastern Partnership	2,50	***
Ukraine and Czech Foreign Policy	2,50	**
Azerbaijan and Czech Foreign Policy	3,50	*
Western Balkans and Czech Foreign Policy	3,00	*
The Role of the President in Czech Middle East Policy	3,50	*
Democratisation in Burma	2,00	*
Development of Czech-Chinese Relations	2,50	*
South and Southeast Asia	2,50	*



## THEMATIC AND REGIONAL AREAS

Subject-matter	Mark	Sig.
The Weakening Human Rights Dimension in Foreign Policy	3,00	**
Foreign Military Missions: from NATO to the EU?	1,75	**
Development of the Czech Air Force	2,00	*
Unification of Economic Diplomacy	1,75	**
Selected Instruments of Economic Diplomacy	2,00	*
Weighted average	2,26	
OVERALL MARK	2,9	



**RECOMMENDATIONS  
FOR 2014**

① Political parties should devote maximum effort to establish their own capacities in the areas of foreign, European and security policy. Waning discussion of the Czech Republic's interests and their implementation is largely their calling card. Without healthy competition and democratic clashes of different concepts, the Czech Republic will not find a clear strategic vision or build a distinct international profile.

② Senior ministry representatives should introduce new instruments for the annual planning and assessment of foreign policy. One of these should be a public annual plan of MoFA tasks, with set priorities and their budgetary implications. The Minister should then present an assessment of the fulfilment of the plan in an annual speech to the Chamber of Deputies, which would become one of the main platforms for the presentation of the work of Czech diplomacy. The MoFA should begin immediate preparation of the annual plan for 2015.

③ The government should clearly decide whether to seek membership in the euro area. This is a fundamental dividing line in current and future integration. The decision should be preceded by open debate, with the participation of the expert community. The government should consider not only the economic, but also the political implications of the decision, which should be directly linked to a wider debate on the mid to long-term priorities of the Czech Republic in the EU. This relates to the need for improved information on European matters and increased funding for this agenda.

④ The Czech Republic should promote an active and open policy towards Poland that corresponds to the strategic dimension of mutual relations. Intergovernmental consultations and continuing negotiations between the Ministries of Foreign Affairs and Defence should take place. The government should avoid selective and unjustified action against PKN Orlen acquisitions or imported food. In view of concerns regarding the conflict of interests of certain ministers, this will be under close Polish supervision and any ill-considered action could irreversibly damage mutual relations.

⑤ The Czech Republic should continue in the intensive development of relations with Bavaria and Saxony, which are often closer partners than Berlin. Both federal states deserve significant mention in policy documents and the development of their own strategies that better cover the wide range of ongoing activities. The Bavarian Prime Minister should soon receive an invitation to Prague. In this context, Czech representatives should look for a way to commemorate the victims of one of the worst excesses in the resettlement of Sudeten Germans, for example in Ústí nad Labem, Postoloprty or Brno.

6 The Czech Republic should resolutely support the Eastern Partnership project, despite disappointment in its development in 2013. The mini-summit planned in Prague at the end of April should be the key event of this year, with participation in its organisation by the MoFA and other institutions. Following the Vilnius summit and events in Ukraine, it is essential to make it clear to EU Member States, Russia and the USA that the Eastern Partnership has a future. Support for cooperating governments should be emphasised. Funding for non-governmental organisations in EaP countries deserves to be significantly increased.

7 The Czech Republic should be the driving force in strengthening defence cooperation between countries of the Visegrad Group. According to a task assigned by V4 Prime Ministers, Ministers of Defence should prepare a long-term vision for defence cooperation, strengthen cooperation in military exercises and explore the possibility of joint military planning. Along with this, the Czech Republic should follow on its participation in the contingent in Mali with closer involvement in the EU's Common Security and Defence Policy. As part of the CSDP, it should support the wider application of EU battle groups, which would also apply to the Visegrad battle group, which will be prepared for deployment in 2016.

8 Czech political representatives should not relativise the importance of human rights in the foreign policy agenda and weaken its ties to transition cooperation. Decreasing the emphasis on the first generation of human rights jeopardises not only the long-built international brand of the Czech Republic, but also its expertise in this area, including the non-governmental organisations involved. If the government wants to increase interest in the second and third generation of human rights, it must adequately increase the budget for this area of foreign policy.

9 Czech politicians should carefully consider their participation in monitoring missions. They should prepare for them thoroughly in cooperation with the MoFA and keep in mind that their conduct can have a direct impact on the Czech Republic's image abroad. In addition, they should act in accordance with the Declaration of Principles for International Election Observation adopted by the UN in 2005, which mentions, among other things, that the election process is too complex to be enough to visit several polling stations on the voting day itself for its evaluation. It would be preferable for them to refuse invitations to take part in controversial missions (in particular those of the European Parliament, PACE and EAEO).

## ASSOCIATION FOR INTERNATIONAL AFFAIRS — AMO

Association for International Affairs is a non-governmental non-profit organization founded in 1997. The mission of AMO has been to contribute to a deeper understanding of international affairs through a broad range of educational and research activities. Thanks to its activities in the Czech Republic and abroad and 17-year tradition, AMO has established itself as the Czech leading independent institution in the field of international relations and foreign policy.

### IN ORDER TO ACHIEVE ITS GOALS AMO STRIVES TO:

- formulate and publish briefings, research and policy papers;
- arrange international conferences, expert seminars, roundtables, public debates;
- organize educational projects;
- present critical assessments and comments on current events for local and international press;
- create vital conditions for growth of a new expert generation;
- support interest in international relations in the wider public domain;
- cooperate with like-minded local and international institutions.

### AMO RESEARCH CENTER

The Research Center of the Association for International Affairs is a leading Czech think-tank, which is not bound to any political party or ideology. With its activities, it supports an active approach to foreign policy, provides an independent analysis of current political issues and encourages expert and public debate on related topics. The main goal of the Research Center is systematic observation, analysis and commentary on international affairs with special focus on Czech foreign policy.

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