



AGENDA FOR CZECH FOREIGN POLICY 2015

—— Ed. ——

Vít Dostál
Jakub Eberle



Asociace
pro mezinárodní
otázký
Association
for International
Affairs

PRAGUE 2015



AGENDA FOR CZECH FOREIGN POLICY 2015

— Ed. —

Vít Dostál
Jakub Eberle



Asociace
pro mezinárodní
otázký
Association
for International
Affairs

AGENDA FOR CZECH FOREIGN POLICY 2015

Editors – VÍT DOSTÁL, JAKUB EBERLE

Authors – ANTONÍN BERDYCH, ADÉLA DENKOVÁ, VÍT DOSTÁL, JAKUB EBERLE, TEREZA JERMANOVÁ, TOMÁŠ JUNGWIRTH, VÁCLAV KOPECKÝ, KRYŠTOF KRULIŠ, JAKUB KUFČÁK, ANNA KUNOVÁ, MICHAL LEBDUŠKA, VÁCLAV LÍDL, ONDŘEJ MOCEK, ALICE REZKOVÁ, JAKUB ZÁHORA

Proofreading – DANIELA ZRUCKÁ

Designed by – JAN VÁCLAV

Printed by – VYDAVATELSTVÍ KUFR, S.R.O.

Translation – DIDACTICUS, S.R.O.

All rights reserved. You may not copy, reproduce, republish or circulate in any way the content from this publication except for your own personal and non-commercial use. Any other use requires the prior written permission of the publisher.

Views expressed in the book are not necessarily the official attitude of the Association for International Affairs.

ASSOCIATION FOR INTERNATIONAL AFFAIRS – AMO

Žitná 27/608

CZ 110 00 Praha 1

Tel.: +420 224 813 460

info@amo.cz

www.amo.cz

© AMO 2015

ISBN 978-80-87092-31-6 (print version)

ISBN 978-80-87092-32-3 (pdf version)

CONTENTS

List of Abbreviations	8
Grading Methodology	9
The Hour of Diplomacy? Czech Foreign Policy in 2014	13
Audit of Recommendations in 2014	21
European Policy	27
Visegrad Cooperation	35
Key Bilateral Relations	39
Eastern Europe and the Balkans	47
Middle East and North Africa	53
Asia	57
Human Rights and Transformation Cooperation	61
Security and Defence Policy	65
Economic Diplomacy	69
Development Cooperation and Humanitarian Aid	73
Summary of Ratings	77
Recommendations for 2015	81
About Publisher	85

LIST OF ABBREVIATIONS

AMO	Association for International Affairs
ANO	ANO 2011
CDU	Christian Democratic Union of Germany
CEB	Czech Export Bank
CNB	Czech National Bank
CSDP	Common Security and Defence Policy
ČSSD	Czech Social Democratic Party
EAEO	European Academy for Elections Observation
EaP	Eastern Partnership
ECB	European Central Bank
ERM	European Exchange Rate Mechanism
EU	European Union
GDP	Gross Domestic Product
KDU-ČSL	Christian and Democratic Union - Czechoslovak People's Party
KSČM	Communist Party of Bohemia and Moravia
MEDEVAC	Programme conducting humanitarian evacuations of citizens with medical problems
MEP	Member of European Parliament
MP	Member of Parliament
NATO	North Atlantic Treaty Organization
ODS	Civic Democratic Party
PACE	Parliamentary Assembly of the Council of Europe
RES	Renewable Energy Sources
SPD	Social Democratic Party of Germany
V4	Visegrad Group

GRADING METHODOLOGY

We utilized a standard Anglo-Saxon grading system, scoring criteria on a scale ranging from A to F (**A**—*excellent*, **B**—*commendable*, **C**—*good*, **D**—*satisfactory*, **F**—*unsatisfactory*). There were two sections involved in this process.

1. The introductory chapter concentrates on the following indicators:

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 (Ministry of Foreign Affairs, Ministry of Industry and Trade, Ministry of Defence, Ministry of Interior, 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.

2. 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.

**THE HOUR OF DIPLOMACY?
CZECH FOREIGN POLICY
IN 2014**

The year 2014 was one of the most dramatic years in international politics since the end of the Cold War and it became patently clear that the idea that major international issues did not concern the Czech Republic was a delusion. Russia's aggressive policy leading to the annexation of Crimea and the asymmetric war in eastern Ukraine, together with the rise of the Islamic State and the record waves of refugees at EU borders, meant that the main challenges for Czech society were no longer merely economic prosperity or the fight against corruption. As Minister Zaorálek aptly put it, the hour of diplomacy had arrived, and the future of Czech society was closely tied to foreign policy.

Significant changes also occurred on the political map in the Czech Republic. A coalition government made up of the Social Democrats (ČSSD), the ANO movement and the Christian Democrats (KDU-ČSL) took office at the turn of 2013/2014 and, although reliant on the inscrutable Andrej Babiš, it has a comfortable majority in both Chambers of the Czech Parliament. The Social Democrats occupied all key foreign-policy positions, with the exception of the Minister of Defence. ČSSD thus resumed its leadership of the Ministry of Foreign Affairs after a long absence of eleven years (not counting two stand-ins by Jan Kohout in caretaker governments). Despite the President's opposition, Prime Minister Sobotka was able to push through the nomination of Lubomír Zaorálek, who had been preparing for this position for a long time. The initial conditions for Czech foreign policy were therefore good, especially compared to Jiří Rusnok's illegitimate cabinet and Petr Nečas's internationally passive and internally fractious government.

THE EXECUTIVE AND COALITION PARTIES

So has the executive managed to come to terms with the complex international situation and formulate a clear and confident Czech position in this context? Unfortunately, it fared worse than we expected. Czech foreign policy has been inconsistent and overly cautious, and national interests have fallen hostage to internal political or personal disputes. Despite long years in opposition and the extensive experience of key figures, the new political representation has not given the impression of being prepared, well thought-out or coordinated. Poor communication has been a contributing factor, with the government spending a large amount of time and energy expounding and explaining its actions and statements to coalition partners, the public and the media, and also, unfortunately, to its foreign partners.

A particular emphasis here needs to be put on President Zeman, who has proved himself to be the single biggest personal problem of Czech

diplomacy. The President was at the back of the line when it came to seeking coordinated outward representation, and even his own steps lacked internal consistency. While at one point Zeman called for the deployment of NATO troops to Ukraine, positioning himself as Europe's loudest hawk, he later accepted an invitation to a dubious conference organised by one of Putin's cronies blacklisted by the US.

The list of the President's oddities and faux pas could go on and on, from his surreal speech to the European Parliament to his exaggerated, Islamophobic statements about the Islamic State. Unfortunately, through their actions, Zeman and his close associates have spoiled a number of otherwise interesting initiatives, such as the visit to China, which was undoubtedly a breakthrough. However, statements to the effect that the President had come to learn how to stabilise society, along with his return in the private jet of big business moguls, left a bitter aftertaste. The effect was much the same when the German Embassy vigorously denied a statement by Jiří Ovčáček, Zeman's spokesman, regarding the condition of German President Gauck after being hit by an egg in Prague's Albertov on the occasion of the 17 November celebrations. Zeman's actions have also earned him a poor reputation among key partners in the EU and NATO.

The Foreign Minister's actions have been inconsistent. On the one hand, Zaorálek must be commended for his clear position on the Ukrainian crisis, standing out from the cautious and pro-Russian statements of his government and party colleagues. The Minister must also be applauded for his sincere, though somewhat clumsy, efforts to embark on a new direction in foreign policy, which is undoubtedly needed after years of passivity and stagnation under fractious and provisional governments. On the other hand, the Minister was too meek, even in respect to the situation in Ukraine, where he was bombarded with criticism by his party colleagues. For most of the year, Zaorálek sought to avoid clashes and the voice of Czernin Palace became inaudible. The Minister did not even particularly weigh into the public debate on human rights policy, where his active deputy, Petr Drulák, faced the justified criticism that, as an unelected official, he had no political mandate for his proposals.

Unfortunately, Prime Minister Sobotka, who shows little interest in international issues, did not contribute to the quality of foreign policy either. His input was therefore purely reactive and appeared to be more of an effort to balance the debate within the ČSSD. The Prime Minister did not support his Foreign Minister in the key issue of the Ukrainian crisis, and, in contrast, distanced himself from the deployment of additional forces in Europe announced by Barack Obama in response to a call from NATO's "eastern wing", and prevaricated on anti-Russian EU sanctions. Although he supported the

turn in European policy, he did not make progress on any major issues. On the topic of the single currency, he was content to merely repeat that the euro was not a task for this government and that the Czech Republic must merely prepare to adopt it. Unfortunately, we don't know precisely what that means. All the more room was therefore given to the State Secretary, Tomáš Prouza, who shone in his approach to the media. But despite this activity, key points still need to be addressed at the highest political level.

The performance of other members of government was far from satisfactory. The Minister of Defence, Martin Stropnický, managed to liken the deployment of NATO troops in Europe to the Soviet invasion of 1968; to disparage the mission in Afghanistan in a television series; and to clash publicly with the Chief of the General Staff of the Czech Army, Petr Pavel. The Minister of Finance, Andrej Babiš, and the Minister of Industry and Trade, Jan Mládek, publicly criticised EU sanctions towards Russia as ineffective just weeks after they were implemented. The Minister of the Interior, Milan Chovanec, played the anti-Islamic card by vociferously refusing entry to several families of Syrian refugees.

The government's problems are just a reflection of the state of the coalition parties. The ČSSD is a deeply divided party, even in foreign policy issues, wavering between the Euro-Atlantic mainstream and the dubious orientation of the "presidential" wing. Its views, which are instrumental in formulating the Czech Republic's position, were often hostage to the wait-and-see tactics ahead of the planned congress. The party's personnel crisis is also underscored by the fact that two key officials, i.e. the First Deputy Foreign Minister, Petr Drulák, and the State Secretary for European Affairs, Tomáš Prouza, are both personal nominees of Zaorálek and Sobotka, with only loose ties to the ČSSD.

In the case of the ANO movement, there is no thought-out, consistent line. Neither foreign nor European policies are of any interest to Andrej Babiš, who is evidently the only authoritative voice in the disparate movement. This is a poor showing for the Minister of Finance and leader of the most popular political party. On the other hand, the KDU-ČSL was a pleasant surprise, maintaining a clear and consistent position on EU sanctions and in the debate on the role of human rights in foreign policy. The Christian Democrats also introduced new, distinct figures in European (Ondřej Benešík, Václav Hampl) and security policy (Ivan Gabal) into Parliament.

FORMULATION OF A NEW FOREIGN POLICY STRATEGY

Despite its weak and fragmented political foundations, the government

immediately embarked on the preparation of new policy documents, which is logical given that the centre-left cabinet represents a different political direction and therefore wants to impress its own narrative on foreign policy. At the same time, such measures are essential. The world has changed fundamentally since 2011, when the last key documents were adopted, and foreign, security and European policy must adapt accordingly.

In preparing these concepts, the Ministry of Foreign Affairs and the Office of the Government decided to draw together a wider range of participants and listen to their views. This is undoubtedly a positive step which cultivates an environment conducive to the creation and implementation of foreign policy. After a promising start, however, some documents fell victim to internal party or coalition politicking, and so, come the end of the year, none of these documents had been approved.

A number of positive and also problematic points in the vision of new foreign policy have emerged from the signals to date and from ongoing projects. Efforts to initiate strategic dialogue with Germany and increase the emphasis on the United Nations certainly fall in the first category. In contrast, inconsistent debate on human rights, which has morphed from an exchange of arguments to a fight over the legacy of Václav Havel, and the search for new dialogue with Austria, which has so far only resulted in an awkward meeting in Austerlitz, show that not everything is going to plan.

OPPOSITION PARTIES AND PARLIAMENT

Although the formulation of national interests and their outward representation are the primary task of the executive, in a democratic society foreign policy must be a truly political matter influenced by a wide range of players. Parliamentary opposition, in particular, should play a key role by being a tough opponent to the government and proposing conceptual alternatives, while also offering cooperation and seeking consensus on strategic issues.

The only party that currently has the potential to be an effective opposition is TOP 09, whose policy is primarily represented by former Foreign Minister and current Chairman of the Parliamentary Committee on Foreign Affairs, Karel Schwarzenberg. Yet, although TOP 09 has set itself apart from the government, most notably in the debate on the role of human rights, this criticism did not bear fruit in the form of sophisticated counter-proposals, but was based on defensive vindication of the previous Foreign Ministry's policy, and was often of a more personal and instrumental nature. It is also unconvincing when value principles are invoked, for example,

by Miroslav Kalousek, who has never been interested in foreign policy. Equally, the decision to block the Fiscal Pact in the Chamber of Deputies was incomprehensible.

The Civic Democrats (ODS) have taken the road of marginalisation, adopting a Eurosceptic approach, harnessing this, for example, in a populist petition against the euro, which solved nothing. Another troubling aspect is the party's flirtation with anti-Islamic prejudices, espoused by the party leader, Petr Fiala, and the MP Jana Černochová. Traditionally, the Communist Party has remained outside the general consensus, in which the Ukrainian crisis highlighted the party's unfathomable inclination towards the Putin regime (e.g. the highly inappropriate visit by Vojtěch Filip to the blacklisted Deputy Chairman of the State Duma, Sergei Zheleznyak). Prior to its rift, the Úsvit movement only contributed with repeated doses of xenophobia.

The common denominator of the problems of all parliamentary parties - both in government and opposition - is the pitiful lack of expertise in foreign, security and European policy. Only a handful of politicians feature in these issues, and those few are continually recurring names. Parties fail to adequately prepare and inform their representatives, resulting in many problems. Thus a number of politicians commented on media-attractive topics such as anti-Russian sanctions and the acceptance of Syrian refugees despite not having a clue about the situation, often in an attempt to be seen and say what voters wanted to hear. Political parties have thus found themselves tapping in the mood of the moment, instead of actively shaping and, if necessary, confronting the public climate - e.g. in terms of anti-Islamic sentiment or understanding for Russian aggression. Another problem was the recurring participation of Czech parliamentary representatives in dubious monitoring missions of referendums in Crimea and eastern Ukraine, which lent an air of legitimisation to these illegal votes.

OTHER PLAYERS: CIVIL SERVICE, MEDIA AND BUSINESS

In previous issues of *Agenda for Czech Foreign Policy*, we praised the bureaucratic apparatus responsible for implementing foreign policy. In 2014, Czech diplomacy continued to fulfil its tasks reliably and did not cause any embarrassments - however, once again, we must exclude the Prague Castle. Nevertheless, a feeling of resistance to the new direction of foreign policy could be felt in the corridors of Czernin Palace. Mutual misunderstandings between the new leadership and rank-and-file clerks were reflected, for example, in the frequency of leaked internal documents.

A real honour for the Czech Republic was the appointment of General

Petr Pavel to head NATO's Military Committee. All those who were involved in his appointment - and the general himself - deserve credit for this achievement.

With the advent of a new political representation, a declared change in the course of foreign policy and turbulent international affairs, the role of the media, which helps to generate public debate, was accentuated, and therefore cannot be ignored in our evaluation. The previously uninteresting topic of foreign policy became a centre of attention. However, media discussion of the traditions and direction of the Czech Republic's policy abroad soon turned into a witch hunt on, or in some quarters a defence of, Deputy Minister Drulák, in which the substance was all too often replaced by personal animosity and ideological labels. In their reflection of events in Ukraine, the media had to combat a Russian information campaign. However, coverage by reporters on the ground was scarce, enabling myths and rumours to filter through to the public (e.g. the division of the population's identity into Russian and Ukrainian based on their language, the poor west and rich east of the country, and the strength of the extreme right in Ukrainian politics).

The economic dimension of Czech foreign policy is hard to evaluate unequivocally. Although a more systemic approach can be seen, with improved contacts between the Foreign Ministry and the Industry Ministry, good bureaucratic coordination was undermined at the highest political level. For the President, economic diplomacy is the main focus of foreign policy. That in itself is unconscionable, but all the more at a time of unprecedented danger to security in Europe. It is therefore no surprise that weakened Czech business contacts with Russia based on EU sanctions became a central topic, while the Association Agreement with Ukraine, opening up new opportunities for Czech businesses, did not even complete its way through Parliament by the end of the year. If we add the President's return flight from China in the private jet of a company that currently has considerable business interests in this particular region, the overall picture of Czech economic diplomacy remains inconsistent.

MAIN TOPICS AND OUTLOOK

Major topics in 2014 were the response to events in Ukraine and related threats to European security, the change in the course of Czech European policy and relations with neighbouring countries. We have already analysed the policy towards the Ukrainian crisis - which was half-hearted, internally fractious and often introspective. A new rhetoric has been seen in the approach to the EU, with the launch of a number of commendable projects. However,

the promised turn remains incomplete, as shown by embarrassing moments in the selection and appointment of the Czech European Commissioner or silence on the strategy for the adoption of the single currency.

The fact that the new political representation does not take good relations with neighbouring countries for granted and that it wants to continue to deepen these relations can be viewed in a positive light. Negotiations on strategic dialogue with Germany and the continuation of well-initiated contact with Bavaria and Saxony are examples of this intent. Attempts at a new beginning with Austria are certainly praiseworthy. However, the manner in which the Czech Republic has sought to establish closer ties on the Danube has unnerved the Poles, our second most important strategic partner after Germany, and (not just for this reason) in Prague-Warsaw communications more energy was devoted to explanation and reassurance than to deepening and improving relations.

The year 2015 will be at least as demanding and unpredictable as the last year. The conflict in Ukraine is evolving by the day and, at the time of writing, a permanent solution was not in sight. It will therefore continue to be a major determinant of European security, to which the Czech Republic will have to adequately respond, for example, through a more active Alliance policy or by increasing the combat capability of the Czech Army. Mid-year, the Czech Republic will take over the Presidency of the Visegrad Group and will thus have a unique opportunity to strengthen this vital Central European format. Conceptual documents, which should offer clear insight into the new government's foreign policy thinking also await completion. Czech political and diplomatic representation will face a series of trials in which they will be able either to correct or fundamentally damage the Czech Republic's reputation. The hour of diplomacy is far from over.

This introductory text has charted the general trends that are discussed further in the main part of this publication, which provides a brief analytical overview of Czech foreign policy in key regional and thematic areas. The analysis presented here is the joint work of 16 authors affiliated with the Association for International Affairs. Aside from public sources and information obtained from year-round monitoring of the work of Czech diplomacy, it is also based on 29 interviews with representatives of key institutions dealing with foreign policy.

We wish you an interesting, if not always pleasant reading.

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



**AUDIT OF
RECOMMENDATIONS
IN 2014**

① Political parties should devote maximum effort to establishing their own programme and capacities in foreign, European and security policy. Waning discussion of the Czech Republic's interests and the promotion thereof is largely their fault. 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.

UNSUCCESSFUL

The expertise and capacities of parliamentary parties remained very weak, which was clearly demonstrated at a time of growing importance of foreign policy. The key role in policy discussions was not played by party representatives, but by the bureaucrats Petr Drulák and Tomáš Prouza. Resistance from opposition parties was either superficial or irrelevant. Many politicians made highly uninformed public statements (e.g. on the matters of EU sanctions against Russia or the acceptance of Syrian refugees).

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 Foreign Ministry 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 should become one of the main platforms for the presentation of the work of Czech diplomacy. The Foreign Ministry should begin immediate preparation of the annual plan for 2015.

UNSUCCESSFUL

Although new instruments for short-term, mid-term and regional planning are scheduled at the Foreign Ministry, these are only to be implemented after the approval of the new foreign policy concept. Prior to work on the concept, foreign policy was taken stock of with the participation of external experts, and for this reason it had not been approved by the end of 2014. Related steps were therefore not implemented.

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 experts. 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.

PARTLY SUCCESSFUL

The government clearly declared that the adoption of the euro lies outside its remit. However, it advanced to an open expert debate on this issue. Institutional aspects of a multi-track Europe were discussed at the National Convention on the EU. In a comprehensive economic analysis, the Office of the Government examined the potentially positive effects of the earlier adoption of the single currency in the Czech Republic. Although this is a positive trend, these new signals did not filter through to the public debate. Even parties supporting membership of the euro area remained passive in the public debate. No one responded to the obvious lies by the Minister of Finance, for example, that the Czech Republic could join the euro area, but that it would not be liable for pledges vis-a-vis Greece or Spain.

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.

PARTLY SUCCESSFUL

Despite intensive contact at the highest political level, the strategic dimension of mutual relations was jeopardised by differing views on changes in the security environment in Eastern Europe. Concerns about the negative impact of the involvement of Agrofert owner Andrej Babiš in the government were unfounded. Yet the topic of the quality of imported food appeared in Czech-Polish relations when the Czech side ordered targeted inspections of Polish products.

5 The Czech Republic should continue the intensive development of relations with Bavaria and Saxony, which are often closer partners than Berlin. Both federal states deserve a 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 some of the worst excesses in the resettlement of Sudeten Germans, for example in Ústí nad Labem, Postoloprty or Brno.

PARTLY SUCCESSFUL

The new government made a clear commitment to closer relations with both neighbouring federal states, and there was a lot of contact at the highest political level. The federal states were also mentioned in the leaked draft foreign policy concept. The Bavarian Prime Minister visited Prague twice. There was no symbolic gesture in relation to the victims of post-war events.

6 The Czech Republic should resolutely support the Eastern Partnership project, despite disappointing progress 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 Foreign Ministry 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 US 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.

UNSUCCESSFUL

The Eastern Partnership summit in Prague remained the only event in support of this initiative. Aside from a non-sanctioned and empty offer by the President indicating that he was prepared to act as a mediator in the Russian-Ukrainian dispute, the Czech Republic did not come up with any major initiatives at the highest political level.

7 The Czech Republic should be a driving force in strengthening defence cooperation between countries in 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. In addition, the Czech Republic should follow up on the work of 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; this would also apply to the Visegrad battle group, which will be prepared for deployment in 2016.

PARTLY SUCCESSFUL

While the Visegrad Group achieved notable progress in military exercises and common defence planning, there were no other important projects on which Visegrad cooperation could build (e.g. joint purchasing or operation of equipment), aside from the establishment of EU battle groups.

8 Czech political representatives should not relativise the importance of human rights in the foreign policy agenda and weaken its ties to transition cooperation. Diluting 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.

UNSUCCESSFUL

Some political representatives openly questioned the importance of human rights in the Czech Republic's foreign policy, particularly in relation to countries with significant trade potential. Senior Foreign Ministry representatives failed to effectively deal with these efforts or to adequately explain and defend their new, rather problematic vision of human rights policy. The emphasis placed on second- and third-generation human rights, while maintaining the existing budget, logically means a weakening of first-generation, i.e. civil and political, rights.

9 Czech politicians should carefully consider their participation in monitoring missions. They should prepare for them thoroughly in cooperation with the Foreign Ministry and keep in mind that their conduct may 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 Observers adopted by the UN in 2005, which mentions, among other things, that the election process is too complex for it 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).

UNSUCCESSFUL

Despite Foreign Ministry efforts to brief members of parliament and senators before foreign monitoring missions, this activity did not meet with much interest on the part of legislators. The involvement of certain MPs and senators in referendums and elections in occupied Crimea and Donbas falls entirely outside the category of relevance.

EUROPEAN POLICY

TURN IN CZECH EUROPEAN POLICY



According to the Coalition Agreement, the commencement of the new government's term of office was to be accompanied by a "fundamental change in the Czech Republic's position on EU membership", which was further emphasised rhetorically. The government first waived the exemption from the Charter of Fundamental Rights of the EU, a promise extracted by Václav Klaus prior to signing the Lisbon Treaty, and it then decided to accede to the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (the Fiscal Pact).

The Charter of Fundamental Rights has been applied to the Czech Republic upon the implementation of EU law since the Treaty of Lisbon entered into force, and none of the concerns raised by the former president when refusing to sign had materialised. Confirmation of the Czech Republic's interest in acceding to this document can be viewed as a positive step that strengthens the legal protection of the citizens of the Czech Republic.

Although the Fiscal Pact was signed by the government in March, which was welcomed by representatives of European institutions - as was the withdrawal of the exemption from the Charter of Fundamental Rights - the pact hit an obstacle during the approval process in the Chamber of Deputies. After the first reading, the document was not discussed further, as its adoption required a three-fifths majority of MPs, including part of the opposition. While the Eurosceptic opposition (the Civil Democrats, Úsvit, and the Communist Party) rejects the treaty, TOP 09 supports it, but requires the Czech Republic to be governed by provisions on fiscal policy as soon as it enters into force. However, the government plans not to be governed by certain provisions under Titles III and IV of the Pact before entering the euro area.

There has been no progress on accession to the euro area itself, although the government undertook to prepare the Czech Republic for this step. The Finance Minister even said that the Czech Republic could join the euro area, but without engaging in rescue mechanisms - which is not practically feasible. Yet in 2014, the Czech Republic fulfilled all convergence criteria except for two-year ERM II membership and the corresponding statute of the Czech National Bank. However, even intervention by the CNB did not lead to a devaluation of the exchange rate of the crown to the euro by more than 15%, which could have been achieved within the fluctuation band of the exchange rate system.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B
C
C
B
B-

The new government's more favourable position on European integration has remained at a largely declaratory level so far. The Fiscal Pact was not ratified and still lies in the Chamber of Deputies. The government did not clarify exactly what it meant by the preparations promised for accession to the euro area, and its members emitted contradictory signals, though none publicly rejected the adoption of the single currency.

DISCUSSION OF EUROPEAN ISSUES

The turn in European policy is associated with a revival of discussion in this area and on European integration in general. The government also committed itself to this step in its policy documents by promising better information and intensive dialogue on European issues with experts and the general public.

At the end of the year, the Office of the Government developed a platform for expert discussion in the form of the National Convention on the European Union, which encompasses a broader range of players (ministries, MPs, MEPs, social partners and think-tanks). A number of events were organised in connection with the anniversary of accession to the EU. Given the greater activity and openness, it was surprising that the Strategic Paper on EU Affairs Communication in the Czech Republic for 2014 was not adopted and that the Strategic Paper for 2015 had not been prepared by the end of the year.

A new conceptual basis for the Czech Republic's European policy was also under preparation in 2014, initially with the participation of external experts. However, work on the document dragged during the year and the speed of its preparation was not helped by the unsystematic dual drafting of the initial version (first at the Ministry of Foreign Affairs and then, following the transfer of this agenda, at the Office of the Government). On the other hand, the government's efforts to produce a document that has been thoroughly discussed and which will form a binding basis for the formulation of Czech EU policy must be applauded.

Rating

**ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK**

A-

B

B

A

B+

The government is trying to conduct the debate on European policy positively, actively involving a wider range of players. However, activities for the general public need to be added to take advantage of the upward trend in public confidence in European integration. The government is devoting adequate attention and capacity to the preparation of a key programme document on European policy.

2030 FRAMEWORK FOR CLIMATE AND ENERGY**—

In January 2014, the European Commission introduced targets for reducing greenhouse gas emissions and increasing the share of renewable energy sources by 2030. Based on previous experience, it linked the climate-energy framework with an initiative for the renewal of industry in the EU. The Czech Republic welcomed this, as its main priority was to protect its economy.

Czech negotiators endeavoured to secure conditions for the development of nuclear energy, despite the fact the government has had a long-term problem preparing a clear and stable environment to support nuclear energy. Because of nuclear energy, the Czech Republic was opposed to a binding target for renewable energy sources and demanded that RES not be preferred over other sources for reducing emissions. It mentioned problems with financial support, although the Czech Republic's negative experience arises more from a misconfigured national policy rather than EU objectives.

However, Sobotka's cabinet has toned down the negative rhetoric of previous governments towards renewable energy sources. The emphasis has shifted to the benefits of energy savings, which are among the long-term priorities of the Czech Republic. In the summer, the Commission presented a target aimed at energy efficiency. Seven countries, led by Germany, supported this as a binding target. The Czech Republic was not among them, even though the government supported increased energy savings in

its policy statement. In August, the government decided to at least support European-wide indicative targets for energy efficiency and renewable energy sources, motivated in part by the desire to avoid isolation.

The Czech Republic was assisted in promoting its priorities through its cooperation with the UK and active participation in V4 coordination with Bulgaria and Romania. October's EU summit showed that the Czech Republic had joined the mainstream. The targets adopted were not far from its own preferences. It also managed to push through a requirement preserving the sovereignty of the energy mix and to secure funds for poorer EU countries, which will be financed by income from emissions trading.

In addition to emission allowances, funds provided by the EU or European Investment Bank may help in the transition to a low-carbon economy. However, the Czech Republic has demonstrated an inability to draw on similar resources efficiently. This problem may complicate its position during the preparation of further European regulations in 2015.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B
B
A-
B
B+

A choice of suitable allies, an active approach and an ability to respond to changes in the bargaining power of member states, helped the Czech Republic push through practically all its main priorities. Domestic strategic preparation for inevitable energy transformation in the coming decades remains a weakness.

BANKING UNION

—
*

The year 2014 brought significant progress in the establishment of the banking union. In April, the European Parliament approved the single resolution mechanism that will gradually come into operation in the coming years. In November, the single supervisory mechanism was launched and the European Central Bank began to directly oversee leading banks in the euro area. For the Czech Republic, as a non-member of the euro area, participation in this instrument is voluntary and discussion of this possibility has not yet begun. Therefore these changes only affect the branches of foreign banks operating in the Czech Republic on the basis of an

EU single banking licence, which are subject to supervision in their home country. Branches included in the list of major euro area banks have thus been supervised by the ECB from November 2014, including branches of the Dutch ING Bank or the German Commerzbank operating in the Czech Republic.

In its policy statement, referencing the close ties between the Czech and European financial sector, the government emphasised its intention to actively defend the interests of the Czech Republic in the emerging banking union, including preparations for accession. In 2014, this plan was reflected in the commencement of work on an impact study by the Ministry of Finance, the Office of the Government, the Ministry of Foreign Affairs and the Czech National Bank, focusing on the possible participation of the Czech Republic in this project. The date originally planned for the submission of the impact study to the government in September 2014 was not met. Rhetoric of Czech National Bank representatives rejected voluntary entry into the banking union, instead supporting the alternative that the Czech Republic should not enter until its integration into the euro area.

Rating

ACTIVITY	B
DETERMINATION	B
IMPACT	C
NORMATIVE ASPECT	B
FINAL MARK	B

The commissioning of an impact study is a positive step towards conceptual and expert decision-making on issues of participation in other aspects of European integration. If this means better quality, the extension of the deadline for its preparation may not be bad. However, the dismissive rhetoric of the CNB even before the study has been completed can be considered a negative aspect.

SELECTION OF CZECH EUROPEAN COMMISSIONER



The Czech Republic was choosing a commissioner for the third time and the timetable for this process was known in advance. However, as in 2009, the nomination was preceded by an infelicitous debate involving speculation about several names put forward by political parties. The problem was not the fact that government parties presented their own

candidates, but that the discussion was opened late and that it became a tug of war significantly influenced by an external factor. Rather than a confident decision by the Czech government and the selection of the strongest candidate, the nomination of Věra Jourová was presented as an effort to comply with Jean-Claude Juncker's wishes that a woman be nominated.

Subsequent statements by government representatives indicated that Věra Jourová was nominated with the aim of being awarded the regional development, transport, energy or a similar portfolio. If the Czech Republic had indeed targeted these positions, then the portfolio she was given can be perceived as a failure, which some government politicians admit. Yet Jourová's post, which includes justice, consumer protection and gender equality, is influential and powerful in itself, as it includes the economically important area of consumer protection, and the Directorate-General for Justice, which also falls under Jourová, was considerably strengthened by the Commission.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

F
D
B
D

D+

The significance, process and results of the nomination of the European commissioner were not entirely understood by the principal political players. Government parties neglected this agenda, not negotiating in advance, and hid their decision behind the pressure of external factors. As a result, few appreciated the high quality of the portfolio acquired. Instead, individual government representatives accused each another of not lobbying for the commissioner and that they had not done enough for the priority portfolio.

APPOINTMENT OF CZECHS TO EUROPEAN INSTITUTIONS

—
*

With the beginning of a new political cycle in European institutions, the opportunity to appoint representatives to lucrative posts opened up for the Czech Republic. The most visible success was achieved by Czech MEPs. Pavel Svoboda became Chairman of the Committee on Legal Affairs and seven MEPs won posts as committee vice-chairs, which makes the Czech delegation the

most successful, relatively speaking, in a pan-European comparison.

In contrast, there was no increase in Czech representation in the cabinets of European Commissioners. Although there was debate on appointment to positions in the Cabinet of Commissioner Jourová, where the representation of other parties was part of the agreement on Jourová's nomination - this was not ultimately met. On the other hand, the Czech Republic was not very successful in efforts to obtain positions in other key portfolios. The only major achievement was representation in the Cabinet of the Commissioner for Regional Development Corina Cretu, with the appointment of Tomáš Nejd. l.

In this regard, it is appropriate to appreciate the efforts by the Office of the Government at conceptual changes in a bid to appoint Czechs to European institutions, preparations for which began at the end of the year.

Rating

ACTIVITY	B
DETERMINATION	B
IMPACT	C
NORMATIVE ASPECT	C
FINAL MARK	B-

The Czech Republic was only partly successful in efforts to occupy influential positions in European institutions. Although MEPs enjoyed unprecedented success, the Czech Republic was not very successful at securing pivotal positions in the Cabinets of European Commissioners. Efforts to grasp this problem conceptually are a step in the right direction.

VISEGRAD COOPERATION

VISEGRAD GROUP



Visegrad cooperation remained the main format of Czech Central European policy in 2014. Both the Hungarian and subsequent Slovak Presidency of the V₄ presented an ambitious programme that included meetings with new partners (Switzerland, South Korea) at the highest levels, but could not prevent the importance of the Visegrad Group from diminishing in traditional areas. This was most apparent in differing positions on the dramatic events in Eastern Europe.

The V₄ discussed the Ukrainian crisis at the highest political level at every meeting and issued a number of statements on this issue. However, V₄ cohesion waned in the traditionally strong area of Eastern policy, as each country, including the Czech Republic, viewed their own threat differently and saw the Russian-Ukrainian conflict in a diverse light. The inconsistent views of Czech representatives on events in Ukraine also had an adverse effect in relation to the Visegrad Group.

Partners, especially Poland, were further discomfited by Czech efforts to establish new forms of cooperation in Central Europe. Initially, the intentions of the Foreign Ministry were only sketchily introduced by First Deputy Minister Drulák in a media interview. This raised questions of possible duplicity in relation to the V₄, especially as the new format was expected to deal not only with cross-border cooperation, but also with the integration of the Western Balkans, which is traditionally part of the V₄ agenda. In view of the weakening dynamics of this policy at EU level, it appeared more appropriate to deepen the V₄ + Austria cooperation (and possibly Slovenia and Croatia). Although the government managed to sort out all of these concerns with the partners by the end of the year, these steps did nothing to build confidence in Central European policy.

No significant progress was made in the energy sector. The Czech contribution was to permit the construction of the STORK II pipeline between the Czech Republic and Poland, which should strengthen energy security in the region.

However, successful V₄ coordination in European affairs continued and there is a clear sense on the Czech side that it wants to develop this dimension of Visegrad cooperation. This was evident, for example, in the preparation of a joint position on the so-called Juncker package at the end of the year.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

C
 C
 B
 B-
C+

Within consistent views of events in Eastern Europe, the V4 tarnished part of its well established international reputation, although the inner workings of the group were not compromised. Czech contemplation of new forms of cooperation in Central Europe discomfited Visegrad partners, due in part to the improper initial presentation. In contrast, cooperation advanced well on European affairs and defence policy.

VISEGRAD COOPERATION IN SECURITY AND DEFENCE POLICY

V4 cooperation in security and defence improved in 2014, but a few important question marks remained. There was tangible progress in the coordination of defence planning and joint exercises. In contrast, cooperation has still failed to move to a higher level for instance in the procurement of military equipment, where a joint project for the acquisition of air defence radars ended in failure. The main driving force of cooperation remains the preparation of the Visegrad EU battle group. Some concerns were raised by the V4's inability to agree on the operational headquarters for this battle group in 2014. The original Czech proposal of 2012, which favoured German headquarters, was rejected.

The differing approach to the Ukrainian crisis by V4 members negatively affected the ability to coordinate their security policies. Instead of a joint V4 declaration at the NATO summit in Wales (as was the case at the summit in 2012), a more general Budapest Declaration on defence cooperation was released by V4 Prime Ministers in June. Disagreements within the Visegrad Group at the NATO summit were the result of divergent views on the adequacy of the NATO response to the Russian threat. Nevertheless, the transatlantic dimension of security was strengthened in autumn 2014 with the first ever joint exercise of V4 armies focusing on collective defence with US participation.

Rating

ACTIVITY	B
DETERMINATION	B
IMPACT	C
NORMATIVE ASPECT	C
FINAL MARK	B-

V₄ defence cooperation has intensified and the process of establishing a common battle group in 2016 continues. Still, the basic question of how to maintain the skills obtained in the process of creating the EU battle group after its completion remains unanswered. The crisis in Ukraine also revealed different perspectives in the security dimension of cooperation.

KEY BILATERAL RELATIONS

UNITED STATES OF AMERICA



Relations with the United States continued in a “maintenance” mode in 2014. There were very close ties at political, bureaucratic and social level and a series of seamless projects took place in security, economy and human rights. However, at the same time, there was a lack of truly major bilateral issues. New leadership at the Foreign Ministry did not attempted to change Czech-US cooperation, but emphasised its embedding in the broader framework of relations between the EU and the US. The most important event was a visit to Washington by a large delegation led by Prime Minister Sobotka, whose agenda included a meeting with Vice President Biden and attendance of the unveiling of a bust of Václav Havel in Congress.

On a political level, there were disruptive elements in which the Czech Republic’s position was somewhat unreadable, and which were also reflected in public discussion. Defence Minister Stropnický refused to discuss the deployment of NATO troops in the Czech Republic in connection with the Ukrainian crisis, with reference to the experience of the Soviet invasion of 1968. Prime Minister Sobotka then said the Czech Republic “did not call for a strengthening of NATO’s presence in Europe” in response to the announcement of US plans to deploy additional troops. This was a faux pas in both cases, rather than an expression of new positions, as confirmed, for example, by Sobotka’s subsequent text in *Foreign Policy*. Equally, prevarication on sanctions against Russia and the Czech discussion on moving away from “Havelian” traditions in conjunction with the tribute to the former president in Congress did not make a good impression. The conduct of President Zeman in relation to the Ukrainian crisis and the Islamic State also raised major question marks in the US.

A key area was energy, which both sides see not only from an economic, but also from a security perspective. The US was not pleased by the cancellation of the tender for the expansion of the Temelín nuclear power plant, which was a contract sought by a US company, Westinghouse. However, the decision by the Czech government was purely economically motivated. In contrast, new opportunities are offered by shale gas, as the House of Representatives approved legislation allowing its export to NATO countries and Japan. The bill, for which the Czech Republic actively lobbied, is still to be debated in Senate.

Cooperation also continued in areas of common values. The Václav Havel Journalism Fellowship, a joint project of the Foreign Ministry and Radio Free Europe/Radio Liberty aimed at journalists in the post-Soviet region, was newly joined by the Jiří Dienstbier Journalism Fellowship

aimed at the Balkans. The government also updated its commitments under the US Open Government Partnership initiative, which it has finally begun to meet after many years, thanks to the adoption of the Civil Service Act.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B-
 C
 C
 C
C+

Czech-US relations continued at a working level without any major problems. Confusion and embarrassment arose from uncoordinated and conflicting statements by political representatives, which, given the political and diplomatic history of the current President, Prime Minister and Defence Minister, can hardly be excused by their inexperience.

GERMANY

Sobotka's government took over relations with Germany in very good condition, and these were further improved and strengthened in 2014. This was assisted by traditionally close contacts between the now ruling SPD and ČSSD (and to a lesser extent the CDU and KDU-ČSL), which are also reflected in above-standard personal relationships between the heads of diplomacy. The reversal of the Czech Republic's position on European integration has also played a role, which is greatly appreciated in Berlin. In contrast, the Czech Republic's prevarication in relation to the Ukrainian crisis did not leave a good impression. After a quieter 2013, a number of meetings were held at the highest level between Presidents, Prime Ministers and Foreign Ministers.

In its inaugural statement, the Czech government supported "strategic dialogue" with Germany, aimed at mapping existing cooperation and expanding it in specific areas. In practice, this was reflected in the preparation of an interdepartmental document that will list the areas where the Czech side feels there is scope for closer cooperation. This document will be presented to the German side in 2015, and the result will be a joint memorandum. This format should also include an annual identification and evaluation of individual priorities, as well as the creation

of interdepartmental working groups. Topics discussed will certainly include science and research, as well as transport and energy, which were the main topics at the March meeting between Sobotka and Merkel. The Czech Republic's activities and efforts to systemise relations with its most important partner are to be welcomed, although we still await concrete results.

Cooperation with the two neighbouring federal states also continued to develop very well. With respect to Bavaria, the government made a clear commitment to the positive approach of the last five years. Sobotka met his Bavarian counterpart Horst Seehofer twice; the second time at the December opening of the Bavarian Representation in Prague, which is the culmination of Czech-Bavarian relations so far. The General Consulate in Munich, which had remained half-empty after recent cuts in Czech diplomacy, was also strengthened, though by only one diplomat. Both sides have thus made it clear their relationship remains very important. The only flies on the cake were marginal - e.g. the narrowing of the programme of the joint exhibition in 2016 to the topic of Charles IV, while the inclusion of traumatic aspects of coexistence in the 20th century has been unnecessarily avoided. Only partial progress has been made on the construction of the Prague-Munich rail corridor so far (although room for improvement rests mainly with the German side). The Bavarian Prime Minister has still not been received by President Zeman - unlike his Saxon counterpart, Stanislaw Tillich. Relations with Saxony were traditionally intensive and smooth in 2014.

Rating

ACTIVITY	A
DETERMINATION	A
IMPACT	B
NORMATIVE ASPECT	A-
FINAL MARK	A

The Sobotka government's active and systematic policy towards Germany and individual federal states is to be commended. A pragmatic and forward-looking approach, however, does not rule out deeper contemplation of our shared history, which is still a source of social trauma, especially on the Czech side. Narrowing the programme of the Czech-Bavarian exhibition is a missed opportunity in this regard. A permanently limiting factor is the contradictory and unreadable position of individual Czech representatives. In this context, statements by Miloš Zeman on the Ukrainian crisis were

particularly disruptive in 2014.

POLAND

Czech-Polish relations enjoyed close attention by political representatives in 2014 and there was progress on several long-term issues of concern. On the other hand, there were many misunderstandings in these relations and their quality was not helped by the differing views held by Prague and Warsaw on key security issues.

Despite the high intensity of relations at the highest political level (visits by Presidents, Prime Ministers and Foreign Ministers) there were repeated misunderstandings between the two sides. There were personnel changes on the Board of the Czech-Polish Forum, which were poorly communicated to Poland and clumsily announced to both dismissed members of the board and its chairman. At the end of last year, information was leaked to the Polish side and subsequently to the media of an order for inspection authorities to increase checks of Polish agricultural and food products, despite the Czech Republic's long-standing declarations that there was no particular focus on Polish products during inspections. Discomfit was also initially aroused by Czech contemplation of new formats of Central European cooperation. Although reassurances were accepted in all these cases - unfortunately following negative media coverage - these situations did not help to improve the quality of mutual relations.

However, more fundamental differences arose in relation to the adequacy of the response to the Ukrainian crisis and to the strengthening of NATO's eastern wing. In response to events in Eastern Europe, the Czech Republic stressed that it did not feel as much at risk as Poland, and therefore was not calling for a strengthening of the Alliance's presence in the region. Given that both Eastern and security policy were a promising area of cooperation, this difference in positions can be considered a step back.

Despite this, there was significant progress on several long frozen issues. There was an acceleration in preparations for the settlement of a territorial debt to Poland, where, since the settlement of the border in the fifties, the Czech Republic has owed its neighbour a small piece of territory. Efforts to find a solution had encountered resistance from municipalities that would lose part of their cadastral territory. Negotiations moved to deputy-minister level and the Czech side identified suitable land. There was also progress in attempts to transfer real estate properties used by the Czech embassy in Warsaw to Czech hands. The properties were confiscated

by Poland after the Second World War, and the justification for this step had been disputed by the two countries for decades. The Polish side withdrew its previous counterclaim, which was acquisition of the leased Polish embassy building, and declared a willingness to resolve the dispute on payment of a symbolic sum. Both cases show there is a readiness to make minor concessions that continue to improve relations.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

C
 C
 C
 C
C

A significant amount of energy in Czech-Polish relations was expended on reassurances and explanations of the Czech Republic's poorly understandable position. Proactive steps in key issues were lacking, although the intensity of political contacts was high. Significant progress was made in long-term, though marginally important, problems (the territorial debt and the issue of Warsaw real estate), which could not compensate for differing views on major issues of Eastern and security policy.

RUSSIA

—
 **

The year 2014 saw a turning point in relations between the West and Russia and, by implication, also between Russia and the Czech Republic. The reason was Russian aggression towards Ukraine and a breach of agreements in force since the end of the Cold War. Czech representatives were not consistent in relation to Moscow, although, in general, foreign policy followed the line agreed at European level. The main discussion, however, was conducted at an economic level, specifically the impact of sanctions or counter-sanctions, not Russia's unprecedented disruption of security in Europe.

The Czech Republic joined three waves of anti-Russian EU sanctions. Along with other countries, the Czech Republic managed to negotiate certain exemptions to the original proposal, which mitigated the loss to Czech exporters. The impact of sanctions on the Czech economy, however, was marginal. Retaliatory measures announced by the Russian Federation caused greater damage to some companies whose sales are tied to Russia.

Inconsistencies in the Czech approach were mainly reflected when the effectiveness and meaningfulness of sanctions was questioned by certain members of government, especially Ministers Mládek and Babiš, but also, to a lesser extent, by the Prime Minister himself. President Zeman was a chapter in himself. He even called for a lifting of sanctions – at the Dialogue of Civilizations Conference. This event was organised by Putin's close associate, Vladimir Yakunin, who was on the US list of sanctioned individuals at the time. Inviting Vladimir Putin to Prague to commemorate the liberation of Auschwitz or the president's vulgar media clashes with members of the group Pussy Riot contributed to the perception of the Czech Republic as a country with a strong pro-Kremlin voice.

The position of government representatives on Russia's actions in Eastern Europe was generally lukewarm. The exception to the rule were ministers for the KDU-ČSL and the head of diplomacy Zaorálek, who held a consistent position and was the first to raise the question of imposing sanctions following the occupation of Crimea. No strongly worded statement was forthcoming from the Prime Minister, who limited himself to rhetoric on the need for diplomatic negotiations and a lasting peaceful solution, combined with an emphasis on safeguards against negative impacts on the Czech economy.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

D
F
D
D-
D-

The implementation of and compliance with agreed sanctions cannot be considered a Czech foreign policy success. In light of the events in Ukraine, this step was a necessary response to Russian aggression. The problem was the Czech debate on relations with Russia – with even government representatives questioning the steps they had supported at European level. Certain ministers apart, they were unable to think on more than a purely economic level. What's more, the President completely undermined the credibility of the Czech position.

EASTERN EUROPE AND THE BALKANS

EASTERN PARTNERSHIP

Two of the most important trends in Czech policy towards the Eastern Partnership and countries involved in this initiative were the decreasing activity and relevance of Czech diplomacy in Eastern Europe and the noticeable decline in the Czech Republic's reputation in this region.

The Czech Republic expects positive effects from the signing of association and free trade agreements with Moldova, Georgia and Ukraine. The liberalisation of visa requirements between Moldova and the Schengen Area is also expected to be beneficial. However, the Czech Republic has not been active in either of these processes at the highest political level.

In April, a meeting was held in Prague to mark the fifth anniversary of the launch of the Eastern Partnership. Although the summit undoubtedly had ambitions to restore the Czech Republic to a position among the EaP leaders, the only significant message was a non-sanctioned offer by Miloš Zeman to act as mediator in the Ukrainian-Russian conflict. The government did not follow up this event with any further activities and the role of the Czech Republic as a major supporter of the Eastern Partnership declined.

The reputation of the Czech Republic in Eastern Europe has also been damaged by the President and his statements on the Ukrainian conflict.

Rating

ACTIVITY	D
DETERMINATION	D
IMPACT	D
NORMATIVE ASPECT	D
FINAL MARK	D

There was a significant decline in activity in relation to Eastern Partnership countries in 2014. The main reasons were the inactivity of the Czech Republic at the highest political level and inappropriate statements by certain Czech politicians. Developments over the past year give the impression that the initiative has ceased to be a priority for the Czech Republic. Yet events in Ukraine should, if anything, be an incentive for greater interest in the region and the Eastern Partnership as such.

UKRAINE

Czech policy towards Ukraine does not differ significantly from the EU framework, as it sided with Kiev in the ongoing conflict and supported the introduction of sanctions against Russia. However, the Czech Republic is not among the leaders in this field, and foreign policy was, in fact, passive and ambivalent. The most notable independent activity was the government's MEDEVAC programme, under which Czech doctors were sent to Kiev in February. This was followed by the treatment of 39 wounded activists in the Czech Republic, which was the second largest number after Poland. Unlike other countries, however, the Czech Republic has not accepted wounded Ukrainian soldiers for treatment. In addition to new projects arising from the current crisis, the Ministry of Foreign Affairs has also followed upon its long-term activities through development and transition cooperation programmes.

Although the decision to donate winter equipment to the Ukrainian army was laudable, help came too late and was insufficient. The Czech Republic refused to supply weapons and assist with the modernisation of Ukrainian military equipment, which could have benefited the Czech arms industry. Because of this, the industry will be at a disadvantage in other contracts under which the Ukrainian government plans to modernise its military forces.

The drawn-out ratification of the Association Agreement, which had only been approved by the Senate at the end of 2014, can be regarded as a clearly negative aspect. This position is not even logical in terms of the economising trend in Czech foreign policy. Ukraine could be a very interesting market for Czech investors with the implementation of the Association Agreement and reconstruction of the country. In contrast, the allocation of financial aid for the transformation of Ukraine can be seen as a positive.

Unfortunately, all the government's activities during the year were overshadowed by the words and deeds of the President, who challenged the anti-Russian sanctions, expressed an understanding for the annexation of Crimea, qualified the Russian military presence in the Donbas and demanded the repatriation of allegedly threatened Volhynian Czechs. His comments led to a demonstration in front of the Czech Embassy in Kiev and the summoning of Ambassador Počuch to the Ukrainian Foreign Ministry. Prime Minister Sobotka also publicly expressed his doubts regarding the effectiveness of sanctions. Other damaging actions by Czech politicians included the participation of legislators in monitoring missions of illegal voting in Crimea and Donbas.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

C
C-
D-
D
D+

Due to its own passivity and statements by President Zeman, the Czech Republic lost much of its long-built positive reputation in Ukraine. A fatal aspect in this respect was the ambivalence of Czech foreign policy.

WESTERN BALKANS

—

Last year saw EU policy towards the Western Balkans take a major step backwards. The conference of Southeast European countries initiated by Angela Merkel in August signalled that the European Union's current priorities lie elsewhere. The newly appointed Juncker Commission explicitly rejected further expansion of the EU in the next five years, which was met with negative reception by representatives of the Western Balkan countries. Although different phases of the integration process with Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia and Serbia remain ongoing, the symbolic impact of these changes must not be underestimated.

Czech foreign policy should be assessed in the light of the above developments. Although the government clearly declared its support for the continuation of the European integration process in the Western Balkans in its policy statement, in 2014 the Czech Republic's political leaders took virtually no steps to put these commitments into practice. In October, a meeting of the Visegrad Group with representatives of the Balkan States took place in Bratislava, which was also attended by the High Representative of the Union for Foreign Affairs and Security Policy, Federica Mogherini. However, Foreign Minister, Lubomír Zaorálek, gave priority to a session of the Chamber of Deputies and the Czech Republic was thus only represented at first deputy minister level. Delegates at the conference decided, among other things, on the establishment of a fund for the Western Balkans along the lines of the International Visegrad Fund.

Czech diplomacy seen to be reasonably active only in its relations with Serbia as Prime Minister Aleksandar Vučić visited the Czech Republic in October at the invitation of Bohuslav Sobotka. On the periphery of the

December 16+1 Conference in Belgrade, Sobotka then met both Vučić and Albanian Prime Minister Edi Rama. Ongoing arbitration between Albania and ČEZ was concluded with an agreement in which Albania undertook to pay the Czech energy group 100 million euros by 2018, i.e. almost the full requested figure.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

D
C
F
D
D

Although the Czech Republic formally continues to support the aspirations of Western Balkan countries to integrate into European structures, Czech diplomacy did not express any significant reservations regarding the slowdown of EU expansion. Therefore there was minimal progress in this declared priority.

MIDDLE EAST AND NORTH AFRICA

MIDDLE EAST AND NORTH AFRICA



Countries in the Middle East and North Africa underwent rapid development in 2014. The Czech Republic, like most EU countries, opted for a wait-and-see strategy in response to local events. The formation of the new government has not altered the existing approach to any significant degree. Czech statements in relation to its traditionally closest ally, Israel, were cautious, with the exception of the President, who sees the Israeli-Palestinian conflict as a clash of civilizations. Even in the dramatic atmosphere of the summer's war in Gaza, Czech Foreign Ministry limited its comments to calls for a ceasefire, warning of the disproportionate use of force by Israel, but also condemning the shelling of civilian targets by Palestinian Hamas.

Czernin Palace continued to maintain excellent relations with Israel. Unilateral steps (especially those proposed by Palestine) were rejected, including the pursuit of the diplomatic recognition of Palestinian statehood. This position does not correspond to the much more critical European approach to Israel and the EU's growing support for Palestinian diplomatic activities. It seems, however, that more emphasis is being placed on guiding Czech policy closer to a more critical line, which is reflected, for example, in the intensification of relations with the Palestinian Authority. To what extent such corrections may be possible remains to be seen in view of the Czech Republic's long-term pro-Israeli position.

Transition cooperation projects in Egypt financed by the Ministry of Foreign Affairs since 2011 will not continue in 2015. This change is not so much a reflection of the deteriorating local situation in human rights, but rather of poor security conditions. Unfortunately, the available resources and expertise will not be used for transition cooperation elsewhere in the region, such as in Tunisia, where the democratic process is still ongoing. Four years of financial support in Arab countries are thus at an end for now.

Rating

ACTIVITY	C
DETERMINATION	B
IMPACT	C
NORMATIVE ASPECT	C
FINAL MARK	C+

The intention to “diversify views” towards Israel and Palestine and shift the traditionally pro-Israeli policy closer to a more critical line can be viewed in a positive light. Last year, however, this effort was only evident at a rhetorical level. The end of transition cooperation in the region is a reason for criticism. Perhaps with the exception of the conflict in Syria and Iraq, Czech policy was therefore more passive last year. However, this is consistent with both the long-term trend and the fact that the Middle East and North Africa are not a Czech foreign policy priority.

CONFLICT IN SYRIA AND IRAQ, ISLAMIC STATE



The most significant challenge was the conflict in Syria and Iraq, which destabilised the entire region. Czech involvement included the support of local armed forces fighting the Islamic State (IS) on the one hand, and humanitarian aid to refugees in Syria and neighbouring countries on the other. Although President Zeman loudly advocated mass multinational action against IS, in which the Czech Republic would participate according to his vision, Minister Zorálek’s statements confirmed that Czech policy in relation to the conflict would continue in its current vein.

The Czech Republic was one of the first countries to contribute to the fight against IS by supplying ammunition to the Kurd militia in northern Iraq. Although this assistance officially ended on delivery of several million cartridges (due to lack of interest on the part of the Kurds according to a statement by the Foreign Ministry), Czech arms companies continue to export military material to Iraq. Given the Czech Republic’s military capabilities, as well as compared to the involvement of other EU countries, this activity can be generally judged as adequate.

The provision of humanitarian aid to victims of the Syrian conflict in Lebanon and Jordan, and to Shiite refugees in southern Iraq, continued. However, the will to provide assistance on the ground was significantly overshadowed by an unwillingness to accept a limited number of refugees in the Czech Republic. After much hesitation and pressure from the media and civil society, the government finally accepted a UN request and granted asylum to 15 Syrian children and their families in January 2015. This is a very low number, as existing capacities could allow the acceptance of almost a thousand refugees. What’s more, the relocation of these Syrian refugees will be financed from European funds.

The humanitarian aspect has been completely lost in the political debate - where refugees are not seen as victims of the conflict by the Czech executive, but foremost as a security threat. This approach only causes

unnecessary concern and reinforces anti-Islamic sentiment, which is currently very strong in Czech society.

Rating

ACTIVITY	C
DETERMINATION	C-
IMPACT	C
NORMATIVE ASPECT	D
FINAL MARK	C-

Foreign policy remains disjointed in the region in at least two respects. First, at the level of actors, where the largely humanitarian activities of the Foreign Ministry are in conflict with the anti-Islamic position of the President, who has called for large-scale military intervention against IS. The second, more fundamental, problem lies in stark contrast to two areas of humanitarian policy, which should organically complement each other: assistance in the region is in direct contrast to the reluctance to relieve the exhausted capacities of neighbouring countries and accept a larger number of refugees in the Czech Republic.

ASIA

CHINA



After five-year hiatus, 2014 saw the resumption of Sino-Czech political dialogue. A number of visits took place at the highest levels (including President Zeman and Foreign Minister Zaorálek), despite the fact the reception of multiple delegations in one year is not common in China and thus signals its interest in the Czech Republic. The improvement of bilateral relations was affected by two mutually independent political changes: new priorities set by the duo of Lubomír Zaorálek and Petr Drulák on one hand, and the strong influence of the Prime Minister's adviser on China, Jaroslav Tvrdík, who heads the Czech-Chinese Chamber of Commerce, key members of which (e.g. PPF, J&T, Škoda Auto) have a strong economic interest in improving relations, on the other.

Czech policy now caters to the basic principles required by the Chinese for the development of mutual political relations - and often even beyond. One example is the obligingly formulated recognition of China's territorial integrity in a joint memorandum of the two governments. The Czech Republic's efforts to be deleted from the list of problematic countries at all costs is not trustworthy in the eyes of Chinese representatives or the Czech public, and this is not helped by the inept communication of these steps and their meaning by the government.

There is currently a lack of effort to promote the Czech Republic's own goals and priorities. There is talk of new Chinese investments and a more open Chinese market for Czech exporters, as well as, to a lesser degree, the extension of dialogue on human rights. However, how the government plans to achieve concrete results in these areas is not known. A positive aspect is that improving relations with China have not disrupted economic relations with Taiwan as a major investor in the Czech Republic, which continues to grow despite the government's current rhetoric.

Together with political contacts, the intensity of commercial relations has also increased, with Chinese companies showing interest in some of the big Czech business groups. The coming months will determine whether these agreements are fulfilled and thus overturn Sino-Czech economic relations' current independence from politics. China is also interested in large public contracts, although there is no demand from the Czech Republic in this area as yet. The impact of planned Chinese projects on the Czech economy, employment or research and development is still speculative.

One problem area is human rights, in which the Czech Republic has never been an important player in China. Its assistance has largely

consisted of moral and occasional financial assistance, e.g. for the families of dissidents. However, merely talking about human rights at the highest level and behind closed doors does not have a major impact, as shown by the experience of other European countries, including Germany.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B

B

D

D

C+

The establishment of political dialogue is a step in the right direction. However, the manner of its implementation is less suitable. The Czech Republic still lacks clearly defined priorities – do we have anything to offer China in terms of scope for direct foreign investments? Do we know how to promote meaningful human rights dialogue? In addition, these relations have raised great expectations that will be difficult to meet.

SOUTH KOREA

—
*

Despite its distance, the Republic of Korea is becoming an increasingly important partner of the Czech Republic, especially in economic relations. Czech institutions have been more active in the last two years, whether in terms of pro-export activities by the Czech Embassy in Korea, or the successful visit of a business delegation of the Czech Confederation of Industry in May. In September 2014, the Export Guarantee and Insurance Corporation signed a memorandum of cooperation with its Korean counterpart, K-sure, which should further promote bilateral trade and investment to facilitate joint projects in third countries.

In addition to the development of bilateral trade, 2014 also saw the conclusion of two important agreements on investment in the Czech Republic by the South Korean companies Nexen Tire and Hyundai Mobis. Consequently, South Korea will soon become the third largest source of direct foreign investment in the Czech Republic. Further Korean investments will undoubtedly be affected by the fact that CzechInvest began plans to open an office in Seoul.

In addition to economic relations, the Czech Republic also devoted a lot of attention to cultural exchange. The Czech Centre, which was opened

in Seoul in 2013, is the second in Asia after Japan, and also serves as a facility for economically oriented events. CzechTourism also reopened its representative office in Seoul. Greater promotion of tourism as a specific Czech export in the Republic of Korea is a step in the right direction; the number of South Korean visitors in the Czech Republic continues to rise.

The symbolic importance of Korea as a partner of the Czech Republic was also shown by the Czech President and Finance Minister, who, for the first time in years, attended the Prague celebrations of the South Korean national holiday, National Foundation Day, in October. In view of the emphasis on symbolism by the Republic of Korea, this must be commended.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

A-
 B
 B
 A
B+

The embassy's active approach and cooperation with other Czech institutions, combined with the permanent representation of several agencies in South Korea, is producing results. Cooperation on an economic and cultural level could be a model for closer relations with other Asian countries.

HUMAN RIGHTS AND TRANSITION COOPERATION

PUBLIC DISCUSSION ON HUMAN RIGHTS IN FOREIGN POLICY



Heated discussion on the role of human rights in foreign policy took place in 2014. First Deputy Foreign Minister Petr Drulák became the public face of the debate, criticising the minimalist view of human rights as civil and political rights and pointing out that this view had been discredited due to close association with the policies of the George W. Bush administration. As an alternative, he offered a wide-ranging concept of human dignity encompassing social, environmental and gender rights, which he wanted to promote in a less confrontational manner, including in dialogue with the governments of target countries.

The attempt to call for an open debate on such a key issue needs to be commended. This is also true of some of Drulák's points of departure, especially the belief in the benefits of engaging even undemocratic regimes in political dialogue and the unacceptability of the Czech Republic's silence on human rights violations by allies and "friendly" countries. However, the course of discussion brought few positives. Drulák entered the debate with unnecessary criticism of Václav Havel, thus turning the topic into a fight over the former president's legacy, which completely overshadowed questions of the values and content of human rights policy.

Unfortunately, almost nothing was heard from Minister Zaorálek. This raised legitimate questions with respect to what extent Drulák's arguments were the official position of Czech diplomacy, further encouraged by Prime Minister Sobotka's reserved stance. The Foreign Ministry also failed to adequately counter persistent voices from the Prague Castle and some ministries that only considered human rights a complication in good business relations.

However, some critics of the Drulák line didn't show themselves in the best light either, offering personal attacks (the Deputy Minister was labelled "vermin", a "bogyman" or "arch villain", among other things), rather than substantive debate with supporting arguments.

In practical terms, the fact that the Foreign Ministry maintained its support for the emerging Prague Civil Society Centre, whose activities will focus on Eastern Europe and Central Asia, must be commended. The Czech Republic also began making financial contributions to the European Endowment for Democracy.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B
C
D
D
C

Drulák's concept of human rights is problematic in many ways. Equating the support of political rights with the spread of democracy by "fire and sword" is a caricature, as human rights also include the right to life, privacy, or a fair trial. Although human rights originated in the West, this is a principle that has been universally accepted by virtually all countries around the world under international pacts. There is therefore no reason not to remind them of this. Promoting broad human dignity is also difficult to reconcile with respect for cultural differences, as instead of minimalist political requirements this comes with a comprehensive vision of a desired social order.

SECURITY AND DEFENCE POLICY

NATO

Following Russian annexation of Crimea and the outbreak of the conflict in eastern Ukraine, the Czech Republic sought to reassure allies on the eastern wing of NATO by strengthening its military engagement. However, statements by political representatives fundamentally weakened the credibility of Czech actions.

At the request of the Alliance, Czech fighter planes prolonged their planned stay to guard Iceland in October and December. At the NATO summit, the Czech Republic confirmed its participation in the process of creating provisional NATO rapid response forces by contributing with Czech special forces.

However, May's statement by the Defence Minister expressing scepticism regarding the possibility of Alliance bases in the Czech Republic showed that the government does not see the Czech Republic as part of the set of states directly threatened by the new security situation in Europe. This was confirmed by the Prime Minister's subsequent thoughtless rejection of efforts to increase NATO's military presence in Europe. Although Sobotka corrected his statement the next day explaining this only referred to the Alliance's presence in the Czech Republic, the response by coalition partners revealed that neither the Prime Minister nor the Minister of Defence had discussed such vital statements with the coalition government in advance.

Similarly, the absence of parliamentary debate in connection with September's key NATO summit in Wales deserves criticism. Given the importance of the event, Parliament should have asked for a presentation of the executive's position in advance and not just waited to be informed of the results.

On the other hand, on the eve of the summit, the government agreed to gradually increase defence spending to a level of 1.4% of GDP in 2020. Although this does not address the acute problems of the Czech Army, it at least provides necessary, though so far only declaratory, financial stability in the medium term.

The Prime Minister's September statement in the Chamber of Deputies, in which he virtually awarded Russia the right of veto over the further NATO enlargement, again raised question marks regarding the Czech Republic's position. It is not possible to support enlargement based on the fulfilment of conditions required for NATO membership, while openly talking of the inability to expand NATO in exchange for a de-escalation of tensions between Europe and Russia.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B
C
C-
D
C

A positive image consistent with the gravity of specific steps taken by the Czech Republic is often marred by ill-conceived statements by government politicians. Calls to accommodate Russia with regard to the possibility of expanding NATO ascribe partner countries a secondary and subordinate status.

PARLIAMENTARY AUTHORISATION OF MISSIONS ABROAD

—

The groundless postponement of the approval of a mandate for foreign missions for the next two years demonstrated that the government ranks domestic political considerations above national foreign policy interests. Although the respective documents were prepared for submission to Parliament by September, the government decided not to send this material to the Chamber of Deputies and Senate until after the October Senate and municipal elections. The result was a hectic approval process in which the mandate was approved by the government, the two relevant committees and both Chambers of Parliament in two weeks.

Subsequent discussion of the constitutionality of a floating mandate to be approved by the government alone and only limited by region and the number of soldiers within respective missions was redundant, as a similar procedure has been applied to Czech units dedicated to the NATO Rapid Response Force and EU Battlegroups since 2005. The current mandate only extends this practice so Czech Army units can also be dispatched to international operations in the Middle East, North Africa and the Sahel, simply with the retroactive approval of Parliament. This realistically strengthens the credibility of the Czech Republic as an ally and is consistent with Czech participation in the EU mission in Mali.

A request for the Chamber's Constitutional Law Committee to review the current framework for the deployment of the Czech Army abroad can be commended. The flexibility of this framework with regard to current needs requires attention, as some constitutional formulations are outdated. These include the need for the consent of the recipient state, as

this formulation places unrealistic conditions on potential rapid response missions in territories where a central government may not exist.

Rating

ACTIVITY	B
DETERMINATION	B
IMPACT	B
NORMATIVE ASPECT	D-
FINAL MARK	B-

Postponement of the approval of the mandate for foreign missions on account of domestic political reasons is unnecessary and unacceptable in the future. In fact, this risk may not pay off next time and the damage to the image of the Czech Republic as a reliable ally would be enormous. Consent to this postponement by the Defence and Foreign Minister is incomprehensible.

ECONOMIC DIPLOMACY

ECONOMIC DIPLOMACY AS A POLITICAL PROGRAMME



Economic diplomacy became one of the main reasons for moving away from the defence of the value-based framework in Czech foreign policy in 2014. Yet this trend was not as clear when the new government took office. Although it was mentioned in the government's policy statement, the new cabinet accented economic diplomacy less than the Rusnok cabinet. Later, however, both Prime Minister Sobotka and Minister of Industry Mládek added a strong voice to the President's argument that supporting trade was the most important (or even only) aspect of diplomacy. Foreign Minister Zaorálek then failed to publicly confront these arguments.

Thus, according to the interpretation of the highest political representatives, economic diplomacy often only represents maximum effort to conform to the policy of a country with which we want to do business. However, such attempts at convergence can lead to partial or total abandonment of the principles still promoted by the Czech Republic in other sectors of foreign policy.

Out of the systematic and ongoing support of Czech companies, this declaratory support of exports became mere justification for relativising the principle of human rights (e.g. in relation to China), as well as a tool working contrary to the uniform approach of EU and NATO countries during the Russian-Ukrainian crisis. This approach is not credible not only in relation to the target country, but especially in terms of the consistency of Czech diplomacy. What's more, it can also be said with certainty that it does not provide long-term effects, even in the area in which it was intended - i.e. exports and the economic development of the Czech Republic. Examples from the UK or Germany show that a consistent policy is more profitable in the long term.

The declared model for Czech economic diplomacy is principally Scandinavian countries. However, for them, this area represents an integrated concept of institutional, personnel and organisational measures designed to provide maximum support for export opportunities in the given country. Such assistance must differ depending on the sector of the economy, the nature of the business partner and the capacity of our foreign network - and, above all, it must not be in conflict with other national interests.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

B
C
D
F
C

Declared economic objectives should not disrupt the balance between economic and other - especially security and value-based - national interests, particularly if these declarations are used for the domestic political agenda rather than actual exports and economic growth. This is not good for the Czech Republic in the long term, gives the impression of unreliability and unnecessarily insults economic diplomacy.

PROFESSIONALISATION OF THE TOOLS OF ECONOMIC DIPLOMACY

—

Unlike its role in the political debate, the coordination and accessibility of economic diplomacy worked very well. The two key ministries continued the cooperation established between the ministries under the Rusnok government last year and pushed this to a more systematic level. In addition to signing the June agreement on mutual cooperation, this was also helped by good cooperation between the duo of Deputy Minister Vladimír Bártl (Industry Ministry) and Deputy Minister Martin Tlapa (Foreign Ministry), who have experience working at both ministries. Acknowledgement, however, must also go to both ministers, who supported these changes.

The cornerstone of the new form of economic diplomacy was the opening of a Client Centre and the unification of the entire system on entry, which applies to the single network of offices in the Czech Republic and abroad. In practice, this means that companies and entrepreneurs can now communicate with the state from one place and know what the state can offer - whether gratis or for a fee. This setup also has the potential to cultivate the business environment in exports. It clearly shows that the state's role is not to directly negotiate contracts, but that it can help. However, the promotion of full equal opportunity and transparent conditions will take longer.

The Ministry of Industry is also preparing a new export strategy. This

will be a document that moves from an outdated territorial focus to a sector-oriented approach and will only have a short period of validity (about three years). Although the cancellation and creation of new long-term strategies is often counterproductive, it is a step in the right direction in this case. A map of sector opportunities created by the Ministry of Foreign Affairs can, in turn, help entrepreneurs to navigate markets worldwide.

In contrast, the attempt to establish “agro-diplomats”, i.e. specialists supporting the export of food and agricultural products, can be viewed as problematic. Given that this sector only contributes 3% to the Czech Republic’s GDP and represents only 4.7% of exports, this is an unsystematic gesture, despite certain potential exports of food technology. A permanent conflict of interest with the first Deputy Prime Minister and the owner of the largest agricultural and food processing holding, Andrej Babiš, is merely a postscript in this matter.

Rating

ACTIVITY	B
DETERMINATION	A
IMPACT	B
NORMATIVE ASPECT	A
FINAL MARK	A-

The coordination of economic diplomacy and the promotion of client access borrow a style of operation to which entrepreneurs are accustomed in their sphere. Overall, support for exports is now more efficient and user friendly. One can only hope that it will continue down this road in the future.

**DEVELOPMENT
COOPERATION AND
HUMANITARIAN AID**

DEVELOPMENT COOPERATION AND HUMANITARIAN AID



Czech activities in the field of international development cooperation and humanitarian aid followed the path mapped out in the wake of the overall transformation of the sector at the turn of the decade. The volume of bilateral aid rose slightly compared to 2013. Overall, however - i.e. including funds provided through the EU and international organisations - it remained at around one thousandth of gross national income. While this corresponds to the long-term plan, it represents only one third of the amount the Czech Republic undertook to release by 2015.

In addition to the stagnating volume of Czech development cooperation, the Czech Republic also faced problems of a systemic nature. Unsatisfactory aspects include the coherence of development policies. One example is the provision of humanitarian aid to the people of Syria, while refusing to accept even a symbolic number of Syrian refugees.

Similarly, the Czech Republic made little progress in the efficiency of development cooperation, which was largely hampered by the limited sustainability of the impact of Czech activities in partner countries and a link between development cooperation and deliveries by Czech entities in certain sectors. There was also room for improvement in Czech policy in terms of transparency - according to the Aid Transparency Index this fell slightly for the second year and remains in the “weak” category. However, efforts by the Foreign Ministry to improve evaluation standards can be rated positively.

Bilateral activities continued in five of the Czech Republic’s programme countries, most intensely in Moldova, Bosnia and Herzegovina and Ethiopia. The largest proportion of funds was designated for sectors that are traditionally supported by the Czech Republic, i.e. water supply and sanitation, agriculture and, in terms of intended impact, in the somewhat controversial energy sector. Recommendations proposed in the Mid-Term Evaluation of Foreign and Development Cooperation Policy were a step in the right direction. In an effort to increase efficiency, which is still somewhat limited due to the geographic fragmentation of Czech aid, the Czech Republic should focus on a smaller number of countries in the coming years. The plan to gradually phase out projects in Mongolia and Serbia, where the need for development projects is low due to the overall level of the economy, seems particularly sensible.

Rating

ACTIVITY
DETERMINATION
IMPACT
NORMATIVE ASPECT
FINAL MARK

C

B

D

C

C+

The Czech Republic is mainly faced with long-term systemic problems in development cooperation: a lack of coherence, geographic fragmentation and a low level of resources. A review of the concept of development policy, however, has proposed meaningful changes (especially a shorter list of cooperation partners) and gives hope for improvement in this sector.

SUMMARY OF RATINGS

NOTE THAT THE MARK IS RECALCULATED.

A COUNTS AS "1", B AS "2", C AS "3", D AS "4", F AS "5".

INTRODUCTORY CHAPTER

Subject-matter	Mark
Political engagement	3,5
Institutional cohesion	3
Strategic vision	3
Proactive approach	4
International relevance	3
Average	3,3

THEMATIC AND REGIONAL AREAS

Subject-matter	Mark	Sig
Turn in Czech European Policy	2,50	***
Discussion of European Issues	1,75	**
2030 Framework for Climate and Energy	1,75	*
Banking Union	2,00	*
Selection of Czech European Commissioner	3,75	*
Appointment of Czechs to European Institutions	2,50	*
Visegrad Group	2,75	**
Visegrad Cooperation in Security and Defence Policy	2,50	*
United States of America	2,75	**
Germany	1,00	***
Poland	3,00	***
Russia	4,50	**
Eastern Partnership	4,00	**
Ukraine	3,75	***

THEMATIC AND REGIONAL AREAS

Subject-matter	Mark	Sig
Western Balkans	4,00	*
Middle East and North Africa	2,75	*
Conflict in Syria and Iraq, Islamic State	3,50	*
China	2,75	*
South Korea	1,75	*
Public Discussion on Human Rights in Foreign Policy	3,00	**
NATO	3,00	***
Parliamentary Authorisation of Missions Abroad	2,50	**
Economic Diplomacy as a Political Programme	3,00	**
Professionalisation of the Tools of Economic Diplomacy	1,50	*
Development Cooperation and Humanitarian Aid	2,75	*
WEIGHTED AVERAGE	2,78	
OVERALL MARK	2,94	

RECOMMENDATIONS FOR 2015

① The government must coordinate its position on key foreign policy issues. Diametrically opposing statements on the crisis in Ukraine, the security situation, human rights policy and entry to the euro area make the Czech Republic seem an untrustworthy and unreliable partner. Closer coordination, in particular within the ČSSD, is necessary. Realistically, however, we cannot expect too much cooperation from the President and Minister of Finance. It is therefore important that at least the ministers of the party with the strongest influence on foreign policy speak with one voice. The Prime Minister should abandon his cautious approach on key issues and give clear backing to his Foreign Minister.

② The government should distance itself more strongly from the President's views of the Ukrainian crisis and the Islamic State, as well as other potential faux pas. The President is currently a problem of Czech foreign policy and it cannot be assumed that his excesses, which are damaging to the Czech Republic, will be solved by simple coordination meetings. The government should therefore constantly, positively and objectively show that Prague Castle's stance is political folklore, but not the position of the Czech Republic. Again, this is largely the fault of the Prime Minister. The Foreign Minister should remain objective and avoid emotional responses, such as his press statement after Zeman's speech at the commemoration of the liberation of Auschwitz.

③ Parliamentary parties should invest in developing expertise in foreign, security and European policy. In the current situation, the Czech Republic can not afford to be uninformed and confused in statements on key topics. Opposition parties should be better prepared for a possible return to government, more so than it was the case, for example, with the Social Democrats. All political parties should avoid the instrumentalisation of key issues of national interest in the political struggle.

④ The government should continue its constructive European policy. It should ratify the Fiscal Pact and, following the completion of impact studies, make a decision on joining the banking union. The government should approve the Concept of the Czech Republic's Role in the European Union and follow this up with other related documents in the first half of the year—including a concept for the appointment of Czechs to EU institutions and the Strategic Paper on EU Affairs Communication in the Czech Republic. If the government's objective is to prepare the nation for the smooth adoption of the euro, it is essential not only to

comply with accession criteria, but also to act appropriately in relation to the public. Therefore, it is necessary to prepare a line of argument and communicate this publicly through the relevant channels of the Office of the Government. It is also important for the benefits of membership to be clearly heard from government parties supporting entry to the euro area.

5 The Czech Republic should combine commemoration of the end of the Second World War with a tribute to the victims of the post-war expulsion of Germans. Such an initiative would be an adequate response to the Lidice gesture by German President Gauck in 2012 and send the desired signal not only abroad, but also to Czech society. This commemoration could be inspired by Gauck's visit. It would be a conciliatory and human gesture with the participation of victims and German or Austrian government representatives. A good option would be a common tribute to the memory of these victims and an expression of regret over some of the greatest excesses of the "wild" phase of expulsion, e.g. in Ústínad Labem, Postoloprty and Brno.

6 The Czech Presidency of the Visegrad Group should focus on strengthening mutual trust among its members. After a less than favourable year in 2014, attention should be focused on improving internal Visegrad contacts - e.g. through increased cooperation between parliaments - and deepening cooperation in traditional areas (security policy, Eastern policy, the Western Balkans, energy and security infrastructure). In creating new formats of cooperation in Central Europe, the Czech Republic should promote complementary, rather than duplicate, projects and try to draw Austria closer to the Visegrad Group.

7 The Czech Republic should be more actively and credibly involved in diplomatic negotiations to resolve the conflict in Ukraine at EU and NATO level. The Czech Republic should take a clear stand on Russian aggressive policy and not question the purpose of implemented EU sanctions, but rather promote their extension in the event of a further escalation of the conflict. It should politically support the Ukrainian government and help with all necessary socio-economic reforms. The Czech Republic must be a readily fathomable partner for both Ukraine and its allies. In this context, it is essential to balance the statements and actions of President Zeman and other politicians with visible acts by the government and the Minister of Foreign Affairs.

8 The Czech Republic should accept a much higher number of refugees from areas in Syria and Iraq stricken by the conflict. The humanitarian situation on the ground is untenable, yet Czech capacities are far from full. Reluctance to welcome more refugees is inconsistent with the value basis of Czech and European foreign policy and damages the image of the Czech Republic abroad. The distorted perception of refugees as a security threat also fuels unnecessary fears and prejudices in society.

9 The Czech Republic should encourage the revival of the Eastern Partnership initiative. The Eastern Partnership summit will be held in Riga in 2015 and should present the outlines of a reform of this initiative. The Czech Republic should insist on the separation of the issue of the reform of the Eastern Partnership from Russian engagement in eastern Ukraine and offer further integration prospects for countries that have signed association agreements.

10 The Czech Republic should firmly support the policy of promoting civil and political rights. The response to contradictions criticised in current policy is consistent defence of political rights, both internally and externally. What's more, such a course of action does not weaken the Czech Republic, particularly when focused on highlighting the incorporation of the universality of human rights in international agreements. Expansion by further dimensions of human rights, i.e. social, environmental and gender, may be useful, but only if there is a concurrent increase in human and financial resources and a corresponding ability to implement such projects by Czech NGOs. Otherwise, such expansion will only be a pretext for weakening the emphasis on civil and political rights.

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 18-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 briefing, 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.

FOLLOW US!

-  www.facebook.com/AMO.cz
-  www.twitter.com/AMO_cz
-  www.youtube.com/AMOCz

#AMOagenda