



AGENDA FOR CZECH FOREIGN POLICY 2017

— Eds. —

Vít Dostál
Tereza Jermanová



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2016: All-Pervasive Foreign Policy

Rating in recent years

C⁻

2013

C

2014

D⁺

2015

D

2016

Evaluation of Czech Foreign Policy in 2016 (in the Introductory Chapter)

Political engagement	D
Institutional cohesion	C-
Strategic vision	E
Proactive approach	D
International relevance	D

You can find out more about our grading methodology on page 67.

In a parliamentary debate last November, Prime Minister Bohuslav Sobotka noted that all-pervasive foreign policy now affects what is happening in the Czech Republic more than ever before. In doing so, he aptly identified a trend we had encountered in 2016. The referendum on the UK's departure from the EU, the rise of right-wing populist political parties (not just) in Europe, Russia's disinformation campaign, and the uncertainty associated with Donald Trump's election as the US president created the most difficult international situation faced by Czech diplomacy since Czech independence. Differing views on the direction of foreign policy – regardless of whether the topic was migration or relations with China – divided politicians and society on more than one occasion. The fact that foreign-policy issues had resonated on this scale is also illustrative of their ever-increasing spillover into the domestic environment.

Nevertheless, though dynamic events abroad raised debate on foreign policy, they left no mark on the status quo in the Czech Republic. The consequences of the drawn-out war in Syria, with an influx of refugees, was experienced by the Greeks, Italians, and our neighbours in Germany, but not by the Czechs. Unlike the Ukrainians, we did not have to endure armed conflict on our territory, nor was the Czech Republic among the string of European countries targeted for terrorist attacks. In fact, judging by macroeconomic indicators, we have thrived – measured by gross domestic product (GDP), the Czech economy continued to grow in 2016 and the government was able to boast the highest budget surplus since the country's formation. It was also a relatively tranquil period on the domestic political scene. Despite the diverse and frequently contradictory positions of its members, the government coalition held together to wield a comfortable parliamentary majority and avoided major scandals.

In this introductory chapter, we evaluate the main trends in Czech foreign policy over the past year. Unfortunately, we must point out at the outset that neither the increased attention foreign events received in domestic debate nor the favourable

political backdrop were positively reflected in the country's actions on the international scene in 2016. Some past maladies persisted: opposing voices competed to be heard in foreign policy, with both the Prime Minister and the Minister of Foreign Affairs failing to make their mark here forcefully enough. However, two other problems emerged more prominently than ever before last year. The neglect of key partnerships and alliances, which were in some cases additionally undermined in the pursuit of short-term goals or on account of domestic disputes, laid bare the inability of political representatives to look beyond their term in office in matters of foreign policy, and their political self-absorption. This could be seen in Czech policy towards the EU, in the approach to Germany, the Visegrad Group (V₄), and eastern partners. The domestic reverberations of international events were rarely reflected in any genuine interest in foreign policy, which, if anything, was once again hostage to political parties' internal political spats.

Seeking Responses to International Challenges

The liberal international order that provided the Czech Republic with a favourable environment for its development since the early 1990s, continued to fragment throughout 2016. How did Czech diplomacy seek to influence these developments? And how did it prepare for the equally hectic years to come? These are the questions we asked ourselves against the background of the problems and events requiring Czech attention most in 2016.

One such problem on a European scale was the so-called migration crisis. While the high numbers of refugees headed for Europe was quelled by a series of measures, not least being the agreement the EU struck with Turkey, the actual causes of migration remained. Hence the search for a common European response remained just as acute as it had been in 2015. The Czech Republic was noted for building obstacles rather than offering solutions. The protection of external borders and rejection of relocation quotas continued as the foreign-policy mantra. Although it is apparent the first suggestion does nothing more than shift the entire issue beyond European borders without dealing with the crux of the problem, this solution found common ground among EU Member States. Consequently, the Czech Republic supported the establishment of a new EU border protection agency and the dispatch of Czech police officers to those EU countries most affected by migration. In contrast, the Czech Republic's demand for the unilateral closure of the Balkan migration route simply compounded the pressure on those Member States and EU institutions negotiating a deal with Turkey, and it was inhumane for refugees confined to overcrowded refugee camps and detention centres. The resistance mounted by the Visegrad Group, including the Czech Republic, to any relocation mechanism whatsoever thwarted attempts to agree on a more comprehensive solution entailing the reform of European asylum and migration policy. Criticism of the migration policy pursued by German Chancellor Angela Merkel

by Czech politicians merely highlighted the Czech Republic's unconstructive approach in an unfortunate light and undermined good mutual relations.

The split between the east and west of the European Union, which began to re-emerge the year before last over diverging views on relocation quotas, was made all the deeper by wrangling on how to approach migration. As the country holding the V₄ presidency, the Czech Republic could have become a bridge between the two streams, yet its stance, outlined above, helped draw a thicker dividing line. The negative label slapped on the Visegrad Group, once a symbol of cooperation and the successful transformation of Central Europe, was also due to undermining of the rule of law in Poland and Hungary. Here again, Czech politicians failed to capitalise on their specific position and, above all, on their close ties with colleagues in Warsaw and Budapest, and instead of trying to engage them in a dialogue, merely looked on as events unfolded in both countries. This is despite the fact that maintaining good reputation of the Visegrad Group and, most importantly, a stable democratic neighbourhood should be an intrinsic interest of the Czech Republic.

The June referendum on the UK's departure from the EU then threw the debate on the future of the integration project to the forefront. Czech diplomacy played an important role in negotiating a deal between the United Kingdom and the 27 Member States on the new conditions of its membership that would have come into play had the British decided to remain in the Union. The British referendum triggered a reflection process within the EU, though the Czech Republic contributed little of note. Consequently, what particularly stood out was the Prime Minister's surprising declaration of support for a European army, which was not followed up by any specific proposals. However, the government refused to initiate a debate on Czech membership in the Eurozone, no matter how desirable this would have been in light of the changes to the EU.

The events playing out just over European borders were equally important. The security and humanitarian situation in the Middle East did not improve, and Russia's redoubled military engagement in Syria stalled the prospects for a peaceful solution to the ongoing conflict. The year 2016 will always be remembered for the catastrophe that befell Aleppo as the international community stood by. It is here that Czech foreign policy floundered as it gambled on Bashar al-Assad in defiance of international sanctions and criticism of his regime. At least we see no other way of explaining the deepening of trade relations and brisk preparations for the reconstruction of Syria at a time when there was no end in sight to the war still raging in the country. The distorted identity of Czech diplomacy, where human rights have ceased to be a priority and are surrendered to precarious economic gains, thus received an even more absurd dimension in Syria. What is more, the thin ice on which the Czech Republic was

skating in Syria cracked under the weight of its ambassador in Damascus, Eva Filipi, who – unusually for a diplomat – imprudently criticised Czech allies in public.

Just as we have rebuked the Czech diplomatic service for being unduly active in the wrong places in the case of Syria, we must be equally critical of it in relation to the Eastern Partnership, as it has slowly sidled away from an area where it should be making itself heard much more. Although the Ministry of Foreign Affairs has championed transformation activities on a grassroots level in some countries, we can see an overall decline of interest in events in Eastern Europe among political representatives. This is particularly evident in the way the region has come to be viewed almost purely from the perspective of economic gains and losses, whether in the expedient approach to economic migration from Ukraine or the criticism levelled by prominent public officials at the sanctions imposed on Russia.

Casting our gaze even further from Europe's borders, we can see perhaps the biggest failure of Czech diplomacy last year – its approach to China. The Czech Republic's decision to take an obsequious approach in efforts to deepen political and economic relations with China shows the complete subservience of foreign policy to the logic of specific economic interests. Worst of all was the response of public officials to the Dalai Lama's meeting with the Minister of Culture, the like of which has never been seen before. As more than four years of building cooperation with China has yielded no tangible benefits for the national economy, it is unclear why it is so advantageous for the Czech Republic to maintain exalted relations with this country.

It is also evident that the Czech Republic has neglected another traditional area of its foreign policy: support of human rights. The Czech Republic's approach to refugees, the conflict in Syria, and relations with China have raised doubts as to whether human rights are still truly one of its priorities. There is an increasingly evident trend in Czech diplomacy to be pragmatic and to focus on economic relations, which means turning a blind eye to human rights as a luxury only affordable in better times. Yet in fact, it is when times are tough that human rights become more important.

Good news from around the world tended to be scarce last year, but cannot be overlooked, even though the Czech Republic played little, if any, part in these cases. At NATO's Warsaw Summit, Member States decided that, among other things, the defence capabilities of the Alliance's eastern wing needed to be bolstered. Though the Czech Republic made active contributions to negotiations ahead of the summit, it failed to follow through with steps geared towards greater involvement in common defence. This was mainly impeded by the limited capabilities of the Czech army. Even so, the Czech Republic has no plans to accelerate increases in defence spending in the foreseeable future, despite an appeal to European allies from across the Atlantic in the wake of Donald Trump's election as president. Nor should we overlook less visible matters, such as the speed with which the Paris climate agreement entered into force.

However, here again the Czech Republic did not subscribe to its global responsibility and is one of only a handful of EU countries that has yet to ratify the agreement.

Czech diplomacy cannot boast any striking efforts to stabilise the international environment – let alone a high-profile contribution last year. Not only did the Czech Republic fail to distinguish itself by taking a proactive approach in its foreign policy, it also, if anything, undermined existing partnerships through the often unpredictable and even obstructive actions of its foreign-policy officials and domestic political elite. The Czech Republic dealt with important issues late, if at all, and Czech diplomacy was heard little when it came to what are typically strong areas of interest, such as the Eastern Partnership and human rights. Considering how dynamic 2016 was, strategic thinking in Czech foreign policy should have been more visible than ever before. But it was not.

Foreign Policy on the Domestic Scene

When exploring the causes of the problems described above, our first port of call should be the main governing party. In other words, much of the responsibility for Czech foreign policy last year rested with ČSSD (Czech Social Democratic Party), as it held the posts of Prime Minister, Minister of Foreign Affairs, and State Secretary for European Affairs. However, the Social Democrats were paralysed by internal disputes between the pro-European faction and national conservative wing. Furthermore, rhetoric by the Prime Minister and the Minister of Foreign Affairs appears to show that the second of the aforementioned directions – calling for foreign policy to be more pragmatic and economically focused, as critiqued by us above – has gained ground within the party. The vacuum left by ČSSD, crippled by internal fighting, was filled by two men in particular: Miloš Zeman and Andrej Babiš. Both were capricious, opportunistic, and destructive. ČSSD, and Minister Lubomír Zaorálek in particular, were generally unable to stand up to them, even with the backing of KDU-ČSL (People's Party), which maintained a relatively stable position in foreign-policy matters.

However, disunity within the main governing party and the absence of leadership from those responsible for foreign policy were not the only factors behind the disappointing performance of Czech foreign policy. We must also look inside the political parties, which by and large lack long-term schooling, strategic debate, and internal coordination in foreign-policy issues. The problem cannot be narrowed down to a lack of expertise – following the British referendum, for example, we saw a flurry of activity among party experts, who had begun to think about Czech foreign-policy interests. However, the opinions penned by experts and approved by party leaders were frequently stifled by members of Parliament.

This proved fatal in parliamentary rejection of the agreement between the EU and Turkey and the debate on the Paris climate agreement.

Foreign policy also permeated society last year, and the negative perception of international affairs engendered a general sense of uncertainty. Concerns regarding health and employment, which, sociological surveys would have us believe had haunted Czechs over the past decade, gave way to fears of terrorism and immigration in the last two years. The agreement with Turkey significantly reduced disorganised migration from war-ravaged countries, and the number of refugees granted asylum by Czech authorities is negligible. Even so, according to public opinion polls, Czech fears regarding immigration were higher than the European average. Needless to say, in the prevailing environment, the majority of the public was against the acceptance of refugees. Like many other Europeans, the Czechs have also sought solace in politicians and parties who make wild promises to close the country off from the outside world and who have paved their way to success in elections by relying on xenophobic rhetoric, which then fans feelings of vulnerability and hatred.

Here, again, political leaders must shoulder much of the blame. Instead of objective and informed debate on current challenges and attempts to exercise a positive bearing on society's frame of mind, they tapped into existing fears and abused foreign-policy issues to score points in the domestic political arena. President Miloš Zeman is peerless in this respect, though he had backup from political parties on both the left and right of the spectrum – an example here is the exploitation of the refugee crisis in campaigns for last year's regional elections. However, politicians should bear in mind that if they want to pilot the Czech Republic smoothly through this difficult period, encouraging a fearful society will be of no help to them in either the long or short term.

Accordingly, our response to the Prime Minister's words on all-pervasive foreign policy, as mentioned in the introduction to this chapter, is as follows: the fact that foreign events last year directly affected the Czech Republic and, in particular, increasingly found their way to the centre of domestic political attention may be good news, given that the pervasiveness of foreign policy is an opportunity to embark on a long-neglected debate on its future direction. However, if the political elite fails to approach this responsibly – whether at national level, when explaining foreign policy to citizens, or in efforts at a better understanding of international events – these circumstances could cause more harm than good. Sadly, the Czech Republic's track record over the past year leaves little room for optimism.

Outlook for 2017

We should not lose sight of this in 2017. Key elections in the Netherlands, France, and Germany, as well as in the Czech Republic in October, will indicate whether divisions or cooperation prevail in the EU. The United Kingdom will open negotiations on the conditions of its departure and the EU27 will have to do deal with the issue of their common direction in more earnest. Nor can essential reform of asylum and migration policy be struck off the EU's list of tasks because the root causes of the migration crisis have yet to be resolved and the Turkish agreement is nothing more than a temporary and unreliable stopgap. The year 2017 could reveal a lot about what the EU will look like in the future. The Czech Republic will have to think carefully about the sort of EU to which it wants to belong. Equally serious problems are also brewing in global politics: a big question mark hangs over the new dynamics underpinning relations between the US, Russia, and China. Foreign policy, then, is definitely set to remain all-pervasive.

About Agenda for Czech Foreign Policy

The introduction has mapped the main trends in international events. These are discussed in greater depth in the main body of this publication, offering a brief analytical overview of Czech foreign policy in key regional and thematic areas. The following text is the collaborative work of 17 authors from the Association for International Affairs. The publication draws on information from public sources, insights gained from year-round monitoring of Czech diplomatic activity, observations from expert meetings held by the Association, and the results of almost 50 consultations with representatives of key institutions dealing with foreign policy and other relevant stakeholders, such as chambers of commerce and humanitarian organisations.

This year's publication follows on the 10-year tradition of Agenda for Czech Foreign Policy, with minor innovations compared to previous years. Most importantly, we have simplified our grading system. This time, in each of the thematic chapters, the authors have assigned grades in three categories: activity, impact, and the normative aspect. Each of these categories then accounted for one third of the overall grade. You will find more information about our grading methodology in the introduction and individual chapters on page 67.

Czech European Policy

Rating in recent years

D+

2012

B-

2013

B-

2014

C+

2015

C+

2016

EU Asylum and Migration Policy

Activity	C
Impact	D
Normative aspect	D-
Final mark	D+

In external relations, the government gave its full backing to the new European doctrine, whereby all instruments are subordinate to efforts at curbing migration, despite the fact this could jeopardise the long-term objectives of development cooperation. The Czech Republic and other Visegrad countries were destructive in their approach to proposals for the reform of the Common European Asylum System (CEAS). The Czech concept of an à la carte Europe was one of the main factors behind the schism with countries in the south and west of Europe. Although the government expressed solidarity with certain countries on migration routes by dispatching police units or sending financial contributions, it made no attempt to fulfil its commitment to relocate a large number of asylum seekers from Greece and Italy. The political credit the Czech Republic used up in its resistance to quotas will now be missed in other priority areas.

In 2016, the EU's main topics in relation to refugee issues and migration consisted of efforts to reduce the numbers of migrants arriving in Europe without a valid visa (irregular migration) on one hand, and efforts to reach a consensus on reform of the Common European Asylum System on the other. The adoption of a migration agreement between the EU and Turkey in 2016 resulted in the closure of the Balkan migration route. This arrangement slashed the influx of irregular migrants, but simultaneously made the Mediterranean route all the more important. Beyond any shadow of a doubt, migration to the EU and refugee issues will remain key political topics in the coming year.

The Czech Republic was relatively constructive in its contribution to activities aimed at curbing irregular migration. The government backed efforts to reinforce EU external border protection, for example by dispatching police officers to help with border protection in Hungary, Serbia, and Macedonia. These countries praised the Czech Republic's activities on more than one occasion. The government also welcomed the subordination of development instruments to efforts to curb irregular migration and increase the number of unsuccessful

asylum seekers being returned. It contributed funds to their development even though this change could undermine the Czech Republic's long-standing efforts in the field of development cooperation, which mainly target the eradication of poverty, not restricting migration. Nevertheless, this is a pan-European trend and the Czech Republic is therefore no exception.

In February 2016, during the Czech presidency of the Visegrad Group (V₄), Prime Minister Bohuslav Sobotka presented a proposal for a “backup border system” anticipating Greece's forced expulsion from the Schengen area and the free movement of persons. This needlessly called the EU's uniform position into question and was an unfair act displaying a lack of solidarity with geographically exposed Greece. However, further debate on this matter was forestalled by the adoption of the agreement between the EU and Turkey on the return of migrants.

The Czech Republic and the other V₄ members also blocked efforts at CEAS reform intended to increase harmonisation and mutual solidarity between Member States, including the introduction of a permanent mechanism for the relocation of asylum seekers within the EU. Nor did the Czech Republic make any move to comply with its commitment to resettle more than 2,500 people who had sought asylum in Italy and Greece. There was no political will to take in at least some of these migrants. In September, the Slovak EU presidency, with Czech backing, came up with an alternative proposal of “flexible solidarity” (subsequently renamed “effective”). The proposal was very general and incorporated no specific commitments, and consequently merely exposed the spuriousness of the Czech position. President Miloš Zeman further damaged Czech reputation in October, when he said that economic migrants should be deported to African deserts.

British Referendum and EU Reflection

Activity	B
Impact	B
Normative aspect	A-
Final mark	B+

Czech diplomacy played an excellent round in February's European Council negotiations on the United Kingdom's position in the EU. However, the deal that was struck largely came to naught in the wake of the outcome of the British referendum. The initiation of working discussions between the government and interest groups on the implications of Brexit for

the Czech Republic, on Czech priorities in negotiations, and on the future of the EU was an important step. The fact that Brexit elicited the interest of some Czech political parties in the future of the European Union is a welcome consequence. In the EU's process of reflection following the British referendum, the Czech Republic mainly pushed for the further development of the Union's economic policies rather than efforts to either intensify or relax political integration; this can be viewed in a positive light. On the other hand, efforts to enhance the European Council's decision-making role raise doubts. There was also virtually no progress in the Czech Republic's accession to the euro area. The Czech Republic did, at least, declare its interest in becoming part of the integration core through the reinforcement of the common European defence policy, though these efforts initially lacked any specific content and their communication was not well-managed.

In the cardinal issue of Brexit, the Czech Republic actively sought a viable agreement on the UK's position within the EU. Following the referendum, the Czech Republic concentrated on preparing for negotiations with the UK and the European reflection process, and sought to improve coordination of the domestic approach to these matters.

The Czech Republic played an important role in the February negotiations on the new conditions of the UK's EU membership, which would have entered into force had the referendum returned a "remain" result. As the country holding the V₄ presidency, it acted as a mediator between the UK and (especially) Poland and Slovakia, as countries whose citizens take abundant advantage of the free movement of persons and live in the United Kingdom. The European Council's final decision also took into account specific Czech interests, in particular the ban on expanding the indexation of social benefits (i.e. adjustments to the amounts of benefits based on the standard of living in the country in which they are actually paid out). This was a significant move to keep the integrity of the single market afloat, even though the conclusions of the February European Council were rendered formally invalid by the outcome of the British referendum.

In negotiations on the UK's departure from the EU, a condition for the remaining 27 Member States and EU institutions will be the inseparability of the four freedoms of the internal market. Negotiations, however, will not be opened until the UK officially launches the procedure to leave the EU in accordance with Article 50 of the Treaty on European Union. Both these factors work to the Czech Republic's advantage as it benefits from the functioning of the internal market and British participation therein. Bearing in mind the potential impact

of the UK's departure, a government-created working group on Brexit and EU reform that also involves trade unions and businesses is an appropriate way to seek strong political and social consensus on home ground.

Following the June referendum, Member States embarked on a process of reflection that was intended to draw the EU closer to its citizens. The Czech Republic joined in with the topics of improved protection of the Schengen area, economic convergence between older and newer Member States, and proposals to develop specific economic policies. Against the background of the Czech Republic's current economic interests – in particular the need to bring the standard of living and wages between older and newer Member States closer together – and looming negotiations on the future of the European budget, placing emphasis on economic convergence is a good tactic.

On the other hand, Czech efforts to enhance the European Council's decision-making role must be viewed in a critical light. While such efforts may seem sensible in a situation where the current European Commission is much more politically active, the Czech Republic – as a medium-sized EU country – should be interested in championing an independent Commission and Court of Justice of the European Union as defenders of the treaties and rules on which European integration is built.

The most striking Czech response to the British referendum was its rather generally declared determination to participate in closer defence cooperation between countries within the EU. An active position and efforts to belong to the core of European integration in this area were a logical strategy, particularly in view of abiding domestic political and economic limits preventing the swift introduction of the euro. However, this decision was not followed by any further action to place the Czech Republic's new strategic priority in a clearer framework in terms of content and timing.

Visegrad Cooperation

Rating in recent years

B+

A

C+

C+

D+

2012

2013

2014

2015

2016

Visegrad Cooperation

Activity	C
Impact	C-
Normative aspect	D-
Final mark	D+

The Visegrad Group (V₄) has become a symbol of non-solidarity in Europe. This is largely the result of its stance on the refugee crisis and reform of the Common European Asylum System (CEAS), which only served to deepen the divide between EU Member States. Although V₄ countries continued to develop extensive communication at both a political and working level, the group had little to boast of in terms of either intra-Visegrad or traditional foreign-policy issues, apart from its positive role in the negotiation of the February agreement with the United Kingdom. The Czech Republic did not make any discernible contribution to the preparation of a positive and constructive agenda for the Visegrad Group.

The Visegrad Group's political profile within the European Union was largely shaped by its position on migration. It also made a major contribution to the attainment of an agreement with the United Kingdom during the February meeting of the European Council. There was no discernible progress in other intra-Visegrad and foreign-policy matters.

The Visegrad Group consolidated its position on the Union's asylum and migration policy. The V₄ priority was border protection, expressed in particular by proposals to set up a "backup border system". By promoting the closure of the Balkan migration route, the Visegrad Group did not contribute to the search for a pan-European solution to the problem of illegal migration, which was only found following an agreement with Turkey. The group did not show solidarity towards Greece and plunged refugees on the border between Greece and Macedonia into an oppressive situation. The Visegrad position stemmed from a refusal to revise the CEAS, which would have resulted in greater harmonisation of asylum and migration policy and established mutual solidarity between Member States, including the introduction of a permanent mechanism for the relocation of asylum seekers within the EU during a crisis. Even after its V₄ presidency came to an end, the Czech Republic was the driving force behind the Visegrad Group's dismissal of relocation mechanisms. In September,

the Visegrad Group came up with the proposal of “flexible” – and subsequently “effective” – solidarity. However, this initiative lacked any tangible commitments for individual countries and made no headway in Europe as a whole.

Despite increasing its political contacts and expanding mutual and sectoral cooperation, the V₄ was unable to boast any success that would have benefited both the group itself and the EU. In matters related to EU enlargement and the Eastern Partnership, once traditionally strong areas of V₄ policy, the group's members, including the Czech Republic, are no longer major players. Although the V₄ maintains an interest in these areas, it is no longer as vociferous about them in the scope of European policy. Efforts to harmonise the position of Visegrad countries ahead of the informal Bratislava summit of the European Council in September only produced a sketchy joint declaration on the EU's reflection process.

It was only at the February European Council that the V₄ played a positive role. This was in relation to negotiations on the agreement concerning the UK's future position within the EU, where the V₄ successfully defended its priorities (especially the free movement of people within the EU) and also helped find an acceptable compromise. The Czech Republic played a significant role here as the country holding the V₄ presidency.

In terms of defence cooperation, a joint Visegrad position was found prior to NATO's Warsaw Summit. On the other hand, the Visegrad EU Battlegroup, which was on standby in the first half of the year, did not lead to the creation of a unit that could continue such activities. This was partly due to the Czech Republic's limited military capabilities.

Key Bilateral Relations

GERMANY Rating in recent years

B

2012

B

2013

A

2014

B

2015

B

2016

POLAND

B-

2012

B

2013

C

2014

B-

2015

B

2016

USA

B

2012

B

2013

C+

2014

C

2015

C

2016

Germany

Activity	A-
Impact	B-
Normative aspect	B
Final mark	B

The Czech Republic and Germany enjoy constructive cooperation at many levels, and this intensified in 2016. Czech-German strategic dialogue also had a positive impact on this trend. The extension of funding for the Czech-German Fund for the Future and the Czech-German Discussion Forum was good news because, as a result, cooperation between the civil societies in both countries will continue. Further progress was hindered by the lack of a long-term shared vision in Czech European policy. Good mutual relations were not helped by attacks on Germany and the Federal Chancellor, emanating primarily from the Czech President, the Minister of the Interior, Minister of Finance, and the Speaker of the Senate. No satisfactory solution was found to the issue of modernising Czech-German rail links.

Czech-German relations began to calm down after the tempestuous second half of 2015. This was mainly due to the impact of external factors: the alleviation of the migration crisis, political changes in Poland, a change in the Czech Republic's status to the least problematic member of the Visegrad Group, and the prospect of Brexit and the related need to consider a new form of the EU. Mutual relations also benefited from the fact that both governments and, in particular, their Prime Ministers and Foreign Ministers were clearly interested in deepening bilateral cooperation.

This was the second year of the Czech-German Strategic Dialogue, which is a solid platform for the development of discussions and cooperation, especially at ministerial level. The working group on migration and integration also met three times within the framework of this dialogue, which can be viewed in a positive light considering the importance of this issue for bilateral relations. It became apparent from these meetings that there was a mutual interest in working together in order to find solutions to the causes of migration in the countries of origin, to deal with the consequences of migration in transit countries (there are plans for a joint humanitarian project in Jordan), and to protect the external

Schengen borders. However, the redistribution of refugees among European countries remains a thorny issue.

In the framework of strategic dialogue and relations with the neighbouring German states of Saxony and Bavaria, both parties continued to place emphasis on the development of cooperation in science, digitalisation, and Industry 4.0. This topic was also an important item on the agenda during Chancellor Angela Merkel's visit to Prague in August. Czech-German police cooperation continues to be well above standard. A new agreement in this area entered into force last year. Conversely, the update of the German Federal Transport Infrastructure Plan was bad news. Despite the efforts of the Czech Republic and neighbouring German states, key projects for a high-speed line between Prague and Dresden and the modernisation of the rail link between Prague and Munich, including a connection to Nuremberg, were only given "potential need" status. This means that the potential costs and benefits of these projects will continue to be explored, but the start of construction is not currently on the agenda. The opening of the final stretch of the motorway (A17/D8) between Prague and Dresden is small consolation.

Mutual relations were also boosted by the fact that onerous themes of the past virtually vanished from present-day politics and were mentioned almost exclusively in connection with accommodating gestures by one side or the other. In particular, the conciliatory tone adopted by Minister of Culture Daniel Herman in his speech at the Sudeten German congress last year was well-accepted.

Conversely, the Presidents of the two countries did not cement their relationship and progress appears unlikely, given Miloš Zeman's anti-refugee stance. The President's outbursts have adversely affected the mood of the Czech public and tarnished the Czech Republic's image in the eyes of German society. Nevertheless, the absence of a strong presidential line in Czech-German relations is not fatal. In contrast, cooperation between the heads of government worked well and was sealed by the Chancellor's visit to Prague. However, parliamentary communication between the two countries remains weak.

Poland

Activity	B
Impact	B+
Normative aspect	C+
Final mark	B

The Czech side focused on pressing bilateral issues; progress was mainly achieved in infrastructure connections and the launch of dialogue on important aspects of environmental protection. On the other hand, mutual trust was undermined by a slowdown in preparations for the construction of the Stork 2 gas pipeline. Excellent cooperation continued in a host of sectoral multilateral agendas, especially preparations for the NATO summit. Any differing views on the future of the EU have remained in the realm of rhetoric for the time being. Nevertheless, in direct negotiations with Polish partners, the Czech Republic has not taken a clear stand against their plans and has been reluctant to discuss the issue of rule of law in Poland.

The breadth of topics covered in Czech-Polish relations was reflected in intensive mutual communication. Joint talks between both governments commendably took place less than six months after the appointment of the new Polish cabinet. Infrastructure development and environmental protection were dominant bilateral topics. Multilateral issues, such as reflections on the functioning of the EU, the NATO summit, and the development of Central European cooperation, also sounded strongly. The divergence of Czech and Polish views on the future of the EU and the dispute between European institutions and the Polish government regarding adherence to the principles of the constitutional state were also significant in the development of mutual relations.

On a multilateral level, the convergence of positions ahead of the NATO summit was important. The Czech Republic supported a permanent NATO military presence in the countries of the Alliance's eastern flank. However, by the end of the year it had made no commitment to participate in any of the planned multinational battalions.

When the Law and Justice Party took over the reins of government in Poland, there was a change in its European policy, which prompted mutual alienation in matters related to the future functioning of the EU. Poland's appeal as a partner was also diminished by local domestic developments, in particular the government's efforts to bring independent public institutions under its control. Even so, Czech representatives did not highlight potential negative impacts on the stability of mutual strategic relations and the development of cooperation within the EU at any of their many bilateral meetings. This approach is fraught with difficulty because, in the absence of the emphatic pronouncement of a different view, any subsequent abrupt diversion of opinion (e.g. regarding

Warsaw's dispute with the European Commission) could also have an adverse impact on the Czech-Polish partnership.

A large proportion of bilateral negotiations was devoted to environmental protection, which is of particular interest to the Czech Republic. The main problem is the planned development of a mine in Turów, Poland, which could endanger the quantity and quality of groundwater in the Frýdlant and Hrádek areas. The Czech side successfully pushed for the creation of a working party on this matter, and the topic was elevated to the highest political level in good time. Another topic of much discussion was the protection of air quality in Silesia. Here, however, the Czech Republic was unable to persuade its partners to launch grassroots programmes that could help to ameliorate the situation, for example, through "boiler subsidies".

Progress was also made in infrastructure connections. Joint action was confirmed for the construction of a motorway link between Hradec Králové and Wrocław and an inland waterway, though this is premature as the project's profitability remains tenuous. Conversely, a slowdown in preparations for connection via the Stork 2 gas pipeline and related funding problems evoked mutual mistrust. Nonetheless, in June Czech diplomatic activity helped resolve a crisis linked to news of major delays or even cancellation of construction, and in September the Prime Ministers of both countries signed a declaration expressing their political support for the project.

United States of America

Activity	C
Impact	C
Normative aspect	C-
Final mark	C

In 2016, US politicians tended to focus on events at home as the presidential elections reached their climax. Even so, there were several spats in mutual Czech-American relations. In particular, the US side responded negatively to the Czech decision not to extradite Lebanese detainee Ali Fayyad to the US, as well as to Prague Castle's harsh words directed at the US ambassador to the Czech Republic. The quality of the partnership was also influenced by President

Miloš Zeman's accommodating stance towards Russia and the Czech Republic's swing towards China. Nevertheless, cooperation was stepped up in key areas such as defence, cybersecurity, and science and research. The Czech Republic can also boast several achievements in economic diplomacy.

Mutual Czech-American relations in the political arena were dented when Lebanese detainee Fayyad was not extradited to the US. The Czech Republic returned him to Lebanon, despite a great deal of interest shown in him by the US secret service. The Czech Republic's reputation was also tarnished by President Zeman, who verbally attacked Ambassador Andrew Schapiro on several occasions and was vociferous in his support of Donald Trump during the election campaign. The strength of the alliance with the US was also tested by the growing inclination of Czech foreign policy towards China. Indeed, Prague Castle and government politicians paid a lot more attention to China than they did to the US, despite the political importance of the partnership with the US and the strategy set out in the current Czech Foreign Policy Concept.

Political gaffes, however, did not affect progress in trade relations. A deal for an investment upwards of a billion crowns was hammered out with General Electric, which plans to build a factory for the development, testing, and manufacture of aircraft engines in the Czech Republic. The funding available for film production incentives was also increased, and amendments were made to related uptake rules, which now await approval by the Ministry of Culture.

Work began on a host of research and scientific projects last year, underlining the trend in the growing importance of cooperation in science and research. In this context, two delegations headed by Deputy Prime Minister Pavel Bělobrádek were dispatched to the US. Bělobrádek's trip to Florida in particular was a clear show of Czech efforts to expand contact with universities overseas.

Cooperation also continued in the field of defence and security. In 2016, a number of joint military exercises were held, mainly under the NATO banner, as well as in the scope of contact between the Armed Forces of the Czech Republic and the Nebraska and Texas national guards. Another important topic was defence in the face of cyber threats, a matter which is increasingly taking centre stage in Czech interests, and which looks set to carry on playing a pivotal role in the years to come. In addition, an agreement was reached on cooperation between the National Security Authority and US corporation Cisco.

Eastern Europe

Rating in recent years

B+

2012

C+

2013

D

2014

B-

2015

C

2016

Russia

Activity	D
Impact	C-
Normative aspect	D
Final mark	D+

Although the Czech government has consistently maintained the common European position in relation to Russia, which is based on the Minsk peace process and downstream economic sanctions, it did not support this stance convincingly or particularly advocate it in public. President Miloš Zeman and several high-ranking representatives from opposition and government parties alike criticised the sanction mechanisms introduced by the EU in response to Russia's illegal occupation of Crimea and Russian support of the so-called separatists in eastern Ukraine. By championing a more accommodating approach towards Russia, they undermined the official line and contributed to the ambiguity of Czech foreign policy. The only noticeable sign of efforts to take a proactive approach was the decision to set up the Centre Against Terrorism and Hybrid Threats in response to the Russian disinformation campaign.

Relations between the West and Russia remained extremely taut on account of Russia's continuing interference in Ukraine's internal affairs and the escalating conflict in Syria, where the Russian army was extensively engaged throughout the year. Czech foreign policy was once again inconsistent and patchy in its approach to Russia last year.

Officially, the Czech Republic held true to its support of the EU sanction mechanism all last year and did not diverge from European-wide consensus. On home ground, however, the government was not always able to convincingly defend its position and did not counter the destructive actions of the President and Members of Parliament. Instead of emphasizing the security argument, which had been the motivation for introducing the sanctions, government representatives highlighted the need to avert potential economic losses for the Czech Republic. In this way, they opened the gates to criticism of the sanction mechanism.

Much of the ambiguity of the Czech Republic's position was inflicted by President Zeman. By overstating the negative repercussions of the sanctions for the Czech economy, justifying the annexation of Crimea, and maintaining glowing relations with Russian politicians and diplomats, the President repeatedly

undermined the governmental line. In view of Russia's actions in Syria, calls for the West and Russia to unite their forces in the fight against international terrorism were also misguided. Milan Štěch, the President of the Senate, took a similar position, repeatedly questioning (for example, in a letter to the German Chancellor Angela Merkel) the effectiveness of the EU's sanction mechanisms, basing his argumentation on misleading economic indicators.

The government's hypocritical stance on sanctions was also illustrated by the fact that, despite Russia's continued aggressive politics, the economic dimension was once again the centrepiece of bilateral relations in 2016. The Czech Republic remained active in economic diplomacy through its diplomatic missions and implemented a number of projects in support of exports to Russia. This preoccupation with the Russian market stands in particular contrast to associated Eastern Partnership countries, which, despite their economic interdependence with the EU, are still relegated to the fringes of Czech economic diplomacy.

The Czech Republic responded to Russia's disinformation campaign by setting up the Centre Against Terrorism and Hybrid Threats at the Ministry of the Interior. Although this is a positive sign indicating that the state is interested in this matter, in the absence of additional awareness-raising activities among the general public, the engagement of the civil sector, and active efforts by politicians themselves to mount resistance to propaganda, the new institution will not be enough to battle the disinformation challenge.

Ukraine

Activity	B-
Impact	B-
Normative aspect	C
Final mark	C+

Although the Czech Republic continues to profile itself as one of Ukraine's champions on the international stage and, in no way diverges in its position from the line agreed on the European front, the evidential force underpinning this official narrative is slowly crumbling. While Prague Castle, the Communist Party, and other political players have had a hand in this, the main reason is the fact that the Minister of Foreign Affairs and the Prime Minister lack the incentive to counter these demagogic sorties. There has been no clear signal lending credence to the declared support for

Ukraine. No matter how proper and correct Czech-Ukrainian relations are, and despite the fact that cooperation continues to develop in numerous sectoral areas, the meritorious day-to-day work of the bureaucratic apparatus cannot outweigh the fact that the Czech Republic's highest political echelons lack the will to forge closer relations. Furthermore, by encouraging economic migration from Ukraine, the Czech Republic has been instrumentally exploiting Ukrainians in matters related to the refugee crisis in order to pass the buck.

As the war continued in the East of Ukraine, Czech-Ukrainian relations followed much the same course as in previous years. Although Ukraine is still one of the Czech Republic's declared foreign-policy priorities, general interest in what is happening there has gradually diminished. There was no revival of ailing political dialogue or confirmation of the Czech position at the highest level.

Russian military engagement in Donbass and support for the Ukrainian reform process remained top items on the common agenda in 2016. On the floor of the Organisation for Security and Cooperation in Europe, the United Nations, and other international forums, the Czech Republic pleaded for Ukrainian territorial integrity and insisted on adherence to the Minsk agreements. In public, however, this voice was drowned out by numerous unseemly statements and baffling gestures. The official line was outwardly discredited by events such as the January trip to separatist-controlled Donetsk by Communist MPs, the involvement of Czech legislators in an observation mission during elections in the self-proclaimed republics, and impassivity when a "consulate" of the Donetsk People's Republic was opened in Ostrava. By repeatedly questioning the effectiveness of sanctions against Russia and portraying Ukraine as a failed state, President Miloš Zeman was not conducive to the Czech credibility in Ukraine and on the international stage either.

A specific issue in mutual relations is support for the economic migration of Ukrainians. Against the background of the ongoing war, Czech actions could be characterised as egoistic and self-centred. What is more, this matter has been accompanied by inappropriate prejudices – not only against Ukrainians, but in connection with the migration crisis also against refugees from the Middle East. In context of the Visegrad Group's dismissive approach to EU migration policy, the otherwise commendable initiative to create a European programme to assist internally displaced Ukrainians outwardly came across as instrumental and passing the buck.

The Czech Republic was once again active in transformation and development cooperation. The Czech Republic tends to focus on education in its projects, with

the embassy in Kiev coordinating donors in this sector. The MEDEVAC humanitarian medical programme continued. In a new move, the training of Ukrainian police anti-conflict team specialists was launched. The Minister of Culture, Daniel Herman, also entered into an interdepartmental cooperation agreement during his trip to Ukraine. As part of a project in support of economic diplomacy, interested companies from both countries discussed opportunities for scientific and technological cooperation in the aviation industry. Despite this progress in isolated sectoral areas, Czech-Ukrainian relations have long lacked mutual communication and any substantial confirmation of interest in cooperation on strategic matters.

Eastern Partnership

Activity	B-
Impact	C+
Normative aspect	C+
Final mark	C+

Despite the fact that Eastern Europe and the Eastern Partnership (EaP) remain priority areas of Czech foreign policy, the Czech Republic has gradually shed its image as a major player with a clear stance and determination to be actively engaged in the region. With a lack of interest and inconsistent signals from the highest political echelons, activities continuing on an official level are becoming a matter of perfunctory routine and fall well short of Czech capabilities. The greatest achievement in relations with EaP countries in 2016 was the breakthrough in protracted negotiations on visa liberalisation with Ukraine and Georgia. However, the Czech Republic was not the driving force in this process, but more of an aloof supporter.

Instead of ambitious visions and efforts to make better progress, 2016 turned out to be a year of minimalistic efforts to keep the EaP afloat. While the Czech Republic continued to declare its determination to contribute to the development of the eastern dimension of the European Neighbourhood Policy, individual positive steps failed to overturn the longer term trend in the gradually diminishing proactive approach towards this region.

One of last year's milestones was July 1, when the Association Agreement and the Deep and Comprehensive Free Trade Agreement with Georgia and Moldova entered into force. The provisional implementation of the trade part

of the Association Agreement with Ukraine was also launched, which was positively reflected in reciprocal trade. Nevertheless, unless exporters are duly informed of the new opportunities and Czech companies are supported in these markets, there is an abiding risk that the Czech Republic will fail to profit fully from the potential offered by these agreements.

There was continued support for administrative reforms at a local and regional level. Despite these activities, however, general awareness of the significance and benefits of the EaP remains limited both politically and among the general public at large.

Differentiation within the EP progressed, along with efforts to adapt offers of cooperation to the needs of individual countries. In February, the Czech Republic supported the EU's decision not to extend sanctions against Belarus. In June, Lubomír Zaorálek then became just the third EU Foreign Minister to visit Minsk following the lifting of sanctions. Emerging (primarily) economic cooperation should not, however, be an excuse to refrain from criticising unabating crackdowns by Lukashenko's regime against the opposition.

In the interests of swiftly completing the ratification of the Association Agreement with Ukraine, Czech diplomacy acceded to a compromised Dutch solution, uncoupling the direct link between associated status and entitlement to join the EU. An accommodating – albeit purely symbolic – step in this respect was a joint statement by V₄ Prime Ministers ahead of the December European Council, in which they reaffirmed their support for the European aspirations of partner countries.

The final negotiation of the “suspension mechanism”, the last major hurdle on the way to visa liberalisation with Ukraine and Georgia, was the only truly tangible progress achieved last year in relations with Eastern European countries. The Czech contribution to this process, however, was merely formal.

Middle East

Rating in recent years

C

2012

C-

2013

C

2014

B-

2015

C

2016

Syria

Activity	C
Impact	D
Normative aspect	D
Final mark	D+

The steps taken by the Czech Republic in Syria are largely inconsistent with its role as a champion of human rights in international politics. The decision to maintain a diplomatic mission in Damascus is becoming difficult to defend, especially in view of what happened in Aleppo at the end of the year and international criticism of the local regime. In this context, Czech activities indicative of attempts to deepen relations with Damascus are also dubious. At home, objective debate on the complex problems associated with the Syrian conflict was eclipsed by opportunism and an inclination to score political points at all costs. Ultimately, not even generous and effective humanitarian assistance can excuse the reluctance to take on an equal share of refugees within the EU.

The war in Syria and its fallout is the most pressing problem that Czech diplomacy faced in the Middle East last year. The Czech Republic continued its flawed engagement in the country and in the development of economic relations with President Bashar al-Assad's regime, yet also provided humanitarian assistance. In this respect, it walked a fine line between the (somewhat) pragmatic decision to keep direct communication channels open with the Syrian government on the one hand and, the preservation of overly warm relations with a regime sanctioned for its war crimes and facing international criticism on the other.

Besides seeking a political solution to the conflict and focusing on humanitarian assistance, Czech representatives persevered with discussions on involvement in the post-war reconstruction of Syria. The fact that trade relations with the Syrian regime were moving forward was demonstrated by the visit (second since 2015) of Deputy Minister of Foreign Affairs, Martin Tlapa to Damascus in October, and by convening a conference for Czech exporters about Syria's reconstruction in November at the Ministry of Foreign Affairs. However, high-level trade negotiations at a time when the war is far from over are hardly compatible with Czech human rights agenda and give President al-Assad political credit.

The role of the Czech embassy in Syria has come in for particular criticism. While it could be maintained this mission may reflect the Czech Republic's alliance

commitments and facilitate the smoother implementation of humanitarian projects, other activities and public statements by Ambassador Eva Filipi blur the fine line between strategic action and the legitimisation of the authoritarian regime. The Czech position is made all the more untenable by a visit to Damascus by three MPs in December – at a time when the fighting in Aleppo was at its bloodiest – and the Foreign Ministry's delayed response to these events.

The Czech Republic placed an emphasis on humanitarian assistance, reflecting its priority to address the consequences of the Syrian conflict – especially migration from this area – directly in the region. Through financial support for projects implemented by international and domestic organisations, along with material support, it provided assistance to the local population directly in Syria and to people in refugee camps in surrounding countries. Additionally, the government approved a sum of CZK 195 million in June, earmarked for humanitarian, development, and reconstruction assistance to Syria in 2016–2019.

Nevertheless, efforts to defuse the fallout of the conflict and to better understand the developments on the ground, frequently used by foreign-policy players as arguments in defence of the Czech embassy in Syria, have not spilled over into the domestic political environment. The will to accept Syrian refugees directly in the Czech Republic and to engage in an objective and informed debate on the events there and on migration has yet to materialise.

Turkey

Activity	B
Impact	C
Normative aspect	C
Final mark	C+

Long-standing good relations with Turkey and an interest in safeguarding regional security and stability were partially at odds with the promotion of human rights and democratic principles in foreign policy. The almost complete absence of Czech criticism of the authoritarian direction taken by Turkey and the failure to embrace this topic in bilateral negotiations was puzzling.

The growing authoritarian tendencies of the Turkish regime, headed by President Recep Tayyip Erdoğan and his Justice and Development Party, became increasingly obvious last year. These developments exposed European and Czech diplomacy to

the dilemma of how to deal with the unpredictable ally. For the Czech Republic, efforts to maintain good relations with Turkey – whether for economic reasons or because Turkey is viewed as a long-term ally in the region and a partner in handling the migration crisis – prevailed over the need to criticise repression and violations of human rights.

In March, the EU and Turkey struck a deal intended to curb irregular migration to Europe. The agreement takes the form of a legally unenforceable declaration because it has not passed through due legislative process. Ankara repeatedly threatened to break the agreement throughout the year and open borders to Europe for more than three million refugees in its territory unless Europe waived visa requirements for its citizens, it received EUR 3 billion in financial assistance, and further concessions. Both Prime Minister Bohuslav Sobotka and President Miloš Zeman pointedly dismissed such proclamations as blackmail, and the Czech Republic stood as one with the rest of the EU in demanding compliance with all conditions for granting visa-free travel. In contrast, this agreement was rejected in the Chamber of Deputies by the opposition and coalition MPs alike, thereby undermining the position of the government, which insists the deal must be respected.

After the attempted military coup in July, security forces and state administration in Turkey were purged. The media, the private sector, and the opposition were also subjected to unprecedented repression on the pretext of combating terrorism. These disturbing domestic political developments elicited sharp criticism from some European countries and EU leaders, and were behind the decision by the European Parliament to vote in favour of suspending Turkey's EU accession negotiations in November.

The Czech position, however, was generally more equable. The main topics discussed during Minister Lubomír Zaorálek's December visit to Ankara included economic cooperation and an emphasis on the importance of the migration agreement. Despite domestic events in Turkey, the Czech side gave reassurances of its support for continued accession negotiations with the EU. The Czech Republic has long advocated Turkey's EU membership and justifies the continuation of accession negotiations in the current climate by the need to maintain at least this final bargaining chip in relations with the highly unpredictable partner. While this argument is not entirely unfounded, undemocratic tendencies should not be left without comment in bilateral relations.

Asia

Rating in recent years

B

2012

B⁻

2013

B

2014

A⁻

2015

B

2016

China

Activity	B+
Impact	C-
Normative aspect	D
Final mark	C

The Czech government's attempts to forge closer relations with China culminated with Beijing's elevation to the status of strategic partner last year. However, the reality of these mutual relations does not correspond to the political capital invested. Economic cooperation remains very limited and has yet to yield the projected level of incoming investment or a more even trade balance. Factors at fault here include the vaguely formulated priorities of mutual cooperation. However, if clear priorities are absent or if there is disagreement on the fundamental priorities, the Czech Republic becomes weaker and exploitable partner.

Last year saw the most intensive efforts yet to improve political and economic relations with China, manifested in particular by Chinese President Xi Jinping's trip to the Czech Republic, which became the first Central European country he visited. The nature of relations with the People's Republic of China was also a matter of domestic political dispute. In practice, however, economic cooperation has delivered only minimum results.

During his March visit to Prague, President Xi signed a strategic partnership agreement, akin to the one China had already concluded, for example, with Poland, together with other treaties intended to generate CZK 230 billion in investment by 2020. The two countries went on to confirm their bilateral cooperation agreement within the framework of the New Silk Road initiative in Riga in November. The Czech Republic became the first country with which China had drawn up such a cooperation plan.

Although the Czech Republic has invested a lot of political capital in this partnership, the corresponding economic results have yet to be achieved. The trade balance is not improving, the share of Czech exports is declining, and Chinese investments are negligible, compared to those made by the Japanese and Koreans. Furthermore, of the total volume of investments in recent years, a bare minimum has been channelled into areas that create new jobs or otherwise develop the Czech economy. Chinese investments have so far tended to be acquisitions that aspire to achieve stable yields and prestige. New projects remain

very general and their subject-matter and content fall within long-declared priority areas such as aviation and health. Although cooperation with China rarely bears fruit overnight, three years of earnest contact and political effort demand more tangible results.

China also became a hot domestic political topic. The Security Information Service's annual report, for example, warned of potential Chinese influence in the Czech Republic. The presidential visit was then accompanied by clashes between Chinese supporters welcoming the arrival of President Xi and his Czech opponents. However, a statement by four top-level public officials in October condemning Minister of Culture, Daniel Herman's public audience with the Dalai Lama became the focus of criticism. The statement, prepared by the Czech diplomatic service, was unheard of in modern Czech history. Furthermore, the efforts of these high-ranking state representatives were coolly received by the Chinese, and despite the release of the statement, the Chinese authorities cancelled Agriculture Minister Marian Jurečka's key meetings in Beijing. This strong gesture therefore only served to deepen domestic disputes and, if anything, is proof of endeavours to maintain good relations at all costs rather than a well-thought-out course of action with a clear objective.

South Korea

Activity	A-
Impact	A
Normative aspect	A-
Final mark	A-

Czech diplomacy successfully capitalised on the impetus provided by its strategic partnership with Seoul and the downstream action plan of December 2015. Although relations with South Korea are weighted – and will continue to be weighted – in favour of the economic sphere, the implementation of the action plan has also made it possible to step up cooperation in the political, security, scientific, educational, and cultural areas. Even so, the Czech Republic still has no clearly defined long-term interests and priorities that it would like to champion in its relations with South Korea.

In 2016, Czech-Korean relations were shaped, in particular, by continued economic cooperation and the spillover of cooperation into sectors that had been

previously rather overlooked, such as the defence industry and cybersecurity. On the other hand, despite both parties' declared efforts, joint activity in nuclear energy has not intensified.

In terms of economic relations, activities to encourage incoming South Korean investments can be hailed as a long-term success. An important role in these efforts was played by CzechInvest's branch in Seoul, which monitored five new investment projects by South Korean companies in the Czech Republic in 2016 (the highest number since 2006). Conversely, even with the backing of active economic diplomacy, Czech exporters have been unable to fully seize the opportunities presented to them in the past three years by the gradual elimination of customs duties on entering the South Korean market. Although Czech exports have risen sixfold over the past decade, they have actually stagnated in the last three years. Efforts to increase Czech exports have met with limited success.

On the strength of specific steps in the implementation of the action plan, cooperation between both countries has spread into new areas, including the defence industry, arms control, and cybersecurity. This helped overcoming one of the limits of the Czech Republic's approach to South Korea, specifically its excessive reliance on economic cooperation to the detriment of other areas. Cooperation between the Visegrad Group and Korea followed a similar path, which just like bilateral Czech-South Korean relations, expanded into the scientific, military, and infrastructure sphere in 2016.

In addition, the implementation of the action plan lifted relations between Prague and Seoul from a declarative to a sectoral level. This means that further development was not overseen solely by primary Czech foreign-policy players, but that cooperation also spread to a lower working level and into the public and non-government sector. These stakeholders have their own – generally professionally motivated – interest in deepening relations, which is particularly evident in cooperation at regional level and in the scientific and educational sector.

In contrast, cooperation has stalled in the field of nuclear energy, even though both sides view this as a crucial area. However, South Korea's proactive approach is evident here, as it lobbies the Czech side on behalf of the interests of its companies. A similar course of action should be taken in mutual relations by the Czech Republic, which continues to enjoy long-term interest in cooperation among South Korean partners.

Human Rights and Transformation Cooperation

Rating in recent years

C+

2012

C

2013

C

2014

B-

2015

C

2016

Human Rights and Transformation Cooperation

Activity	B-
Impact	C-
Normative aspect	D+
Final mark	C

There were no fundamental changes in set human rights and transformation policy in 2016, which is good news after two years of debate and partial amendments. The changes in approach made in recent years have yet to be felt on the ground. The main challenge for Czech human rights policy is coherence in its enforcement. In its response to the migration crisis, relations with China, and its approach to the Syrian war, the Czech Republic has not shown that it wants to number among the defenders of human rights and adhere to the humanist tradition of its foreign policy. In fact, it has conducted itself in completely the opposite manner. On the other hand, the promise of extra funds in support of transformation cooperation can be seen in a positive light.

The long-running dispute between those advocating a focus on civil and political rights on the one hand, and the movement promoting the expansion of priority areas to include economic, cultural, and social rights on the other, was allayed in Czech discussion on human rights in foreign policy. The only echo of this dispute was a debate on the Strategic Framework of the Czech Republic 2030. In the end, the accent on supporting democracy and promoting human rights around the world was incorporated into this summary policy document.

An amendment of the goals of the Czech Republic's human rights and transformation policy, brought about by the approval of new policy materials in 2015, was not really reflected in the practical implementation of this policy. The Ministry of Foreign Affairs did not amend its methodology or instruments, and only a minor shift of emphasis – towards economic and social rights – was registered in the context of project support. This showed that, while small-scale changes are possible, the main determining factor is the capacity of the non-profit sector, which implements these projects. The discussion of priority countries for transformation cooperation, which is now to take place every year under the new concept, was a constructive step.

The government resolution on a further increase in funds to be spent on transformation cooperation in 2018-2019 can also be rated positively.

The main challenge for the Czech Republic was thus compliance with the basic foundations of human rights policy: the principles of coherence, credibility, and openness. This was evident in the approach to the refugee crisis and policy relating to China and al-Assad's regime in Syria. It became particularly apparent in the polarised debate on the approach to China that the argument between those advocating the promotion of human rights around the world and opponents of this dimension of foreign policy, who incorrectly claim that abandoning a value-based framework will benefit Czech economic interests, still rages on. The cancellation of Minister Jurečka's meetings on his planned trip to China illustrated that not even the pointed rejection of human rights in foreign policy, brought about by public officials' statement on strategic interests with China, helps to cement economic relations.

Security and Defence Policy

Rating in recent years

C+

2012

B+

2013

C+

2014

C+

2015

C

2016

Security And Defence Policy

Activity	C
Impact	B
Normative aspect	D
Final mark	C

The Czech Republic was not involved in NATO battalions in either the Baltic States or Poland, indicating a reticence towards strengthening the Alliance's eastern flank. First and foremost, the army cannot keep pace with the increasing demands the Alliance places on operational units. Nevertheless, an appropriate political response in the form of a significant increase in defence spending has not materialised. The current state of the Czech army not only prevents it from playing a fully-fledged role on a par with its allies, but also limits the development of Visegrad cooperation. The Czech Republic's involvement in the Visegrad Group's Baltic exercises is commendable but, taken overall, is merely a symbolic step. Not even the otherwise positive espousal of European strategic military independence stemmed from a well-developed position supported by consensus within the ruling coalition, which consequently robbed this potential volte-face in defence policy of credibility.

Honouring the commitments made at the NATO summits in Wales and Warsaw was the main topic of Czech NATO policy. Participation in the Alliance's defence policy and Visegrad activities was hindered by the limited capabilities of the Armed Forces of the Czech Republic. Despite this state of affairs, the security situation in the European neighbourhood, and the escalating debate on balancing the transatlantic costs of defending Europe, there was no significant increase in Czech spending on defence. Czech backing for a proposal to establish a common European army also raised a host of questions.

The Czech presidency of the Visegrad Group failed in its attempt to push for the creation of a permanent modular unit that would preserve the capabilities of the EU Visegrad Battlegroup, which was on standby in the first half of the year. This setback can be partly blamed on the Czech approach, in that NATO's increased demands on Czech engagement, for example, in its Rapid Response Force made the Czech Republic less willing to also make its military capabilities available to the Visegrad Group. On the other hand, the Czech Republic did contribute to the agreement on the deployment of soldiers from V4 countries to

the Baltic States for exercises as part of NATO's "continuous" presence, endorsed at the Wales Summit.

However, even as this agreement was being announced, the initiative was essentially eclipsed by the new Alliance plan to set up four multinational NATO battalions in the Baltic States and Poland. Although this was one of the main conclusions of NATO's Warsaw Summit, and despite the fact the Czech Republic declared – ahead of the summit – that it would be contributing to the Alliance's presence in the Baltic States, it was not involved in any of these battalions in 2016. The Czech Republic's contributions to the reinforcement of the Alliance's eastern flank have long been squeezed to the minimum necessary to keep up the image of a dependable ally, rather than the maximum possible capability demanded by the security situation in the Baltics.

Spiralling security demands have yet to be matched by the rate of increases in domestic spending on defence. There was no change in the Czech approach even after the US presidential election, even though Donald Trump stressed that he was expecting European allies to share the responsibility for European security more equally.

A key factor for the future of Czech defence policy was last year's statement by the Prime Minister that the Czech Republic would support the creation of a common European army in the long term. His words were subsequently altered by the Defence Minister, revealing the lack of coordination within the coalition. Furthermore, the Prime Minister's declaration was not accompanied by any specific proposal in the context of preparations for the December European Council, which was scheduled to address security and defence policy. While, generally speaking, this is a positive shift in defence strategy, in practice, the proposal appears to be more an exercise in improving the Czech Republic's reputation following the spat surrounding the migration crisis, as well as an effort to be part of the European integration core in the wake of Brexit.

Economic Diplomacy

Rating in recent years

C-

2012

B+

2013

B

2014

C+

2015

C

2016

Economic Diplomacy

Activity	C
Impact	C
Normative aspect	C-
Final mark	C

An abatement in competence disputes between the Ministry of Industry and Trade and the Ministry of Foreign Affairs benefited economic diplomacy. Nevertheless, financing via the Czech Export Bank (CEB) and the Export Guarantee and Insurance Corporation (EGAP) continued to be a highly problematic element in the support of exports. An update of the Export Strategy of the Czech Republic, which was an opportunity to respond to new trends, only really offers a general description of how export policy is already managed. It is also becoming increasingly apparent that marginalising value-based principles in foreign policy does nothing to help exporters or attract investment.

Due to an update of the Export Strategy, last year saw a chance to reflect on how economic diplomacy works. Some individual changes for the better emerged, albeit without a longer-term strategic vision. Conversely, undermining the value framework of Czech foreign policy by prominent political leaders did nothing to help Czech exports. Furthermore, economic diplomacy was shadowed by graver conflicts on financing export support compared to the previous two years, which were calmer.

The division of competencies in the sphere of export support maintained the course charted by the framework agreement between the Ministry of Foreign Affairs and Ministry of Industry and Trade, and consequently there were few, if any disputes between these two ministries. The Foreign Ministry also continued to develop its own activities, which complemented existing Trade Ministry vehicles (CzechTrade and CzechInvest): it boosted financing for projects in support of economic diplomacy at embassies and consulates and, in cooperation with the Chamber of Commerce, staged regional export conferences. The third edition of the Map of Global Sectoral Opportunities, prepared by the Ministry of Foreign Affairs in conjunction with the Ministry of Industry and Trade, contained a new segment on development assistance.

Nevertheless, the strife between economic diplomacy stakeholders did not vanish altogether. In the first half of the year, for example, the Chamber

of Commerce strongly criticised CzechTrade for its lack of efficiency, and consequently relations between these two entities remained strained. There was more serious disagreement between the Ministry of Industry and Trade and the Ministry of Finance regarding the Czech Export Bank and the Export Guarantee and Insurance Corporation, which provide loans and insurance to Czech exporters for risky exports. Minister Andrej Babiš appointed Pavel Kysilka as the Chairman of the CEB Supervisory Board and tasked him with the preparation of a plan that would streamline debt recovery and the operation of both companies. The resulting proposal to merge the CEB and EGAP did not find the necessary political support and Kysilka stepped down. As the convoluted financial situation at EGAP and CEB continued to deteriorate, both companies' capital had to be increased, which seriously dented the central government budget. However, no better system for financing export was found in 2016.

In December, the government approved an update of the Export Strategy of the Czech Republic, prepared by the Ministry of Industry and Trade in cooperation with the Ministry of Foreign Affairs. It contained several snippets of good news: first and foremost, it dropped the rather unsuccessful concept of non-EU priority and special interest countries and reinforced the sectoral search for trade opportunities. The previous emphasis on export diversification to selected non-European territories had not led to an increase in their share of Czech exports (with the exception of the more advanced economies of North America, certain South American countries, Israel, and Japan). However, the strategy's authors passed up the opportunity to develop specific visions and objectives for economic diplomacy, so, for the most part, the document simply echoes the changes that had been made.

The political dimension of economic diplomacy remained problematic. The denial of value-based principles and human rights policy in favour of trade in dealing with authoritarian Azerbaijan, Belarus, and Kazakhstan brought little benefit to Czech exports. In the previous year, there had been a palpable downturn in exports to these markets as their economies slowed down. With this in mind, the key to Czech companies' success is plainly not the quality of political relations, but economic stability and competitiveness.

Development Cooperation and Humanitarian Aid

Rating in recent years

C+

2014

C+

2015

B

2016

Development Cooperation And Humanitarian Aid

Activity	A-
Impact	C
Normative aspect	B
Final mark	B

On the ground, the development agenda grappled with long-standing systemic problems: sectoral and geographical fragmentation, underfunding, and a lack of coherence with “non-development” policies. Nevertheless, the decision on a gradual, albeit cautious, increase in the overall budget for development cooperation and the plan to cut the number of sectoral priorities is a step in the right direction. The start of work on decentralisation of the Czech Development Agency by deploying workers to priority countries is equally positive. The ongoing formulation of a new concept of bilateral and multilateral cooperation provides a good opportunity for further changes.

The past year in Czech development cooperation (DC) and humanitarian aid can be characterised by reflecting on past activities – stemming, in particular, from an evaluation conducted by the Organisation for Economic Cooperation and Development (OECD) – and promising conceptual changes. However, actual practice remained very similar to previous years, which delivered stability, but also resulted in a continuation of long-term systemic problems. These included sectoral and geographical fragmentation and a relatively large share of granted funds being tied to Czech intermediaries, which pushed up administrative costs and eroded the effectiveness of assistance. Furthermore, there has been little success so far in linking FDC with other sectors of foreign and domestic policy.

In accordance with policy documents, the Czech Republic spent more than one per mille of gross national income (GNI) on FDC last year. Bilateral cooperation centred primarily on Moldova, Bosnia and Herzegovina, and Ethiopia, and on the “hard” sectors of water supply, sanitation, agriculture, and energy. Although the volume of humanitarian assistance remained limited, just as in previous years, the extra attention paid to the humanitarian crises in Syria and Iraq – which is where roughly half of all resources went – is definitely commendable. Contributions to another 20 countries were essentially symbolic;

arguably, a more intensive focus on a smaller number of judiciously chosen priorities would have made this assistance more effective.

Commitments that should be making themselves felt in Czech DC in the near future augur well. In particular, there is a plan to increase the volume of assistance to 0.17% of GNI by 2020. This should be achieved by staged increases in the budget by CZK 100 million per year over the next three years. This move will particularly make sense if it becomes a spring board for further systematic budget rises. To date, the Czech Republic has been one of the least generous donors within the OECD. After failing to honour its commitment to spend 0.33% of GNI on DC in 2015, the government again pledged to increase the volume of its assistance by 2030. Considering the humanitarian needs around the world today, the current plan to use almost half the scheduled annual increase in resources for humanitarian purposes appears felicitous.

The plan to target development cooperation at six priority countries instead of the current eleven from 2018 indicates another positive change. The deployment of the Czech Development Agency's workers to partner countries, which began last year in Ethiopia and is set to continue in the coming year, gives grounds for hope that the Agency will integrate more closely with local players and that the relevance and effectiveness of individual interventions will be enhanced. The new DC strategy document to be adopted this year should – in addition to further practical changes – make it possible to disengage DC from its current discursive entanglement with migration restrictions, which was used to justify development cooperation again this year. This link, palpable even on a pan-European level, exists for purely self-serving purposes and clouds progress towards a more constructive migration approach and a suitable concept of development cooperation and humanitarian aid based on partnership and global responsibility.


Evaluation of Czech Foreign Policy in 2016

Introductory chapter

SUBJECT-MATTER	MARK
Political engagement	4,00
Institutional cohesion	3,50
Strategic vision	5,00
Proactive approach	4,00
International relevance	4,00
AVERAGE	4,10

Thematic and regional areas

SUBJECT-MATTER	MARK
EU Asylum and Migration Policy	3,75
British Referendum and EU Reflection	1,75
Visegrad Cooperation	3,75
Germany	2,00
Poland	2,00
USA	3,00
Russia	3,75
Ukraine	2,75
Eastern Partnership	2,75
Syria	3,75
Turkey	2,75
China	3,00
South Korea	1,50
Human Rights and Transformation Cooperation	3,00
Security and Defence Policy	3,00

SUBJECT-MATTER	MARK
Economic Diplomacy	3,00
Development Cooperation and Humanitarian Assistance	2,00
AVERAGE	2,79
OVERALL MARK	3,19
	

Grading Methodology

Our grading system is based on a scale of A to F (A – excellent, B – commendable, C – good, D – satisfactory, F – unsatisfactory). We arrived at the final grade shown on the cover of the book as follows:

- 30% is the rating of sectional indicators in the opening chapter;
- 70% is the weighted average of the ratings of individual areas.

The introductory chapter focuses on the following sectional indicators:

Political engagement expresses the willingness of the political elite to involve themselves in foreign-policy issues, appreciate their importance, advocate their resolution, and not hold them hostage to unrelated political disputes.

Institutional cohesion indicates the coherence of promoting foreign-policy interests among individual constitutional institutions (the President, the government) and central authorities, in particular the Ministry of Foreign Affairs, the Ministry of Industry and Trade, the Ministry of Defence, the Ministry of the Interior, and the Office of the Government.

Strategic vision is the capacity for a longer-term outlook, the overlap with purely tactical steps, and last but not least, the willingness and courage to formulate priorities and to structure the implementation of foreign policy around these priorities.

Proactive approach indicates the effort to overcome the reactive concept of foreign policy and consciously influence the international environment and, in particular partner states through the Czech Republic's own policy initiatives.

International relevance is a category that expresses how strongly Czech politicians and diplomats resonate with the dominant trends underpinning international relations, including European policy.

Individual thematic and regional areas of Czech foreign policy, which are rated in the relevant chapters themselves, were rated in three main categories:

Activity (1/3 of the grade) We asked two main questions in this category. Did the actions in question (or their absence) stem from strategic deliberation, or did we witness chaotic fumbling devoid of any concept? Was the policy actively pursued? Then, we focused on the activity itself and its evaluation by posing three sub-questions. Was the promotion of the specific policy backed by sufficient human and other (e.g. financial) resources? Did Czech foreign-policy stakeholders respond

to existing challenges adroitly and in good time, or was foreign policy left trailing in the wake of events, accompanied by a paucity of initiative, or was it completely passive? Is it possible to say that the main players of foreign policy were in agreement with each other (in particular the government, the Ministry of Foreign Affairs, and the President)? We awarded an “A” to an action which: was responsive and supported by sufficient financial and human resources; was based on the more broadly conceived long-term direction of the state and/or, for example, an approved policy document on the specific area; was sophisticated and well thought out in its arguments; and where there was agreement between individual stakeholders in Czech foreign policy.

Impact (1/3 of the grade) Here, we examined whether the efforts made had led to the desired results that, in our opinion, had a positive impact on the Czech Republic. We also took account of results that had been achieved at the European Union and NATO level with significant Czech contributions. We negatively rated those cases where the declared objectives were not achieved and the fallout, in our opinion, had a negative impact on the Czech Republic, or where the Czech Republic hampered more than helped achieve positive results at EU or NATO level. We also negatively rated those areas and situations in which the Czech Republic had been incapable of even setting specific objectives, hence there was nothing to achieve.

Normative aspect (1/3 of the grade) It is not always easy to grasp a subject as delicate as diplomacy and evaluate it according to several predetermined criteria. The normative aspect mainly articulates the opinion of the authors on how foreign policy was implemented in a given area and whether the tools used and the activities carried out were appropriate and beneficial. While evaluations in the above categories will always be somewhat subjective, the view of the authors themselves was the most important criterion in this case. The reasons why we decided to award the given grade in this category are explained more thoroughly in the text itself and in a short written assessment under each grade.

The final grade for each topic is the average of these criteria. For instance, for a given topic to be given a final grade of B, the average of the individual categories had to range between 1.91 and 2.3. For a final grade of B+, the average had to be between 1.61 and 1.9. For a grade of B-, the average had to range between 2.31 and 2.6. We then proceeded analogously for all grades from A to F. When assigning grades numerical values, a grade of B was equal to a value of 2, a grade of B+ corresponded to a value of 1.75, and a grade of B- was equal to a value of 2.5.

Recommendations for 2017

1. Political parties must work in more earnest on enhancing internal education and on debate and coordination between their members on foreign-policy matters.

Well-developed foreign-policy chapters should be part of pre-election programmes. Objectivity and informedness should be the rule in debates on foreign policy, not only within parties, but also in politicians' communication with the public. In the forthcoming elections, candidates should particularly avoid taking foreign policy hostage in mutual disputes and steer clear of public scaremongering. Proposals on how to tackle current problems should be realistic, and should not unnecessarily intensify frustration or fan isolationist tendencies.

2. The Czech Republic should review its current stance on the refugee crisis and agree to the resettle several thousand recognised refugees from Greece and Italy, whom the domestic system would be capable of integrating.

If Czech political representatives refuse to yield their position, they must at least pledge a specific contribution to handling the causes and consequences of the refugee crisis in the form of funds or institutional capacities, otherwise the Czech position will continue to lack credibility and amount to buck-passing. The government should also accept the European Commission's proposals to harmonise the Common European Asylum System, encompassing the unification of asylum procedures and protection standards in each Member State, the establishment of a fully-fledged EU asylum agency, the production of a single list of safe countries, etc. The Schengen area and the free movement of persons (from which we undeniably benefit) cannot function where so many differing asylum systems are at work. The Czech Republic should continue to support EU efforts to improve migration management and external border protection, but always with an emphasis on adherence to European and international law. The government should also decide to accept, at the very least, several hundred refugees directly from endangered areas outside the EU.

3. The Czech Republic should champion reform of the European Union as part of the EU's reflection process, which will make it possible to preserve the unity of the EU27 while enabling further integration progress in the single market, asylum and migration policy, and common security.

Conversely, the intensification of multitrack integration, splitting the euro area from the integration core, and the reduction of the European project to nothing more than a single market would all prove perilous for the Czech Republic. The Czech Republic must present its position comprehensively and detach it from the opinions of its Visegrad partners, who frequently portray themselves as representatives of the whole region. The next government's agenda should include a commitment to join the euro area, and political parties should clearly spell out their policy on this key matter ahead of the elections. In Brexit negotiations, it is in the Czech Republic's interests to adhere to a uniform EU27

position on the indivisibility of the four freedoms. In view of the fact that the Czech trade balance with the UK has long been very positive, attempts also need to be made to keep the British market freely accessible to Czech exporters. In this respect, it is appropriate to consider how much foreign investment makes its way to the Czech Republic via the United Kingdom, and seek to keep this channel open.

4. Czech political representatives need to realise that Germany is the anchor of European stability in the current situation, which is plagued by protracted problems and political uncertainty in France, Italy, the UK, and the USA.

Elections await both the Czech Republic and Germany this year and, against this background, Czech leaders should refrain from hurling belligerent statements at their German counterparts. The Czech Republic should formulate an accommodating agenda both bilaterally and on a pan-European scale. Cooperation could then be deepened in the scope of strategic dialogue, thus lending it long-term purpose. Following the elections, the new governments should put their best foot forward in their fledgling cooperation.

5. The Czech Republic must guard against a gradual emptying of Czech-US relations.

There are opportunities, for example, to develop cooperation in science and cybersecurity, the initial glimmers of which emerged in 2016. Other strong areas also need to be sought out. In addition, it will be necessary to develop a sensible approach to cooperation with Donald Trump's administration. In this respect, the Czech Republic should make efforts to at least make progress in adherence to its NATO commitments, as required by the United States, and keep to the existing level of joint defence activities. The quality of the partnership with the US will also be influenced by the mindset and rhetoric of prominent Czech politicians, who should focus more on how to communicate the US alliance to the public. This is particularly important considering the evident orientation of Czech policy towards China last year.

6. After three years of intense cooperation with China, the Czech Republic should evaluate its participation in Chinese initiatives (especially 16+1 and Belt and Road Initiative) over the course of a year or so.

In doing so, it should consider their benefit to the Czech economy and evaluate the political attention paid to the implementation of these projects. This evaluation should be a basis for the formulation of specific objectives in bilateral relations, whether economic (especially as regards entry to the Chinese market, cooperation in science and research, and added-value investments), political, or human rights. Relations with China are sure to be a topic of discussion in the coming elections to the Chamber of Deputies, so the pre-election period is a good opportunity for political parties to spell out their priorities for mutual cooperation. The new government should then come up with a clearly

defined foreign-policy strategy towards China. The inability to define and enforce such a strategy could relegate the Czech Republic to the role of the weaker, more easily exploited partner.

7. The priority of Czech activity within the Visegrad Group (V4) should be to promote a constructive agenda benefiting both the V4 itself and the EU.

Related topics include the EU's external policy (the Western Balkans and the Eastern Partnership), the EU's security and defence policy, and deepening the internal market. In order for the Czech Republic's V4 membership to remain meaningful, it is crucial to rid the V4 of its label of non-solidarity, which it earned in connection with the refugee crisis. The Czech Republic should be aware that the V4's encapsulation in the migration issue is harmful to the Czech Republic's long-term priorities regarding Central European cooperation. The V4's poor image could have negative consequences of the debates on the future of the European budget. The Czech Republic must draw the attention of its partners, Poland and Hungary, to the fact that curtailing the rule of law in both countries will have a dire impact on how the whole region is perceived.

8. The Czech Republic must work towards the development of candid strategic relations with Poland, despite their differing views on the future of European integration.

The Czech Republic should (behind closed doors for the time being) warn the Poles that developments on their domestic political scene could undermine the stability of Czech-Polish strategic ties. Likewise, the Czech Republic's differing view on the future of the EU needs to be explained to Warsaw. Here, Czech diplomacy must make sure that this divergence does not affect the bilateral agenda, since Polish cooperation is particularly important in areas of transport and energy infrastructures, and environment. New opportunities for cooperation are also emerging in defence and security areas.

9. The Czech Republic should take a firm stand on Russia's aggressive policy in Eastern Europe and resolutely insist on an extension of EU sanctions until all the reasons for their imposition have passed.

The government should send a clear message that it does not identify with the demagogic rhetoric on Ukraine voiced by President Zeman and other prominent politicians, which has reduced the Czech Republic's credibility in the eyes of its Euro-Atlantic allies. Most importantly, it is time to break free of the overblown captivation with Russia's economic potential, as this stance not only ignores the high risks of doing business in Russia, but also goes against the Czech Republic's security interests and human rights policy.

10. The Czech Republic should be a reliable supporter of Ukraine on the international stage and contribute to local reforms through its

transformation and development cooperation tools. Bearing in mind the continuing Russian-Ukrainian conflict, the government should above all extend its resolution to grant exceptional assistance in support of Ukraine's democratic transition and reconstruction, which expired at the end of 2016. This support should include the engagement of the non-profit sector, which has the wherewithal to respond flexibly to Ukrainian partners' needs and requirements. In contrast, government-backed economic migration to the Czech Republic should not be a key topic of its policy towards Ukraine. The problem with this approach is that it would further weaken Ukraine which is already in a difficult position, and that it serves as a basis for refusing refugees from the Middle East.

11. The Czech Republic should make a more active and forceful contribution to debates on the future direction of the Eastern Partnership and advocate the preservation of Eastern European themes among areas of EU priority interest. A key event in this respect will be the autumn summit in Brussels, where Czech diplomacy should figure as a champion of further convergence with partner countries in Eastern Europe on the basis of the principle of differentiation, where those partners who are more prepared can intensify their relations with the EU more quickly. This year, the Czech Republic should primarily channel its efforts into completing negotiations on visa liberalisation with Georgia and Ukraine. The economic potential of associated countries – which opened up for the Czech Republic following the entry into force of the trade parts of association agreements – merits more attention. The Czech Republic should also seek to ensure that the possibility of membership of the Eastern Partnership countries in the EU remains the subject of top-level political discussions in the long run.

12. The Czech Republic's current levels of defence spending prevent it from sufficiently supporting NATO activities and contributing to building Europe's strategic autonomy. In this respect, the Czech Republic should step up efforts to honour its two-per-cent commitment as quickly as possible. This is the only way it can contribute to the implementation of the conclusions of the NATO Warsaw Summit, which it helped to negotiate. When planning its arms policy, the Czech Republic should concentrate on cooperation with key Alliance and European partners.

13. If the Czech Republic, through its representation in Syria, genuinely wishes to contribute to solving the Syrian conflict as well as to remain a well-respected international player, its diplomatic engagement in Damascus should be more balanced and cautious. Valuable local contacts can help to make progress in individual negotiations with those involved in the conflict or to gain a better

understanding of the local situation, provided they are not one-sided. Furthermore, in a situation where the Syrian regime faces sanctions and international criticism for war crimes, Ambassador Filipi should not be articulating her own political opinions in public. Most importantly, uncertain economic gains should not eclipse the Czech Republic's human rights policy.

14. The Czech Republic should leverage its good relations with Turkey and be more forceful in expressing its disagreement with President Erdoğan's undemocratic actions and his mounting violations of human rights.

An appropriate channel for this might be parliamentary diplomacy, through which Czech MPs and senators can indicate their critical view of the Turkish government. However, the Czech approach to Turkey should primarily reflect the EU's common position.

15. The Czech Republic must take a clear stand against violations of human rights around the world.

Such approach requires systematic activity and coherence among all key political players. The planned state budget for 2018 should reflect the government's pledge to increase funding for the support of transformation cooperation. Azerbaijan and Armenia should also be included among priority countries for transformation cooperation; these are countries geographically close to the Czech Republic where respect for human rights has deteriorated and – in Armenia – the quality of democracy has been impaired. The Ministry of Foreign Affairs should seize the opportunities offered by its presidency of the Council of Europe to explain the benefits of this organisation both to the Czech public and politicians in more detail. Efforts to secure a seat for the Czech Republic at the United Nations Human Rights Council for 2019-2021 should intensify in 2017.

16. In development cooperation (DC), the Czech Republic should move forward with the changes it embarked on last year and utilise the formulation of the new DC concept to come up with a more systemic transformation.

It should concentrate on the following challenges: increase the capacity of the Czech Development Agency, reduce the level of tied resources, and build a mechanism that will enable DC targets to be reconciled with other sectors of foreign and domestic policy. This last objective could be boosted, for example, by reinforcing the mandate of the DC Council. In terms of the overall volume of DC, the Czech Republic should progress along its established trajectory, i.e. DC funding should be increased so that the country honours its international commitments to spend 0.33% of GNI on development cooperation by 2030. Humanitarian aid could be made more efficient by cutting the number of supported regions. Those regions that are left could then benefit from more extensive assistance.

List of Abbreviations

CEB	Czech Export Bank
CDA	Czech Development Agency
ČSSD	Czech Social Democratic Party
DAC–OECD	Development Assistance Committee
DC	Development Cooperation
EGAP	Export Guarantee and Insurance Corporation
EP	Eastern Partnership
EU	European Union
GDP	Gross Domestic Product
GNI	Gross National Income
KDU–ČSL	People's Party
NATO	North Atlantic Treaty Organisation
OECD	Organisation for Economic Cooperation and Development
USA	United States of America
V4	Visegrad Group

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