

Priority dossiers under the Swedish EU Council Presidency

INTRODUCTION

The Kingdom of Sweden is a constitutional monarchy and parliamentary democracy with a Head of State - the monarch - and a Head of Government - the Prime Minister (Statsminister).

The monarch, currently **King Carl XVI Gustaf**, in office since September 1973, primarily has ceremonial duties.

The Prime Minister is nominated by the Speaker (Talman) of the Parliament (Riksdag), and is confirmed by parliament if less than half of its members vote against the proposal. The current **Prime Minister** is **Ulf Kristersson**, from the EPP-affiliated Moderate Party (Samlingspartiet Moderaterna) (M), which is the third biggest party in the Parliament. He took office on 17 October 2022, following the Parliamentary elections held on Sunday 11 September, with 176 members of Parliament voting in favour and 173 against. He was preceded by Magdalena Andersson from the Social Democratic Party (2021-2022).

The Prime Minister leads the Government, the executive body of the country. The Prime Minister personally appoints the members of government, once he or she has been approved by Parliament.

The current Swedish government is a centre-right minority coalition of three parties: the Moderate Party, the Christian Democrats and the Liberal Party. It also relies on the Sweden Democrats, which is the second biggest party in Parliament. The collaboration between the government and the Sweden Democrats is formally set out in the 'Tidö' agreement, which covers six major 'collaborative projects' (growth and household finances, crime, migration and integration, climate and energy, health and medical care, and schools). In addition to the collaborative projects, the parties will cooperate on a number of other issues, such as culture and democracy.

The unicameral Parliament (Riksdag) has 349 members who are elected every four years. There are currently eight parties in the Parliament:

- Socialdemokraterna (S) - The Social Democratic Party (S&D): 107 MPs
- Sverigedemokraterna (SD) - The Sweden Democrats (ECR): 73 MPs
- Moderaterna (M) - The Moderate Party (EPP): 68 MPs
- Vänsterpartiet (V) - The Left Party (The Left): 24 MPs
- Centerpartiet (C) - The Centre Party (Renew): 24 MPs
- Kristdemokraterna (KD) - The Christian Democrats (EPP): 19 MPs
- Miljöpartiet (MP) - The Green Party (Greens/EFA): 18 MPs
- Liberalerna (L) - The Liberal Party (Renew): 16 MPs

Sweden will hold the Presidency of the Council of the EU for the third time during the first half of 2023. The first Swedish Presidency was held during the first half of 2001, and the second took place during the second half of 2009, coinciding with the final months of the ratification process and the entry into force of the Lisbon Treaty.



The programme of the **Trio, formed together with France and Czechia**, has as thematic priorities to protect citizens and freedoms; to promote a new growth and investment model for Europe; to build a climate-neutral, green, fair and social Europe; and to promote Europe's interests and values in the world.

Sweden is also in the late stages of negotiating its entry into NATO alongside Finland.

PART A: POLITICAL PRIORITIES OF THE SWEDISH PRESIDENCY

The European Union will continue to be faced with the **challenges posed by Russia's war of aggression against Ukraine**. The Swedish Presidency of the Council commits to prioritising continued economic and military support for Ukraine, as well as to support Ukraine's path towards the EU.

Efforts to **break the European energy sector's dependency on fossil fuels** must also be intensified – for the climate, and for security.

Taking the helm of the Council of the EU in the midst of several parallel crises, the Swedish Presidency's political direction is expressed under five headings:

- Provide security for EU citizens and strengthen the EU's role in the world,
- Stop organised crime,
- Speed up the green transition,
- Strengthen the EU's competitiveness for the jobs of the future,
- Safeguard the EU's fundamental values.

Noting that **EU security and defence cooperation** must be strengthened, the Swedish Presidency is due to advance discussions in the Council on the security and defence package, presented by the Commission in November 2022. Measures to **make the EU more resilient** to different types of threats and risks, in both digital and physical infrastructure, will be high on their agenda. The Presidency aims to advance negotiations on a short-term instrument to enhance the European defence industry through joint procurement, and to initiate negotiations on the planned long-term European investment programme in the area of defence. It will also advance work on the proposal concerning an EU cyber-defence policy.

Equally high on the Swedish Presidency's agenda are **energy supply, climate transition and strengthening the EU's competitiveness**. The Presidency will prioritise moving the negotiations on any remaining parts of the 'Fit for 55' package forward with a high level of ambition. On the occasion of the 30th anniversary of the Single Market, Sweden aims to strengthen the **European single market**, the digital single market and the EU's position as a trade bloc.

The Presidency will actively continue negotiations on ambitious free trade agreements with third countries to strengthen EU competitiveness. In particular, it will strive for continued support for the EU's free trade and partnership agenda in the Indo-Pacific region and Latin America, including Australia, Chile, India, Indonesia, Mercosur, Mexico and New Zealand. It also intends to carry on the negotiations with the European Parliament on the proposal for an anti-coercion instrument.

The Swedish Presidency also states that strong and well-functioning common migration management is needed within the EU. In the roadmap agreed between the European Parliament and five successive Council Presidencies (France, Czechia, Sweden, Spain and Belgium) in September 2022, Sweden committed to working in partnership to approve the **reform of the EU migration and asylum rules** before the 2024 European elections.

The proposals of the new Pact on Migration and Asylum, presented by the Commission in September 2020, are just some of the 116 priority **pending files** listed in the annexes of the Commission Work Programme (CWP) for 2023. Those pending files also include proposals from the

'Fit for 55' climate package and others under the European Green Deal, as well as on **artificial intelligence, semiconductors (Chips Act), banking and capital markets union, anti-money-laundering efforts, the European Media Freedom Act, and the proposal on strategic lawsuits against public participation (SLAPPs)**, amongst others. Trilogue negotiations on several of these files will continue or start during the Swedish Presidency.

The Presidency also wants further efforts at EU level to **fight organised crime, terrorism and violent extremism**.

On **social policy**, the Swedish Presidency is due to continue the implementation of the European Pillar of Social Rights. The Trio committed itself to improve working conditions, including in the digital economy and for people working through platforms, to tackle gender inequalities in the labour market, including through measures to close the gender pay gap and through the promotion of equal opportunities for women and men to reconcile work, family and private life.

In relation to the ongoing **hearings under Article 7(1) TEU regarding Poland and Hungary**, in a resolution approved on 5 May 2022 the European Parliament urged forthcoming presidencies to organise the hearings 'regularly and at least once per Presidency'. It called on the Council to ensure that hearings under Article 7(1) TEU also address new developments, including those related to violations of fundamental rights. Taking as its starting point the Commission's annual Rule of Law Report, which includes recommendations addressed to the Member States, the Swedish Presidency will continue the Council's country-by-country rule of law dialogue. It also commits to taking forward the Council's work on the Article 7 procedures in a constructive spirit.

Legislative files: An overview

With the end of the parliamentary term less than a year and half away, the legislative work in Parliament and Council will intensify in 2023. Below we present a *non-exhaustive list* of legislative files on which the Swedish Presidency plans to make progress, either by initiating or continuing trilogue negotiations with Parliament, or by advancing the work in different Council formations.

Economic and financial affairs

Much work remains to be done to implement important reforms and investments within the Recovery and Resilience Facility. The Swedish Presidency aims to move this work forward, taking account of RePowerEU.

The economic governance review will enter an intensive phase in the first half of the year. Taking the Commission's proposals and the progress made under previous presidencies as its starting point, the Swedish Presidency also aims to move this work forward in the Council.

The Presidency further intends to:

- advance the negotiations on the proposals to tackle money laundering and the financing of terrorism;
- continue the work on regulatory frameworks for funds and financial instrument markets, and a European single access point for financial and non-financial information;
- initiate discussions on new proposals to be presented by the Commission during the first half of the year, including on the digital euro and consumer protection;
- make progress on the revision of the Financial Regulation;
- continue the ongoing dialogue on the proposal on next generation own resources;
- move the ongoing efforts to reform the customs union forward;
- advance the negotiations on the revision of the Regulation concerning the illegal manufacture of, and trade in, firearms;
- continue discussions in the Council on the review of the Energy Taxation Directive and on the proposal for new VAT rules for the digital age.

Justice and home affairs

Among other initiatives, the Presidency wants to:

- advance the negotiations on the new Pact on Migration and Asylum in accordance with the agreement (roadmap) between the institutions to conclude negotiations during the current parliamentary term;
- drive negotiations forward on proposals to prevent and combat sexual offences against children and violence against women;
- continue the work on the proposal on strategic lawsuits against public participation (SLAPPs);
- advance the negotiations on the revision of the Environmental Crime Directive as far as possible;
- lead the work on the proposal to set a minimum level for the criminalisation of, and sanctions for, breaches of EU restrictive measures;
- move negotiations forward on the Prüm II regulation;
- intensify negotiations on the proposed new directive on asset recovery and confiscation;
- prioritise the forthcoming proposal for a directive on the transfer of criminal proceedings;
- initiate negotiations on the proposal to improve the possibilities for collecting and using advance passenger information (API) in order to strengthen border controls and law enforcement;
- advance the work on a new mandate for the EU Drugs Agency;
- continue work on the proposals concerning the digitalisation of judicial cooperation;
- take forward the work on new proposals, including on rules concerning the recognition of parenthood, insolvency and liability for defective products.

Employment and social policy

In this area, the Swedish Presidency intends to advance on:

- the proposed directive on improving working conditions in platform work;
- the proposal to revise the Asbestos Directive, and to begin work on the upcoming proposal to revise the Chemical Agents Directive;
- the proposed directive on equality bodies;
- the negotiations in the Council on the proposal for an anti-discrimination directive;
- continued work on the revision of the regulations on social security coordination.

Health

The Presidency intends to:

- address the many issues in the area of health and medical care that are due to be negotiated, such as the proposal concerning a regulation for a European Health Data Space, and the proposal concerning a regulation on standards of quality and safety for substances of human origin intended for human application;
- advance work on the forthcoming proposals on updating the general pharmaceutical legislation and proposals on new regulations concerning orphan medicinal products and paediatric medicines; another issue that is expected to come before the Council is the proposal for a new regulation concerning the European Medicines Agency's fees.

Internal market, industry, consumer protection

In the area of the internal market, the Presidency wants to:

- prioritise work on the new Ecodesign and Construction Products Regulations;

- progress the negotiations in the Council on the legislative draft of the Single Market Emergency Instrument, as well as on proposals prohibiting the placing on the market of products made using forced labour and on short-term accommodation rentals in the internal market;
- initiate negotiations on a proposal for a directive to expand and upgrade the use of digital tools and processes in company law.

As regards industry, the Presidency will:

- prioritise the review of the Euro 7 emissions standards for combustion engine vehicles and the upcoming proposal on critical raw materials;
- move the work on the European Chips Act forward;
- focus on trilogues on protected geographical indications for craft and industrial products and initiate negotiations on a review of the design protection legislation.

In the area of consumer protection, the Presidency will:

- take the work on the Directive on distance marketing of financial services and the negotiations on the Directive on empowering consumers for the green transition as far as possible.

Transport

Regarding transport, the Presidency plans to:

- focus on trilogue negotiations on transport legislation within the 'Fit for 55' package;
- advance the Trans-European Transport Network (TEN-T) negotiations and take forward the work on revising the Intelligent Transport Systems Directive;
- continue the negotiations on the revision of the Single European Sky rules;
- initiate negotiations in the Council on several forthcoming proposals on road, rail and intermodal transport, including a revision of the Directive on driving licences and a package for green freight transport; on proposals to improve the internal aviation market and strengthen the resilience of aviation; and on the Maritime Safety Package.

Telecommunications

In this area, the Presidency wants to:

- initiate negotiations with the Parliament on the Artificial Intelligence (AI) Act and on an interconnected European electronic ID, advancing them as far as possible;
- take forward work on the Data Act in the Council and initiate negotiations with the European Parliament;
- advance negotiations in the Council on the Interoperable Europe Act and begin the Council's work on the Connectivity Infrastructure Act;
- advance as far as possible the negotiations in the Council on the Cyber-Resilience Act and the trilogues on the regulation on cybersecurity measures for the EU's own institutions, bodies, offices and agencies;
- continue negotiations with the European Parliament on the ePrivacy regulation.

Energy

Due to the pressing challenges presented by the current energy crisis, the priorities of the Swedish Presidency will be to closely monitor developments in energy markets and the implementation of measures, deal with any further emergency proposals and reform the design of the EU's electricity market. In this context, it will:

- continue trilogue negotiations with the European Parliament on the proposals for a revision of the Renewable Energy Directive and the Energy Efficiency Directive;

- continue to work on the proposal for a regulation on the reduction of methane emissions in the energy sector;
- advance work on the proposed revision of the Energy Performance of Buildings Directive, as well as on the proposals in the hydrogen and decarbonised gas market package.

Agriculture

The Presidency intends to follow up on any proposals and initiatives designed to strengthen European food production. Moreover, it will address trade-related agricultural issues and prioritise work on the role and potential of the bioeconomy. It plans, in particular, to:

- move forward negotiations on the revision of geographical indications as far as possible;
- advance the negotiations in the Council regarding the proposal for a Farm Sustainability Data Network;
- prioritise negotiations on the revision of the Food Information to Consumers Regulation and its food labelling provisions (part of the Farm to Fork Strategy);
- advance the negotiations on the regulation on the sustainable use of plant protection products;
- initiate discussions both on the proposal for the revision of the legislation on seeds and plant and forest reproductive material and on the forthcoming proposal for revision of the legislation for plants produced by certain new genomic techniques; it may also initiate discussions in the Council on the legislative proposal on forest monitoring and strategic plans.

Fisheries

In the fisheries sector, the Presidency aims to:

- advance the trilogue negotiations on the Fisheries Control Regulation;
- initiate a debate on a review of the EU Common Fisheries Policy (CFP), including the common market organisation.

Environment

Environment and climate issues are high on the EU agenda, and a large number of proposals are already on the table or will be presented by the Commission in the coming months. The Swedish Presidency intends to:

- prioritise moving forward the negotiations on any remaining parts of the 'Fit for 55' package with a high level of ambition;
- prioritise the revision of the Industrial Emissions Directive and the revision of the Ambient Air Quality Directives;
- continue work on the regulation on nature restoration;
- advance the work on the proposals for a certification scheme for carbon removal and on the review of the CO₂ emissions standards for new heavy-duty vehicles;
- continue the negotiations on a revised Regulation on F-gases and on the Ozone Regulation, with the ambition of making as much progress as possible;
- advance the work on the revision of the Packaging Directive, as well as on the regulatory frameworks promoting non-toxic material cycles, increased use of high-quality recycled materials in products, and other business models advancing the circular economy;
- strive for as much progress as possible in the negotiations on the revision of the Waste Shipments Regulation.

A number of international negotiations, including on a legally binding global agreement on plastic pollution, are due to take place during the Swedish Presidency of the Council.

PART B: TOPICAL INSTITUTIONAL ISSUES

Reform of the Electoral Act and other pending proposals on elections

The Swedish Presidency is due to continue negotiations in the Council on the reform of the EU's electoral law, following Parliament's legislative resolution of 3 May 2022. Unanimity will be needed on this matter.

Other pending proposals related to elections are the rules on the transparency and targeting of political advertising, on which the Swedish Presidency is expected to start interinstitutional negotiations (trilogues) with Parliament. Trilogue negotiations on another proposal, on the statute and funding of European political parties and European political foundations, are due to continue under their Presidency. The Swedes should also adopt proposals on the electoral rights of mobile Europeans, on which Parliament is consulted.

Conference on the Future of Europe

The follow-up of the Conference on the Future of Europe's final report, with 49 proposals to reform the EU, including Treaty change, delivered to the Presidents of the European Parliament, the Council and the Commission on 9 May 2022, should continue under the Swedish Presidency. It will strive to achieve a broad consensus among Member States on how to proceed with its proposals. If circumstances permit, the Presidency will advance discussions on effective decision-making processes, including qualified majority voting in certain areas of common foreign and security policy.

Programming of legislative priorities: Joint Declaration 2023-2024

The Swedish Presidency will start implementing the Joint Declaration 2023-2024, signed by the Presidents of the three institutions (Parliament, Council and Commission) on 15 December 2022, on the margins of the European Council meeting.

Given that European elections will be held in 2024, this is the last Joint Declaration to be negotiated between the institutions in this parliamentary term, and it therefore covers 2023 and the first half of 2024. The same approach was taken towards the end of the previous parliamentary term when the years 2018 and 2019 were covered by the same Joint Declaration.

PART C: NEW INITIATIVES TO BE PRESENTED BY THE COMMISSION IN THE FIRST HALF OF 2023

The new initiatives in the Commission Work Programme (CWP) for 2023 to be presented in the first and second quarters of this year, i.e. **during the Swedish Presidency of the Council**, are:

First quarter 2023

- Revision of the EU's internal electricity market rules (legislative)
- European critical raw materials act (legislative and non-legislative initiatives)
- The Single Market at 30 (non-legislative)
- Directive to further expand and upgrade the use of digital tools and processes in company law (legislative)
- Economic governance review (legislative or non-legislative)
- Improving the retail investment framework (legislative)
- Joint communication on the update of the EU maritime security strategy (non-legislative)

Second quarter 2023

- Revision of food waste and textiles aspects of the EU Waste Framework Directive (legislative)

- Legislation for plants produced by certain new genomic techniques (legislative)
- Initiative on protecting, sustainably managing and restoring EU soils (legislative)
- International freight and passenger transport – increasing the share of rail traffic (legislative)
- Revision of the Weights and Dimensions Directive (legislative)
- Revision of the Combined Transport Directive (legislative)
- Initiative on virtual worlds, such as metaverse (non-legislative)
- Compulsory licensing of patents (legislative)
- Standard essential patents (legislative and non-legislative)
- Screening and registration of asbestos in buildings (legislative, responds to Parliament's legislative-initiative (INL) report on 'Protecting workers from asbestos')
- A common European mobility data space (non-legislative)
- Recommendation on piracy of live content (non-legislative, responds to Parliament's INL report on 'Challenges of sports events organisers in the digital environment')
- Review of the functioning of the Multiannual Financial Framework (MFF), which may include a revision (non-legislative and/or legislative)
- Open finance framework (legislative)
- Revision of EU rules on payment services (legislative)
- Digital euro (legislative)
- Scope and effects of legal tender of euro banknotes and coins (legislative)
- Council recommendation on developing social economy framework conditions (non-legislative)
- Legislative initiative on cross-border activities of associations (legislative, responds to a Parliament INL report on 'A statute for European cross-border associations and non-profit organisations')
- Reinforced quality framework for traineeships (non-legislative and/or legislative)
- Joint communication on an EU space strategy for security and defence (non-legislative)
- Joint communication on a new agenda for Latin America and the Caribbean (non-legislative)
- Setting a sanctions framework targeting corruption (legislative)
- A comprehensive approach to mental health (non-legislative)
- Defence of democracy package, including an initiative on the protection of the EU democratic sphere from covert foreign influence (legislative and non-legislative)

DISCLAIMER AND COPYRIGHT

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2023.

eprs@ep.europa.eu (contact)

www.eprs.ep.parl.union.eu (intranet)

www.europarl.europa.eu/thinktank (internet)

<http://epthinktank.eu> (blog)