

# Statement of the Presidency of the Visegrád Group

## 13 December 2021

The Prime Ministers of the Visegrád Group (V4) countries met on 13 December 2021 in Budapest.

The most recent wave of the COVID-19 pandemic, the sharp spike in global energy prices, the instrumentalisation of migration on the Eastern external borders of the European Union and the deteriorating security situation in our neighbourhood are stern reminders that Europe and the world faces unprecedented crises. These global challenges, together with others, such as Brexit pose major tests of European unity. The Visegrád countries have shown solidarity and support in the most difficult times and have proven that their cooperation rests on strong foundations. With their robust growth, V4 countries also significantly contribute to the economic recovery of the European Union reinforcing its stability, security and competitiveness.

The diversity of Member States, reflected in the discussions in the framework of the Conference on the Future of Europe, is an asset the European Union must build on when addressing current challenges. The Visegrád countries are committed to contributing to European solutions in this regard.

V4 leaders met with the President of the French Republic who presented the priorities of the incoming French Presidency of the Council of the European Union providing them with an opportunity to exchange views on the most important issues on the EU's political agenda. In this context, the V4 leaders are looking forward to cooperating closely with the French Presidency, including in the following policy areas:

## 1. <u>Climate and energy policy in the context of the current energy price</u> <u>spike</u>

The V4 leaders reiterated their commitment to the transition to climate neutrality as well as raising the EU 2030 climate target to a net greenhouse gas emission reduction of at least 55% in line with the 2020 December European Council conclusions. The energy sector will be key to reaching the ambitious climate objectives, however in order to be successful the EU has to ensure energy security, the affordability of energy prices for households and the competitiveness of our industry. While energy prices have fluctuated in the past, the current sharp spike is unprecedented resulting in European households and companies having to face significantly higher energy bills at a time when many

have already been hit hard by the pandemic. Therefore, Prime Ministers of the Visegrád countries called for swift measures, including to eliminate speculation on the EU ETS market and for reinforcing existing safeguards against excessive increase in the price of allowances. Failing to find a solution to the problem of the rising energy prices the EU risks undermining business confidence and more importantly losing the public support for the green transition; therefore ensuring a fair and socially inclusive green transition is of outmost importance.

It is in this context, that V4 leaders exchanged views on the 'Fit for 55' legislative package submitted by the European Commission and reiterated their position that the proposed introduction of a new emissions trading system for the building and road transport sector is not supported by an impact assessment on end consumers and risks increasing energy poverty. As indicated in the joint letter of the Prime Ministers of the V4 countries to President von der Leyen and President Michel on 24 March 2021, the decarbonisation of the energy sector must go hand in hand with secure, stable and affordable supply of energy which is essential to ensuring the EU's long-term competitiveness. Introducing an EUwide uniform carbon price in the building and road transport sectors would disproportionally burden the lower-income Member States, due to the considerable differences in the income level of households across the European Union.

The V4 countries emphasised that robust compensation measures are needed to mitigate the harmful social impacts of the legislative package. They agreed that the Social Climate Fund as proposed by the European Commission fails to adequately address these concerns, in particular of the affected households. While welcoming Commission's proposal to increase the Modernisation Fund, the Prime Ministers of the V4 countries called for more financial support in order to create a just and fair climate transition in the EU.

In addition, V4 leaders reiterated the importance of nuclear energy and the transitional role of natural gas in substantially contributing to greenhouse gas emissions reduction and energy security in the decades to come; therefore a supporting environment has to be created in order to make the necessary investments happen. They also expressed concern about the proposal to completely exclude support from the Modernisation Fund to energy generation facilities that use fossil fuels, including natural gas. Furthermore, the transitional role of natural gas shall be respected in the relevant delegated legal act of the Taxonomy Regulation, as well as the role of nuclear energy in full compliance with the principle of technological neutrality. With a view to the revision of the Energy Efficiency Directive and the Directive on Renewables, V4 leaders spoke out against the "one-size-fits-all" approach of the Commission and called for more flexibility for Member States taking into account their different starting positions, specific national and regional circumstances.

The Prime Ministers of the Visegrád countries looked forward to working closely with the incoming French Presidency of the Council on all the elements of the 'Fit for 55' legislative package, including on introducing a Carbon Border Adjustment Mechanism. The new mechanism has to ensure the environmental integrity of EU policies and to avoid carbon leakage in a WTO-compatible way, while also stressing the importance for maintaining the free allocation of EU ETS allowances for the longest possible transitional period and in order to safeguard the export competitiveness of the concerned industries. V4 leaders recalled, that in order to ensure ownership of and public support for the green transition the European Council must continue to give its guidance in determining the path towards climate neutrality and its implementation, including intermediate targets and legislation implementing them.

## 2. Security and defence

The Visegrád countries welcome the strategic debate on security and defence. Given the growing instability in the security environment in our neighbourhood and across the globe, the Prime Ministers of the V4 believe it is time for the EU to take more responsibility for its own security and reinforce its capacities, capabilities and resilience in order to be able to address security threats and challenges that arise in its vicinity.

V4 leaders called on the EU to strengthen its ability to act autonomously where necessary and with partners wherever possible complementing NATO, which continues to play its unique and essential role as the cornerstone of collective defence. The V4 Prime Ministers looked forward to working on a new, ambitious EU-NATO Declaration to be adopted in 2022 to reinvigorate this strategic partnership and improve both organisations' ability to respond jointly to threats and challenges.

Increasing the EU's capacity to act requires substantial clout, thus it is imperative to speed up the development of the necessary capabilities. The V4 leaders called for further development of European military capabilities by adapting the EU capability development processes and embedding them within national and NATO defence planning processes to better reflect operational needs and enhance the interoperability of Member States' forces. The leaders emphasised fostering synergies between civil, defence and space industries with a view to strengthening the technological and industrial base of Europe's defence through the enhanced catalysing role of the European Defence Fund and other EU instruments, where appropriate for the development of dual-use capabilities and technologies.

It is in this spirit, that V4 leaders welcome the reflection process leading to the adoption of the Strategic Compass that serves as a main driver for our efforts and reflects our ambition.

The V4 Prime Ministers reconfirmed their longstanding position that the security and prosperity of the Western Balkans and the Eastern Partnership countries are key strategic interests for the V4 countries and the EU as a whole. In this context, they reiterate their full support to Ukraine's sovereignty and territorial integrity. Joint engagement in peacekeeping, counter-terrorism, training and monitoring operations and development projects in our eastern and southern neighbourhood, including in Africa is an investment in the Union's security, resilience and prosperity.

The V4 leaders underlined the importance of strengthening national cyber defence and cyber security capabilities, as well as an effective EU-level coordination and appropriate European capabilities.

### 3. <u>Migration and the protection of external EU borders</u>

The V4 leaders discussed the recent developments at the external borders of the European Union and condemned the instrumentalisation of migration and all other forms of hybrid attacks affecting our external borders. The Prime Ministers expressed their solidarity and further support to Member States on the Eastern borders of the EU as they protect the EU as a whole. The leaders acknowledged the efforts of these Member States standing at the forefront of the fight against illegal migration that poses a serious threat to the security and integrity of the European Union.

In this context, the V4 leaders agreed that the current EU legal framework is not sufficient address challenges of mass migration, including to the instrumentalisation of migration for political purposes, as it does not provide adequate means that Member States under pressure can apply in a crisis situation. The practical experience of directly affected Member States needs to be taken into account while adapting the legal framework to the new realities based on consensus: our focus should be on stemming primary migratory movements to the EU, avoiding pull factors and guaranteeing the security of our citizens.

Given the volatile migration situation, the Visegrád group Prime Ministers restated their conviction that all effective external border control measures, including physical border barriers, should be at the forefront of our actions and therefore must be underpinned by adequate EU financial support. The V4 leaders also supported establishing partnerships with countries of origin and transit, building on existing effective cooperation arrangements, such as the ones with the Western Balkans and with North-African countries, including Egypt, in order to reduce the number of migrants attempting to enter the EU illegally. The leaders emphasized the need to ensure effective returns and full implementation of readmission agreements and arrangements, using all available incentives, and to support their border protection efforts and capabilities.

### 4. <u>Competitiveness, resilience and inclusive growth in Europe</u>

The V4 leaders exchanged views on how to increase the competitiveness and resilience in the Internal Market amid the COVID-19 crisis. They emphasized that competitive economies of the Member States are the best basis for inclusive growth and underlined that all relevant EU actions must respect the different European social models. The Visegrád countries reaffirmed that continued upward economic convergence among Member States must be supported by a robust cohesion policy.

The Prime Ministers stressed that the significant budgetary efforts on national level were fundamental to achieving the current state of recovery and reiterated the importance of the full implementation of EU level support to tackle the consequences of the crisis. They remained committed to increasing employment thereby also contributing to economic recovery.

The V4 leaders continued to support a digital transition that benefits all and underlined the need to find EU level solutions to the main common challenges related to the accelerating digitalisation. In this spirit they welcomed progress in the negotiations on proposals of the Digital Services Act and the Digital Markets Act, which aim at better protecting the rights of consumers by ensuring that the provision of digital services is transparent and the providers of such services are accountable, including effective actions against illegal content, as well as by prohibiting unfair practices of tech giants across the EU, while not hindering the innovation potential of the private sector. They supported the incoming French Presidency to conclude the interinstitutional negotiations in accordance with the political agreement reached among the Member States.

The Prime Ministers declared that the EU should take further steps to complete the Internal Market, particularly in the area of services being the engine of growth in the EU. They also agreed that the EU should pursue an ambitious European industrial policy to make the industry more sustainable, more competitive globally and more resilient. In this context the V4 leaders remained concerned about the bottlenecks and disruptions in global supply that have been increasingly weighing on activities in the EU, in particular in its highly integrated manufacturing sector. They urged EU actions aiming at strengthening the supply chain resilience of the continent, including by developing a robust trade policy and investment in Europe.

### 5. Common Agricultural Policy

The V4 leaders noted that during the COVID-19 pandemic European agriculture has been able to ensure food security for our citizens. The EU's Common Agricultural Policy (CAP) played a major role in maintaining our strategic autonomy in a critical sector and in a critical period.

It is essential that the new CAP continues to fulfil the Treaty-based objectives of available supplies, increasing agricultural productivity, and ensuring a fair standard of living for the agricultural community. In this context, the timely adoption of CAP Strategic Plans based on an objective, fair and transparent evaluation procedure is of paramount importance.

The agricultural sector has a role to play in the fight against climate change. The CAP's contribution to achieving the EU's climate targets must be part of a global effort and without prejudice to its Treaty-based objectives.

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