



July 2026

The European Union at Halftime: What Cyprus Hands Over to Ireland

Irena Krcháčková

Summary

Cyprus is handing over the Presidency of the Council of the European Union to Ireland. The EU currently faces several long-term and immediate challenges: the ongoing Russian aggression against Ukraine, pressure to strengthen European defense, competitiveness, energy security, migration, and, last but not least, negotiations on the multiannual budget. Member states must now clearly formulate priorities and seek politically viable compromises. Ireland is taking over an agency that Cyprus may have advanced during its presidency, but is far from concluding.

Key points

- Cyprus moved forward negotiations on the EU's Multiannual Financial Framework for 2028-2034. The proposal revealed a deep rift between net contributors, net recipients, and the European Parliament.
- The Council of the EU reached preliminary agreements or negotiating positions on return policy, defense readiness, military mobility, and regulatory simplification.
- The Union opened the first negotiating cluster with Ukraine and Moldova; Montenegro closed two more chapters.
- Ireland's main task will be to find compromise on the budget, security, competitiveness, migration, and the future functioning of an enlarged EU.

Cyprus took over the presidency chair in January 2026 under the motto “Autonomous Union - Open to the World.” Its program focused on security and defense, competitiveness, energy, trade, social cohesion, European values, and preparation of the new Multiannual Financial Framework for 2028-2034. European policy increasingly emphasized the question of strategic autonomy: the ability to act more independently in defense, technology, energy, supply chains, and external relations.

Ireland, which assumes the leading role from July 1, 2026, builds on its predecessor’s agenda under the slogan “Strength with Unity.” The country has structured its program around three main pillars: competitiveness, values and security. It identifies reaching an agreement on the 2028-2034 Multiannual Financial Framework as its overarching priority: the budget that will determine the Union’s financial capacity for the next political cycle (Irish Presidency of the Council of the European Union, 2026). Cyprus prepared part of the negotiating terrain in the first half of the year; Ireland will have to move the talks into a politically decisive phase.

The handover of the presidency is not merely an institutional rotation between two member states. It is an opportunity to assess where the European Union has moved in the first half of 2026 and what disputes, priorities, and open questions it carries into the second half. The Cypriot presidency can be preliminarily evaluated as a period focused primarily on advancing complex legislative and negotiating dossiers. The Irish will face the task of translating this work into broader political consensus, especially in the areas of the budget, security, competitiveness, and the future direction of European integration.

What the Presidency of the Council of the EU Means

The institution of the Presidency of the Council of the European Union is one of the most visible instruments through which member states regularly participate in managing the European agenda. Each member state holds it for six months, during which it chairs most Council meetings, prepares the work program, sets the agenda, and represents the Council in relations with other EU institutions.

Its significance lies particularly in the ability to seek compromises among member states. The country holding the role is expected to act as an “honest broker,” a neutral mediator who tries to bridge differing positions and thus moves negotiations toward agreement (Council of the European Union).

Most of the agenda is inherited from the previous holder, EU institutions, and long-term legislative plans. Success therefore, cannot be measured solely by whether it introduces new topics, but primarily by whether it can advance work-in-progress documents, find a majority for compromise, and maintain continuity in European decision-making.

From this perspective, the handover from Cyprus to Ireland is important not only symbolically but also practically. Cyprus worked with the agenda of strategic autonomy, security, and other priorities in the first half of this year. Ireland will build on this with an emphasis on competitiveness, values, and security.

Cyprus: Autonomy as the Main Framework

With its motto, “Autonomous Union - Open to the World,” Cyprus captured the tension in which the European Union found itself in the first half of 2026. On one hand, the need grew to strengthen its own defense, technological, energy, and economic capabilities. On the other hand, the EU remained dependent on its ability to maintain partnerships and trade relations with neighboring regions.

Autonomy in the Cypriot conception therefore did not mean closing off from the world, but an effort to increase the Union's capacity to act with more resilience in an environment of growing geopolitical uncertainty.

A prominent element of the Cypriot presidency was the security perspective. The program emphasized defense readiness, EU-NATO cooperation, protection of maritime route, cybersecurity, hybrid threats, migration policy, and crisis resilience (Cyprus Presidency of the Council of European Union, 2026). These points corresponded to a deeper transformation in European debate, in which security ceased to relate only to military defense. The country's geographic and political experience also played a specific role. As a state in the Eastern Mediterranean, it emphasized the EU's southern region, relations with the Middle East, Gulf states, and the broader Mediterranean agenda. Cypriot priorities explicitly mentioned the New Pact for the Mediterranean, strengthening relations with southern partners, cooperation with strategic allies, and the importance of humanitarian and development policy.

The second line of the past half-year with competitiveness. Cyprus linked it to simplifying European regulation, supporting small and medium enterprises, the functioning of the single market, energy affordability, and digitalization. In this sense, the Cypriot presidency continued a broader European debate about whether the Union can reconcile high regulatory standards, green transformation, technological innovation, and industrial performance.

A crucial place in the program was also held by preparation of the Multiannual Financial Framework for 2028-2034. The EU budget is not merely a technical negotiation about the volume of funds and their distribution; it represents a test of how Brussels wants to finance new priorities without losing the capacity to support traditional policies such as cohesion and agriculture. Cyprus inevitably had to open a debate that will now continue under Ireland: how to align security, competitiveness, support for Ukraine, migration, climate adaptation, and social cohesion within a single financial framework.

The Presidency in Practice: Budget, Security, and Ukraine

The most visible point of the Cypriot presidency was the new EU Multiannual Financial Framework for 2028-2034. In June, the country presented a negotiating framework with specific figures and proposed a two-percent reduction from the European Commission's original proposal, approximately €32.8 billion—to €1.73 trillion (Cyprus Presidency of the Council of the European Union, 2026). The proposal was meant to serve as an initial compromise, but it immediately revealed the depth of the dispute. For some net contributors it was still too high, while the European Parliament considered it unambitious. Reuters quoted Dutch Finance Minister Eelco Heinen, who said it was a "no-go box" for the Netherlands, while European Parliament rapporteur Siegfried Mureşan criticized that the proposal sent a signal as if new European challenges required less, not more, common action. "We reiterate our call for a modest 10% budget increase to adequately finance both traditional and new priorities," he said (Strupczewski, J. 2026). Although the Cypriot presidency did not resolve the budget, it moved the debate from a general level to specific figures, thereby paving the way for Ireland.

Migration was the second strong agenda item. During the Cypriot presidency, the Council and the European Parliament reached a preliminary agreement on a new return regulation aimed at speeding up and streamlining the return of persons staying in the EU illegally. Return centers in third countries, expanded detention, and the question of protection against return to dangerous countries drew criticism from human rights organizations and the UN. "The return regulation will provide

the necessary tools to make returns more effective, thanks to faster and more efficient procedures," said European Commission President Ursula von der Leyen. Reuters noted that the reform represents a significant tightening of European migration policy and that France subsequently opposed return centers outside the EU (Ismail, A. 2026).

In the area of defense, Cyprus focused on practical reinforcement of European preparedness. The Council and the European Parliament reached a preliminary agreement on simplifying rules for the defense industry, public procurement, permitting processes, and cross-border cooperation. The package is intended to remove administrative delays and facilitate investment in defense capabilities. The Council also adopted a negotiating position on military mobility: "By strengthening coordination between the transport sector and our armed forces, we are turning ambitions into action and increasing Europe's readiness to face new challenges," said Vasilis Palmas, Minister of Defense of the Republic of Cyprus (Council of the European Union, 2026a). In both cases, Cyprus responded to member states' pressure for speed and simpler procedures while also having to preserve space for national competencies and the sensitive relationship between the EU and NATO.

Significant progress also occurred in EU enlargement. The first negotiating cluster was opened with both Ukraine and Moldova, covering the rule of law, fundamental rights, the functioning of democratic institutions, public administration reform, and economic criteria. "The commitments Ukraine is making today are also key to further progress in the accession process. Enlargement is not only a strategic opportunity for Ukraine but also a strategic investment in a stronger, safer, and more united Europe," said Marilena Raouna, Deputy Minister for European Affairs of the Republic of Cyprus (Council of the European Union, 2026b). For Montenegro, two more chapters were provisionally closed, bringing the total to 16 out of 33 negotiating chapters.

The Cypriot leadership can thus be evaluated primarily as a presidency of compromise texts. Its main outcome was not the conclusion of one major political agreement, but the advancement of a number of contentious dossiers to the next phase. Cyprus managed to prepare a concrete negotiating basis. At the same time, however, it merely passed on most of the biggest conflicts: especially the dispute over the shape of the future budget and the balance between migration control and rights protection.

Ireland: Unity as a Working Method

Ireland has built its program for the next six months on three main pillars: competitiveness, values, and security.

The first priority is competitiveness. Ireland links it to strengthening the single market, reducing the regulatory burden, supporting innovation, improving companies' access to capital, more affordable energy, and developing digital infrastructure. It emphasizes artificial intelligence, cybersecurity, submarine cables, and energy networks (Irish Presidency of the Council of the European Union, 2026). In this area, it builds on its predecessor in the presidency role, but will have to move the topic from individual compromises to a broader debate on how the EU can regain economic dynamism.

Dublin includes support for Ukraine, democracy, EU enlargement, and child safety in the values category. In practice, this will mainly concern whether the EU can combine geopolitical ambition with the credibility of its own rules. This will be particularly important for enlargement toward Ukraine, Moldova, and the Western Balkans, but also in debates on the rule of law, the online space, and protection of democratic institutions.

The third pillar is security. The Irish emphasize European defense readiness, military mobility, protection of critical infrastructure, as well as migration and return policy. Security here is not just

defense in the narrow sense, but the broader capacity of member states to protect their borders, infrastructure, economy, information space, and external political interests.

The most difficult task of the second half of the year will be the budget. The Cypriot presidency put the first concrete figures on the table, but in doing so also opened the dispute between net contributors, net recipients, the European Parliament, and member states with differing visions of the EU's future priorities. Ireland will have to find a compromise between financing traditional policies such as agriculture and cohesion and new demands for defense, competitiveness, aid to Ukraine, migration issues, energy, and technological sovereignty. The Irish presidency will therefore be less about formulating a new European agenda and more about the ability to bring together differing interests. Its success will be measured by whether it can turn work-in-progress compromises into a politically acceptable agreement.

Conclusion: Continuity, Not a Restart

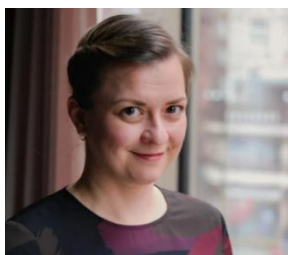
The change in leadership of the Council of the EU does not bring a transformation of the European agenda, but its next phase. Cyprus advanced a number of sensitive negotiations during its term – from the multiannual financial framework to migration and defence to competitiveness and EU enlargement. In most cases, however, these were not definitive closures of topics, but the creation of a foundation for further meetings. Ireland assumes the role at a moment when the main points are clearly identified, but political agreement on their implementation remains open. Dublin's success will not be measured by the number of new topics, but by the ability to bring existing ones to completion: to bring the budget agreement closer, maintain support for Ukraine, strengthen European defense and economic resilience, and at the same time preserve cohesion among member states.

The handover of the presidency from Cyprus to Ireland illustrates the current shape of the EU. The Union no longer addresses individual crises separately, but seeks a way to combine security, prosperity, values, and solidarity into one politically sustainable strategy.

Sources

- Ismail, A. (2026). EU parliament backs law allowing offshore detention centres. Reuters. Publ.: 17. 6. 2026. <https://www.reuters.com/world/eu-parliament-backs-law-allowing-offshore-detention-centres-2026-06-17/>
- Council of the European Union. <https://www.consilium.europa.eu/en/council-eu/presidency-council-eu/what-does-holding-the-presidency-of-the-council-of-the-eu-mean/>
- Council of the European Union, (2026a). Military Mobility: Council agrees its negotiating position. Publ.: 17. 6. 2026. <https://www.consilium.europa.eu/en/press/press-releases/2026/06/17/military-mobility-council-agrees-its-negotiating-position/>
- Council of the European Union, (2026b). EU and Ukraine open first accession negotiations cluster. Publ.: 15. 6. 2026b. <https://www.consilium.europa.eu/en/press/press-releases/2026/06/15/eu-and-ukraine-open-first-accession-negotiations-cluster/>
- Cyprus Presidency of the Council of the European Union, (2026). <https://cyprus-presidency.consilium.europa.eu/en/programme/priorities/>
- Irish Presidency of the Council of the European Union, (2026). <https://irish-presidency.consilium.europa.eu/en/programme/programme-of-the-irish-presidency/>
- Strupczewski, J. (2026). EU presidency proposes small cut to bloc's 2028-2034 budget to kick off negotiations. Reuters. Publ.: 11. 6. 2026. <https://www.reuters.com/business/eu-presidency-proposes-small-cut-blocs-2028-2034-budget-kick-off-negotiations-2026-06-11/>

Author



Irena Krcháková

In the past, she focused primarily on media studies and semiotics, and she is now expanding her horizons at the Faculty of Humanities at Charles University in the field of historical sociology. Her expertise includes domestic political issues, social and healthcare topics, and she is also involved in the defence industry, transportation, and energy sectors. She has extensive experience with international political agendas, including European topics, the European Union, U.S. politics, the UN, and NATO. Professionally, she has worked both in radio and Czech Television. In her free time, she most often engages in sports and spends time with her daughter.

Publisher



**INSTITUTE
FOR POLITICS
AND SOCIETY**

INSTITUTE FOR POLITICS AND SOCIETY

The mission of the Institute is to cultivate the Czech political and public sphere through professional and open discussion. We aim to create a living platform that defines problems, analyses them, and offers recipes for their solution in the form of cooperation with experts, politicians, international conferences, seminars, public discussions, and political and social analysis available to the whole of Czech society. We believe that open discussion with experts and the recognition of the causes of problems is a necessary presumption for any successful solution to the political and social problems facing society today.



Martinská 2, 110 00 Praha 1



+420 602 502 674



www.politikaspolecnost.cz/en



office@politikaspolecnost.cz