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**"Europe deserves more, and deserves better"**

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Let me start with some personal comments regarding the recent European elections. Increased turnout is one of their outstanding feature. Maybe reflecting an increased public awareness of the role of the Parliament. Certainly providing higher democratic legitimacy of the newly elected House. But there is more than the issue of sheer participation in the vote. The elections were more European in nature. It is true that local components were visibly present in the debate. Nevertheless, these elections were not about twenty-eight national stories. There were expectations directed by ordinary citizens toward the Union. Voters saw gains coming from the European integration. There was no doubt that people did not want Europe just survive on the old crumbs of past glory. They wanted Europe to live and deliver responses to their concerns. Across the Union, the same issues were put on the European agenda.

Also, despite loud anti-European narrative of a bigger number of anti-European candidates, I see a good chance to have a constructive, and engaged European Parliament with a solid, stable pro-European majority. To avoid creeping disagreements, disengagements and fragmentation will be a big challenge and a test for the pro-European majority.

I also have the impression that the elections gave an evidence that a network or open source democracy based on solidarity of various groups of stakeholders has become a canvass and a harbinger of a new European bottom up democracy that can push back populists. I think here of grass root movements, women, urban activists, climate activists, people from culture sector, youth. There is a chance the Union will be delivering its policies through this network democracy mechanism, modernising at the same time what is known as subsidiarity. This reinterpretation of democratic practice will go hand in hand with wider participation of local level in

shaping European policies. That might contribute to making European demos come into being, not, however, through the top down imposition of European identity, but through gathering people around concrete expectations, policies, and achievements.

Without Treaty change the formal role and competences of the Parliament in the EU will not be different from what we have now. The earlier perception that any Treaty change might be blocked by those member states where referendum for its approval is required seems to be replaced by the fear that with the rise of Eurosceptic and populist forces all over the EU, not only in Parliaments but also in governments, any reopening of the Treaties might increase the risk of shrinking the integration.

Some may therefore fear embarking on a process of Treaty change because for the first time in the Union's history Treaty changes could involve requests for less integration, or less competences for the EU as a whole and/or its institutions and bodies. At the same time, it is recognised across Europe that Member States need to cooperate better in a growing number of policy areas in order to face current challenges, be it migration, climate change, security, competitiveness or international trade. There are differences however as to the desired policy responses and the way to decide on those responses.

Let me comment now on the current work being done by European institutions, working hand in hand and preparing the agenda for the next legislature.

The Commission contribution to the informal EU 27 leaders' meeting in Sibiu, took stock of where the EU stands today, looking back on the Commission's priorities for the past legislature and made 5 policy recommendations for the Strategic Agenda of the European Council. These include a protective, competitive, fair, sustainable and globally influential Europe, while underlining the need for all institutions and bodies to be transparent and communicate effectively, in a process of listening to and engaging with citizens in a permanent dialogue. It list of challenges in respect of digitalisation, climate change and environment, demography and society and an increasingly multipolar world: It also identifies unfinished business MFF, reform of the common asylum system, online privacy, e- evidence and prevention of the dissemination of terrorist content online, Schengen area- preserving both security

and free movement, modern tax rules for a modern economy, European Deposit Insurance Scheme and the Backstop to the Single Resolution Fund, (8) access to safe drinking water, (9) reform of social security coordination and (10) international procurement instrument.

With regard to the above-mentioned recommendations for the new strategic agenda the Commission has paid in a detailed way attention in particular to:

- further steps to move towards a European Union Security Union and a European Defence Union,
- the role of research and innovation, the need for a modern industrial policy and boosting Europe-made and human-centric artificial intelligence.
- the central role of the single market
- deepening of the EMU, inter alia with the creation of a euro area budgetary instrument for convergence and competitiveness
- supporting the transformation of the European labour market and a modern and flexible regulatory framework for mobility and transport
- a modern taxation policy
- the rule of law and protecting fundamental rights
- delivery on the European pillar of social rights
- improvement of working conditions
- high-quality affordable and accessible healthcare
- quality, energy efficient affordable housing
- the UN's 2030 Agenda for Sustainable Development
- the fight against climate change and environmental degradation,
- the circular economy,
- maximising the Energy Union's potential
- the multilateral, rules based global order (UN) and multilateral trading system (WTO)
- the international role of the euro,
- the Western Balkans enlargement policy
- the Africa- Europe Alliance for sustainable investment and Jobs

The European Council's outline for the Strategic agenda adopted in Sibiu, identifies 4 overarching priorities:

- Protecting citizens and freedoms (divided into (a) ensuring our security, ( b) tackling migration challenges (c) safeguarding our democracies, (d) protecting our values and freedoms);

- Developing our economic base: the European model for the future (divided into (a) mobilising all relevant policies, (b) promoting a level-playing field, (c) investing in our future and (d) embracing the digital transition);

- Building a greener, fairer and more inclusive future (divided into (a) ensuring sustainable, secure and affordable energy, (b) preserving environment and climate, (c) promoting inclusiveness and (d) safeguarding our way of life); and

- Promoting Europe's interests and values in the world, (divided into (a) defending our interests, (b) projecting our values, (c) promoting global rules and (d) tackling global challenges),

While the Commission contribution to Sibiu contains an overview of the achievements of the past legislature and delivery on the EU's strategic agenda 2014-2019, with key figures and statistics, the European Council outline for the strategic agenda contains little detail. This has come with the Strategic Agenda adopted during the June European Council.

The Commission also sent a contribution to the euro summit on 21 June, taking stock of efforts to deepen EMU four years after the Five Presidents report, addressing main outstanding policy issues such as the common backstop for the single resolution fund; the next steps towards the establishment of a European Deposit scheme, outlining the design of a budgetary instrument for convergence and competitiveness for the euro area as part of the EU budget and taking forward work aimed to strengthen the international role of the euro. The eurogroup meeting of Thursday 13 June made progress with regard to some of these issues and reached a broad agreement on the main features of the budgetary instrument, revising the ESM Treaty to implement the political agreement reached in December 2018 and on

broadening the scope of discussions on a European deposit insurance scheme (EDIS).

Parallel, on the Parliament side leaders of four political groups of the European Parliament – EPP, S&D, ALDE/Renew Europe and Greens/EFA – agreed on a political process aimed at defining a common ambition for the next legislative period, to provide the basis on which they expect the upcoming President of the European Commission to commit in order to enjoy a broad and stable majority in the European Parliament. Five working groups were formed to speak about (1) Environment, climate change and other green issues, (2) Economic and fiscal policies, trade, (3). Digitalization, AI; (4) Rule of law, borders and migration and (5). Europe in the world.

At the end of June, the European Parliament is engaged in preparing its own contribution to the joint strategic agenda while at the same time negotiating internally its own constitutive framework, to be voted in the first week of July.

Agenda setting and institutional considerations are closely intertwined. Under the Treaties the European Council “shall provide the Union with the necessary impetus for its development and shall define the general political directions and priorities thereof”. Meanwhile the Commission “shall promote the general interest of the Union and take appropriate initiatives to that end”. Citizens are directly represented at Union level in the European Parliament and citizens vote for candidates to the European Parliament expecting them to deliver on the political programmes of the parties that they stand for. The European Parliament also has the competence and task to elect the President of the Commission and the link with the European elections in this process has been made explicit in article 17(7) TEU. The Spitzenkandidaten process, supported by several major European political parties, has further reinforced this link.

There are national politicians who question the Spitzenkandidaten process. But then it is worth asking whether it would not be strange if after elections to the European Parliament, in which citizens are called to vote for political parties that try to win over voters with a certain political programme, a new Commission would ignore the wishes of the electorate, represented in the European Parliament when presenting its political work programme for the legislature. Is it not logical that voters know from

the outset that if they vote for a certain candidates from certain political parties that these candidates will actually try to see through the programme of the party that she or he represents in the years to come? In other words, what would the elections to the European Parliament serve for if the programmes of the political parties forming a majority in the European Parliament and supporting the election of a candidate for the post of Commission President, were to be ignored and if the Commission (President) would try to set the agenda independently or following in particular the Strategic Agenda of the European Council?

It is a pity that the Spitzenkandidaten process is regarded mainly as a political power game between the European Council and the European Parliament and that its contribution to bringing the EU closer to its citizens or vice versa is not at the forefront of the debate.

Agenda setting should be seen as a shared task, as is also recognised in article 17 TEU. It stipulates that the Commission “shall initiate the Union's annual and multiannual programming with a view to achieving interinstitutional agreements”.

The IIA on Better Law-making of 2016 gives hands and feet to this article with provisions on interinstitutional programming. The three institutions have meanwhile gained valuable experience with interinstitutional annual programming priorities. The challenge is now to establish interinstitutional multiannual programming priorities when a new Commission takes office.

For such process , besides policy considerations, one should also take stock of the state of the debate on the Future of Europe and establish an interinstitutional dialogue on the different proposals made by the different institutions and Member States on the Future of Europe.

The European Parliament has been preparing its vision of the future agenda thorough numerous resolutions. After Parliaments resolutions of February 2017, the committee on constitutional affairs has continued its work and adopted a series of related reports on the State of the debate of the future of Europe, on differentiated integration, on enhanced cooperation, on EU citizenship, and on Parliament's

powers of political control over the Commission. These were voted in plenary in the beginning of 2019.

All these resolutions on the future of Europe look at ways to restore lost confidence and trust of citizens, enhancing transparency of decision-making and accountability of its institutions, agencies and informal bodies by strengthening cooperation among institutions, by improving the Union's capacity to act, by establishing new instruments, new effective capacities and by making decision-making processes more democratic.

Parliament emphasised that once the new Parliament and Commission are established, they should capitalise on the work done until now and work on the proposals that have been made. In these reports, Parliament has underlined, for example, the importance of the single institutional framework and the "Community" or "Union" method. In line with Parliament's demands, the Commission has put forward proposals to integrate the substance of the the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, as well as the European Stability Mechanism into the EU legal framework.

Parliament advocates the principle of Qualified Majority Voting (QMV) in Council and the use of the ordinary legislative procedure, where possible through the use of passerelle clauses. In this respect, the Commission presented four communications to strengthen decision-making powers through QMV in the areas of CFSP, EU tax policy, social policy and energy and climate policy. A number of Member States may be willing to look at such targeted proposals.

On the subject of differentiated integration, Parliament has pointed in particular to the possibilities offered by the Treaty provisions on enhanced cooperation, adopting also a report analysing the use made of the provisions on enhanced cooperation and how the process could be improved. It would be worthwhile discussing this further, especially in a situation where some Member States may wish to go further than others, while leaving the door open for the latter to join later.

The reports also discuss the relations with national parliaments and on a number of proposals there seems to be a convergence of views among the different actors. An

example here is the approach to possibilities for a green card mechanism and reforms to the Early Warning System (EWS) through a technical notification period within the EWS to allow more time for national parliaments to consider issuing a reasoned opinion on a draft legislative act.

There is also a convergence of views that the citizens' dialogues and consultations that were carried out over the last years were very useful and should become a regular feature. Proposals were made by the Presidents of the Committee of Regions and the President of the European Economic and Social Committee for a permanent mechanism and framing such mechanism in the programming cycles. These proposals deserve due attention. The IIA on Better Law-making also contains provisions ensuring that views from all relevant stakeholders are taken into account and the Commission has made great efforts to facilitate the means by which citizens and stakeholders can give input throughout the legislative cycle.

These issues are just a few examples of reforms to look at in the next legislature. Improving the democratic accountability of the EMU is certainly also a topic to discuss further and there are many others.

In the previous legislature the European Parliament invited heads of state or government to debate the future of Europe in plenary. This has permitted to take stock of the views of the different governments of Member States across the EU. It is now time to draw up an agenda for dialogue between the institutions for institutional reforms hand in hand with identified policy priorities.

A primordial issue for the Union is upholding the values of the Union, notably the rule of law. Without this there will be an erosion of trust and a lowering of solidarity between Member States, affecting even the fundamental achievements of the Union such as the Single market. Member States may very well underline the importance of unity in their strategic agenda and other documents but there will be no unity without trust. They should therefore have much more serious debates with certain governments than hitherto.

The political groups in the Parliament that are committed to upholding the Union's values and committed to the process of European integration are also well advised

to work together and find compromises throughout the legislature without having to rely on the accidental or not so accidental votes of those who do not hold the foundations of the Union very dear.

So where are we at the end of June regarding the constitutive framework of the Parliament?

The political negotiations are still ongoing. After the European Parliament Elections, seven political groups have been formed and there are two major left-outs still looking for their place ahead of the Parliament's inaugural plenary on 2 July.

- European People's Party has 182 MEPs, with Manfred Weber as its leader.
- Socialists and Democrats, with 153 MEPs, have chosen a new leader, Iratxe García of Spain.
- Renew Europe (former ALDE) has grown to 108 MEPs, with former Romanian Prime Minister Dacian Cioloş as its new leader. The group is now French-dominated and dropping the adjective "liberal" is not a coincidence. Cioloş' Romanian party PLUS is situated in the "centre, centre-right area".
- Greens/EFA has 75 MEPs with Ska Keller and Philippe Lamberts continuing as co-chairs. The Greens are clear winners of the elections, even if the "green wave" has not taken root in all EU states.
- Identity and Democracy (ID), replaces ENF (Europe of Nations and Freedom). ID is 73 MEPs strong, Marco Zanni is the group leader.
- European Conservatives and Reformists Group dropped to the sixth spot from third, mainly due to the Tories' bad election results in the UK. There are 63 MEPs with ECR. The group is dominated by Poland's Law and Justice (26 MEPs) and has a co-leadership with Ryszard Legutko and Raffaella Fitto.
- European United Left-Nordic Green Left or GUE/NGL is a group of 41 MEPs, a down from 52 in the outgoing Parliament, mainly due to losses in Czech Republic, Italy and the Netherlands. The group was expected to decide on its leader on 27 June.
- Currently, the first of the two big national parties without a Parliamentary group is the British Brexit Party (29 MEPs), and the Italian Five Star Movement (M5S) with 14 MEPs.

What can we expect?

The four centrist groups (EPP, S&D, RE and the Greens) are negotiating a coalition agreement. It is an important development in the process of building European democracy, an attempt to build a common agenda of the government first. Unsurprisingly, it does not prove to be easy.

I mentioned at the beginning of my introductory remarks that we witnessed for the first time in 40 years a rise in the participation rate with 51% of the voters turning to vote in these European elections. This is good news for Europe.

I was also trying to convince you that populists did not see such big gains as initially predicted. Therefore, they will not have a decisive role in shaping the agenda, even if their position could lead to delays in the decision-making. In fact, the rise of nationalist parties has created the first real possibility in the coming legislature for a more transnational debate about the future of Europe.

The third positive outcome, linked to the second one, is that many Europeans voted in favour of Europe. Voters may have showed some disenchantment with traditional politics and cut down the seats of the two biggest political groups in Parliament (EPP and S&D) with 69 seats but they are still largely backing pro-European parties, even if they may be looking elsewhere than the traditional centrist block.

Let me now refer to some of the challenges to Parliament's functioning and working methods that we now face.

Due to its new and more diverse composition, Parliament will have to find new working methods to make its functioning smooth and efficient even when finding compromise might be more challenging than ever. Inevitably, the more profound internal division is likely to lead to slower decision-making. However, political diversity means that our democracy is functioning, that our citizens' concerns are being heard and that their preferences will be reflected in the legislative process.

The new composition of Parliament will also bring forward a new discourse in Parliament and focus the rhetoric on some of the topics most used by populists which at the same time happen to matter strongly for Europe. I think here of

migration, terrorism and other security concerns; unemployment and welfare, international trade, and globalisation. We could expect to see more lively debates than in the past and much more confrontation during the 9th legislative term. This should not necessarily be seen as totally negative. A more heated debate will put Parliament into the spotlight and attract the attention of citizens.

As for the future role of the European Parliament, in the short run, Parliament will firstly have to defend and consolidate its role in the election of Commission President. The Spitzenkandidaten process gives citizens a more visible link between their vote and the nomination of the Commission president. This is the reason why Parliament in majority insisted that it should be continued also this time around. However, this time the Spitzenkandidat needs to gather a majority in a more diverse Parliament than ever.

Parliament will have to find a way to work efficiently and to the benefit of citizens in its new composition. We will see shortly who will fill the void now that the “grand coalition” lacks an absolute majority but most importantly we have to see how to ensure that Parliaments continues to be functional in order not to delay or stall legislation, which is key for citizens.

It will be interesting to see whether the changes in the standing of different political forces in the EP will imply a more confrontational settlement and whether, for instance, the traditional use of the politically blind instrument which is D’Hondt method to allocate posts in the Parliament between the political groups will be applied as until now.

In this process, Parliament will also have to take into account the role of the MEPs elected in the UK, which might have to leave before the end of the legislative period, while fully respecting that they are, until they leave, full MEPs with the same rights and obligations as any other MEPs.

In the long run, Parliament’s role in the legislative process will remain unchanged as governed by the Treaties but its functioning may be significantly different than in the 8th parliamentary term.

But, the role of EP may also change, should some modifications be introduced, for instance, in the governance of the eurozone. Institutional changes may happen even without changes to the treaty - which seems not very realistic in the near future - if there is political will.

Just as a reminder, one of the open questions of the last legislature was how to function in a scenario where a real budget for the Eurozone would be created with specific own resources allocated to it. Should only MEPs coming from MS which participate in that process vote on the matter? Should there be a special committee composed only from MEPs elected in those Member States with the plenary having a sort of confirmation/rejection procedure).

The EP's role in the Eurozone area could also be strengthened on the basis, for instance, of an interinstitutional agreement with the Council and the Commission enhancing its participation in the European Semester, or should a new instrument, conceived as a Code of Convergence, adopted under codecision procedure, be created.

The challenges we are facing are many and profound but with the necessary ambition and political will can be turned around to make them work in favour of a stronger Europe.

The 9th legislative term might bring more fragmentation in Parliament but this does not mean that the legislative process will necessarily be stalled. What is sure is that we, the pro-Europeans, will have to be more united and cooperative than ever, as the formation of larger coalitions would be required to ensure Parliament's proper functioning and the proper functioning of the democratic process in Europe.

Those who want to bring Europe forward should be more united than ever and this is true not only for Parliament, but also for the Commission and Council.

We need to combat fear with building trust: To rebuild trust, European citizens need to be more engaged in the European project. In addition to creating a more attractive European narrative and improving government service delivery, Europe may aspire to better engage citizens in policy-making decisions.

We need to strengthen the European public space as a supranational democratic space as the major challenges Europe is facing must be addressed and discussed from a European perspective and not from a national perspective only.

Europe deserves more, and deserves better. It remains a chapter in history to be written. European integration is a human process that very much depends on those who make the effort to conceive and implement it, and we should encourage citizens to assume a key role in it.

Democracy is based on a sense of belonging to a community of shared values and Europe has and will always share the same values.

Europe of the future should deliver on citizens' demands - the results of the Commission's online consultation show that European citizens are most proud of Union's actions when it comes to its external dimension, the reception and integration of migrants and environmental protection; therefore, we should continue to make citizens proud of their Europe and deliver in the areas of greatest importance for them.

And we should always keep in mind that given the nature and dimension of the current challenges these can only be solved by working together and through greater and better integration and solidarity among Member States exploiting to the full extent the current provisions of the Lisbon Treaty and, subsequently, reforming the Treaties in order to improve institutional decision-making and ensure the appropriate balance of competences.