When member states are divided, how do we ensure Europe is able



At the European Council, leaders give their strategic guidance on many key foreign policy issues, from our relations with China, the conflict in Nagorno-Karabach and the poisoning of Aleksei Navalny [link to European Council conclusions:

https://www.consilium.europa.eu/en/press/press-releases/2020/10/01/european-council-conclusions-on-external-relations-1-october-2020/]. On the Eastern Mediterranean, we will pursue dialogue with Turkey on outstanding issues. And European leaders tasked me to organise a multilateral conference which could address issues on which multilateral solutions are needed, including maritime delimitation, security, energy, migration and economic cooperation. We clearly prefer the path of constructive relations but the political line is clear: in case of renewed actions by Turkey that breach international law, the EU will use options at its disposal.

One big decision that leaders took was to finally impose sanctions on Belarus. There is no point denying that this decision took a long time: almost two months have passed since the rigged Presidential elections. Many observers and commentators have pointed out [link NY Times; https://www.nytimes.com/2020/09/24/world/europe/europe-sanctions-belarus-cyprus.html that divisions among member states were hampering our collective ability to take a stand, even on issues that are core to the EU's founding principle. In short, our credibility was at stake.

As long as the EU has been working on developing a

common foreign policy, it has had to deal with this kind of splits. From the break up of Yugoslavia, to the Middle East Peace process, the war against Iraq in 2003, the independence of Kosovo or Chinese actions in the South China Sea.

This is of course not the first time that we experience divisions. As long as the EU has been working on developing a common foreign policy, it has had to deal with this kind of splits. From the break up of Yugoslavia, to the Middle East Peace process, the war against Iraq in 2003, the independence of Kosovo or Chinese actions in the South China Sea: there have been many examples where divisions among member states have slowed down or paralysed EU decision-making, or emptied it of substance.

The underlying reasons are not hard to state: history, geography, identity. Member-states look at the world through different prisms and it's not easy to blend these 27 different ways of defining their national interests into a united, common European interest. Having been Minister of Foreign Affairs of Spain I have sat at both sides of the table. And I know all too well that in the Council we discuss a common EU line, but as soon as we get home, minister focus above all on conducting their national foreign policy, with their own priorities and red lines.

The real question is what to do about this. For me it is clear that the main long-term answer lies in the creation of a common strategic culture: the more Europeans agree on how they see the world and its problems, the more they will agree on what to do about them. That is in part what we intend to do with the work on a Strategic Compass. But all this is a long-term process. And in the meantime, we have to be able to take collective decisions, on tough issues, in real time.

And this brings us to the question of *how* we take decisions on foreign policy. For decades we have agreed that foreign and security policy must be decided by unanimity, with every country holding a veto. In foreign policy we work a lot with so-called discrete instead of continuous variables. This means many of our decisions are binary in nature: you either recognise a government or not, you launch a crisis management operation or not. And this leads to a lot of blockages and paralysis. In the same way, there are other important policy fields such as taxation or the multi-annual EU budget where the unanimity requirement has also created serious difficulties to find adequate solutions.

The contrast here is with those areas of the EU, from the single market to climate to migration, where the EU can take decisions by qualified majority (55% of member states and 65% of population). And crucially, market rules or climate targets are not secondary issues of lesser sensitivity. Indeed, big national interests at stake, which often clash just as much as in foreign policy.

What matters in the EU is not how a discussion begins; what matters is how it ends.

Moreover, it is striking that even in the areas where the EU can take decisions by QMV, it mostly doesn't. Why? Because the ethos of the club is to work for compromises, something everyone can buy into. But for this, all member states need to move and invest in unity. Simply sitting on one's position creates blockages. And in this specific sense, having the QMV option is important: not to use it but to create an incentive for member states to move and search for common ground. This is how, outside foreign policy, the EU can take decisions on important topics with big interests at stake, even if member states are divided. What matters in the EU is not how a discussion begins; what matters is how it ends.

Right at the start of my mandate I argued that if, in foreign policy, we want to escape the paralysis and delays of the unanimity rule, we ought to think about taking some decisions without requiring the full unanimity of 27. And in February when we were blocked on the launch of Operation Irini to police the arms embargo on Libya, I raised the question at the Munich Security Council [link:

https://securityconference.org/mediathek/asset/panel-discussion-eurovision-contest-a-europe-that-projects-20200216-1225/] how reasonable it is for one country, which would anyway not participate in the naval operation because it lacks a navy, to prevent the other 26 from moving forward.

Let's be clear: we will not have majority voting across the board. But one could limit it to aspects where we have been frequently blocked in the past — sometimes for completely unrelated reasons — such as human rights statements or sanctions. In her State of the Union

[https://ec.europa.eu/info/strategy/strategic-planning/state-union-addres...], President Von Der Leyen repeated this proposal (it was actually the line in her speech that attracted the largest amount of applause).

Since then, there has been renewed debate on the merits and risks associated to this idea. For instance, the President of the European Council has warned [Bruegel speech:

https://www.consilium.europa.eu/en/press/press-releases/2020/09/28/l-autonomie-strategique-europeenne-est-l-objectif-de-notre-generation-discours-du-president-charles-michel-au-groupe-de-reflexion-bruegel/] that dropping the unanimity requirement would risk losing the legitimacy and buy-in that is needed when it comes to implementing any decisions. This is without any doubt, an important issue. Others [Luuk van Middelaar in NRC: https://www.nrc.nl/nieuws/2020/09/29/van-afschaffing-vetos-wordt-de-eu-niet-geopolitieker-a4014102] have pointed to the fact that the national veto is an 'insurance policy or emergency brake' to protect especially the ability of small countries to defend their core national interests (larger member states may not even need the veto to protect their core national interests).

Abandoning the unanimity rule would not be a silver bullet. But we need to create the right incentives for member states to come together. Just appealing to the need for unity is not enough.

I welcome this debate. I am clear that abandoning the unanimity rule would not be a silver bullet. But we need a discussion on how to create the right incentives for member states to come together. Just appealing to the need for unity is not enough. Which decisions we make and how credible they are, depends crucially on how we make them.

Going forward, some possibilities seem pertinent to me, to be evaluated and discussed:

Maybe it could be better, sometimes, to accept to issue a quick statement at 25 with good substance than wait for several days and come with a lowest common denominator statement at 27?

Maybe it is also better to think not mainly in terms of introducing QMV but also of 'constructive abstention'? This was a possibility introduced to enable a country to abstain without blocking the Union from moving forward. For example, this was how the EULEX mission in Kosovo was launched in 2006.

And finally, as we are certainly not going to abandon unanimity across the board, could we define areas and tools and instruments where it could make more sense to experiment (for example sanctions, statements, demarches) and, if so, with what kind of safeguards?

I hope that in the weeks and months ahead, for example in the framework of the Conference on the Future of Europe, we can debate the pros and cons of these options, knowing that there is a great and urgent need for the EU to protect its capacity to act in a dangerous world.

<u>Press release — EU budget talks: press</u> <u>conference by EP negotiators on state</u> <u>of play</u>



The members of the Parliament's <u>negotiating team on the Multiannual Financial Framework (MFF) and Own Resources (OR)</u> will hold a press conference on the outcome of the sixth round of talks with Council and Commission, scheduled for Monday morning.

After the fifth round (on 28 September) of the trilateral talks to find an agreement on the next MFF 2021-2027 and new Own Resources (EU revenue), which started on 27 August, Parliament is still waiting for a viable offer from Council, for example on top-ups to 15 flagship EU programmes. Parliament has already made major concessions and is committed to a quick, and good, agreement. The MEPs will give a progress report on Monday afternoon and reiterate Parliament's priorities.

The EP's negotiating team for the next long-term EU budget and Own Resources reform

Johan Van Overtveldt (ECR, BE), Chair of the Committee on Budgets

Jan Olbrycht (EPP, PL), MFF co-rapporteur

Margarida Marques (S&D, PT), MFF co-rapporteur

José Manuel Fernandes (EPP, PT), Own Resources co-rapporteur

Valérie Hayer (RENEW, FR), Own Resources co-rapporteur

Rasmus Andresen (Greens/EFA, DE)

Follow them on Twitter: https://twitter.com/i/lists/1205126942384676866?s=20

Journalists are welcome to attend the press conference in person, respecting the precautionary measures in force (see below), or participate remotely.

Parliament will be using an interactive virtual press environment (with interpretation) based on Skype TX, in conjunction with the traditional <u>EbS</u> and <u>web-streaming services</u>.

If you are unable to attend and wish to ask a question:

- You will need a SKYPE account.
- Connect to VOXBOXEP and write your name and media organisation in the chat box

Please use headphones and a microphone for better sound quality.

The system will be managed by Parliament's media services and you will be placed in a queue (virtual waiting room) before being invited to ask your question(s).

If you have any trouble connecting, you can contact: +32 22834220 or use Skype chat box.

After asking a question / listening to the reply (and any follow-up), you should then disconnect from Skype so that the next journalist in line can be connected to the press briefing room.

You only need to connect through Skype if you wish to ask a question.

• You can follow the briefing LIVE on EP MMC or EbS.

REMINDER: working conditions in Parliament for journalists in light of Coronavirus

It is mandatory as of 13 May to wear a community mask that covers the mouth and nose at all times while in Parliament's buildings. This is to continue to ensure Parliament's operational capacity, while at the same time avoiding health risks for Members, staff and other persons working in and visiting the European Parliament. In addition, as of Monday 15 June, temperature controls will be carried out on all persons entering Parliament's premises.

However, journalists may remove their mask for the duration of a recording (stand-ups, interviews, studio recordings) or asking a question in the press room. if the social distancing measures are respected. The press room on the ground floor (Paul-Henri Spaak building) is also now open again for those who need to work from Parliament, though social distancing rules remain in force.

Please refrain from coming to EP premises if you present any symptoms of a respiratory infection, if you have knowingly been in contact with an infected person in the last 14 days or if you have been to regions with very high transmission rates.

Press release — Hearing of Executive Vice-President Valdis Dombrovskis on trade portfolio



Mr Dombrovskis announced "a launch of a WTO trade and climate initiative, focusing on green goods", acknowledging that "today, trade is about much more than just trade". He intends to reshape the EU's future trade policy to make it more sustainable, including in the Mercosur trade agreement where the EU must "find lasting solutions for the Amazon region" before its ratification.

"Europe needs to become more assertive", he said, adding that EU's trade partners using unfair practises will be met with new tools, including a new anti-coercion mechanism- if needed, even against the United States. With China, Mr Dombrovskis seeks to conclude the <u>investment agreement</u> now under negotiation while ensuring that the trade relationship is "restructured to be reciprocal, balanced and fair".

Enforce sustainable trade deals in practice

MEPs welcomed the planned new trade defence measure but also emphasised that the EU's tools must be sharp enough to ensure that "existing trade agreements don't only work on paper but in practice, too." On Transatlantic trade relations, some MEPs asked for the EU to prepare for the WTO judgment to impose USD4 billion worth of tariffs on US goods in the Boeing case.

Several MEPs called for a trade policy linked closely to the <u>Green Deal</u> and the Sustainable Development Goals, and a long-awaited proposal on enforcing sustainable development chapters in trade agreements through sanctions. Several MEPs expect a new trade commissioner to ensure the Mercosur deal is environmentally sustainable and to protect the respect for human rights in the investment deal with China.

MEPs asked the candidate about obligatory due diligence for companies to ensure sustainable supply chains, which Mr Dombrovskis pledged to propose. Other MEPs wanted to know about future steel safeguards against dumping on the EU market and prospects for an EU-UK trade deal.

You can watch the video recording of the <u>full hearing here</u>.

Next steps

Based on the committees' recommendations, the Conference of Committee Chairs will assess the outcome of the hearing and forward its conclusions to the Conference of Presidents. The latter will carry out the final evaluation on 6 October and decide if the hearing can be concluded. If so, the plenary will vote on whether or not to approve the portfolio change on 7 October, in Brussels.

Press release - Hearing of Commissioner-designate Mairead McGuinness



During her introductory speech, Ms McGuinness told MEPs that her guiding priority would be to put people front and centre of the roll out of the EU's financial services architecture. The financial system must be used to underpin a more inclusive society. Ms McGuinness also said she would prioritise lending to the real economy, especially SMEs.

MEPs were also keen to sound out Ms McGuinness on these priorities in more detail. Many also asked her to commit to going further with legislation aimed at incentivising investments beneficial to the climate and the environment.

Capital markets union, banking union, and anti-money laundering

Many MEPs asked the Commissioner-designate how she planned to give new impetus to the completion of the capital markets union and the banking union, with a number of them warning that the obstacles laid down by some member states risked paralysing the whole process.

A number of MEPs also asked about the next steps that Ms McGuinness would take to tackle money laundering more efficiently, including on when exactly she would attempt to propose new legislation.

MEPs also raised the topics of Brexit, gender mainstreaming in the financial sector, crypto currencies, and taxation, among others.

Next steps

Based on the committee's recommendations, the Conference of Committee Chairs will assess the outcome of the hearing and forward its conclusions to the Conference of Presidents. The latter will carry out the final evaluation on 6 October and decide if the hearing can be concluded. If so, the plenary will vote on whether or not to approve the Commissioner-designate on 7 October.

Article - Coming up in plenary: Commission changes, rule of law, climate targets



Commission changes

Parliament votes on Wednesday on the appointment of Mairead McGuinness as commissioner for financial services, financial stability and the Capital Markets Union and on the allocation of the trade portfolio to Commission Executive Vice-President Valdis Dombrovskis. The plenary vote comes after hearings of Ms McGuinness and Mr Dombrovskis organised by parliamentary committees on 2 October.

Rule of law

MEPs will propose on Wednesday a new mechanism to protect democracy, the rule of law and fundamental rights across the EU. The mechanism should build on

existing tools such as the Commission's annual rule of law report, but should be broader in scope and include specific recommendations to EU countries with timelines and targets for implementation.

In a separate debate on Monday with the Council and the Commission, MEPs will discuss links between rule of law and the EU budget. Parliament has argued <u>in the negotiations on the 2021-2027 budget</u> that countries in breach of the rule of law should see their EU funding reduced or suspended.

Climate and forests

Parliament will set out its position on Wednesday on the European climate law, which translates <u>EU ambitions for climate neutrality</u> into binding clauses. The draft report by the environment committee calls for a 60% reduction in emissions by 2030 compared to 1990 and states that all EU countries should reach net zero emissions by 2050.

The future EU forest strategy — due to be presented early next year — will be debated on Tuesday. Meanwhile in a resolution on Wednesday, MEPs are expected to call for measures to bolster the resilience of forests to fires, floods and pests.

EU summit

On Tuesday morning, Council President Charles Michel will present the outcome of the EU summit of 1-2 October. In <u>remarks to EU leaders at the beginning of the summit</u>, Parliament President David Sassoli stressed the need for a Europe that meets people's expectations and said Parliament is not obstructing the budget negotiations.

Bulgaria

MEPs will discuss the rule of law and fundamental rights situation in Bulgaria following protests and allegations of corruption against the government. A <u>resolution</u> on the subject is set to be voted on on Thursday.

Crowdfunding

Crowdfunding allows small businesses and start-ups to raise money and is an alternative to bank lending. Parliament will vote on Monday on rules that would protect investors and allow crowdfunding platforms in the EU to operate more smoothly across borders.

Women on management boards

In a debate on Monday, MEPs will discuss with the Council and the Commission

the lack of progress on a legislative proposal that would require at least 40% of corporate board members to be women. Member states in the Council have not been able to reach an agreement on the proposal for a number of years.