

European Union, 2019

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Institutionally, the EU turned the page in 2019 with a scheduled change in top positions taking place in a number of EU institutions, including the European Commission and the European Council, as well as the European Central Bank (ECB). Uncertainty and parliamentary paralysis continued to reign throughout the year in Brexit-obsessed Britain until a general election on 12 December delivered a commanding victory for Prime Minister Boris Johnson and clarity for the EU27. In a year dominated by millions of young people and adults ‘school striking for the climate’ each Friday in Europe and around the world, Ursula von der Leyen, the new President of the European Commission, captured the zeitgeist, unveiling her ambitious roadmap to make the EU a global role model and leader in addressing the climate crisis.

Institutional developments

On 1 January Romania took over the rotating presidency of the Council of the EU, supported by Finland and Croatia. The focus of the Romanian presidency was on four key areas:

- i. Europe of convergence;
- ii. a safer Europe;
- iii. Europe as a strong, global actor;
- iv. Europe of common values.

On 1 July Finland took over the rotating presidency, supported by Romania and Croatia. The priorities of the Finnish government were to:

- strengthen common values and the rule of law;
- make the EU more competitive and socially inclusive;
- strengthen the EU's position as a global leader in climate action;
- protect people comprehensively.

European Parliament: May elections

At 51 per cent, turnout in the European Parliament (EP) elections was the highest in forty years. The vote yielded a more fragmented Parliament. The traditional duopoly of the centre-right European People's Party (EPP) and the centre-left Socialists and Democrats (S&D) came to an end. Both political groups remain the largest in the EP but, for the first time since the advent of direct elections in 1979, they ceased to command a majority of seats together.

The pro-EU centre continued to hold, owing to a significant surge in support for the liberal group now renamed 'Renew Europe' with the addition of MEPs from the political movement of French President Emmanuel Macron. The liberal Renew group thus emerged as the indispensable third partner in any pro-EU coalition. The Greens did particularly well in Germany, France, Finland and Luxembourg, as well as in Ireland and the UK, though they won no seats in southern or eastern Europe.

The feared surge of populists and nationalists on a Eurosceptic platform did not materialise. They made modest gains only, though they did particularly well in Italy where Matteo Salvini's Lega doubled in size while Luigi Di Maio's Five Star Movement imploded.

As the Brexit deadline was extended (for a second time) to 31 October 2019 the UK – as an EU member state – was legally obliged to contest the European elections and put forward candidates. The election results duly reflected the polarisation of British politics centred on the Leave/Remain divide. The twelve-week-old Brexit Party, led by Nigel Farage, came first with 32 per cent of the vote, winning thirty seats. The Brexit Party MEPs sit as non-aligned or independent members. In December four Brexit Party MEPs, including Annunziata Rees-Mogg, left the Brexit Party in order to campaign for the Conservative Party in the general election. However, they did not quit their MEP seats as the EP must vote in favour of any

Brexit deal. The anti-Brexit parties performed well. The Liberal Democrats won seventeen seats while the Scottish National Party and the Greens together won ten seats. The Conservatives, as predicted, lost heavily, returning only four MEPs. The Labour Party saw its number of MEPs halved.

Reflecting a new trend where European elections are seen to impact upon national politics, Greek Prime Minister Alexis Tsipras called a snap election after his left-wing Syriza party did very poorly.

As of 1 October 2019 the number of MEPs in each political group was as follows:

European People's Party (EPP)	182
Socialists and Democrats (S&D)	154
Renew Europe (RE)	108
Greens/European Free Alliance (Greens/EFA)	74
Independence and Democracy (ID)	73
European Conservatives and Reformists (ECR)	62
European United Left/New Green Left (GUE/NGL)	41
Non-aligned	54

As of December 2019 the Spanish authorities had yet to notify the EP of the three MEPs elected to seats in Catalonia. For this reason, there were 748 MEPs instead of 751.

European Council chooses nominees for top positions

On 2 July the European Council announced its nominees for top positions in the European Council and the European Commission, including its President and Vice-President/High Representative for Foreign Affairs and Security Policy, as well as the President of the ECB.

European Council

The heads of state or government chose Charles Michel as its new president. Michel, a Belgian liberal who served as his country's prime minister from 2014 to 2019, took up his post on 1 December. He will serve a term of two and a half years, renewable once.

European Commission

As there was no majority in the European Council for any of the EP's 'lead candidates' or '*Spitzenkandidaten*' for the presidency of the

European Commission, a surprise nominee emerged. Suggested by French President Emmanuel Macron, Ursula von der Leyen, a German Christian Democrat and a political ally of Angela Merkel, the German Chancellor, was chosen by the European Council as Commission President designate. A member of the Federal German government since 2005, von der Leyen (or VDL as she is sometimes known) has an academic background in economics and medicine. A mother of seven, von der Leyen is the first woman to head the EU's political executive and only the second German national since Walter Hallstein (1958–67). The EP 'elected' or formally voted on von der Leyen as Commission President on 16 July. Born in Brussels to German parents, von der Leyen is widely regarded as a skilled and polished communicator in three languages (German, French and English).

The European Council also chose Josep Borrell, a Spanish socialist, as the Commission Vice-President and High Representative for Foreign Affairs and Security Policy. A former Spanish foreign minister, Borrell was President of the EP from July 2004 to January 2007.

European Central Bank

The European Council chose Christine Lagarde, former head of the International Monetary Fund, as President of the ECB. Lagarde was recommended by Ecofin, the Council for Economic and Financial Affairs, and decided upon by the European Council after consulting the EP and the ECB's Governing Council. Lagarde is the first female President of the ECB.

On 22 March Philip Lane, then governor of the Irish Central Bank, was appointed by the European Council to serve on the executive board of the ECB.

EP elects the College of European Commissioners

In September each of von der Leyen's commissioners underwent three-hour public hearings at the EP. Three nominees (from France, Hungary and Romania) failed to impress MEPs and were duly replaced, reflecting the political reality that the vetting exercise is anything but a formality. During its plenary session in November the EP 'elected' or formally voted to confirm the new College of Commissioners, which then took up office on 1 December, one month later than anticipated. It is the most gender balanced in its history,

with no fewer than twelve female commissioners, including its president. Phil Hogan, serving his second term as a European commissioner, is responsible for the Directorate-General for Trade and will oversee trade negotiations with post-Brexit Britain.

The college took office without a British member as British Prime Minister Boris Johnson refused to name a nominee for it. On 14 November the Commission initiated infringement proceedings against Britain for non-compliance with its treaty obligations as a member state.

Chief among the policy priorities of the new geopolitical Commission is to make the EU a global leader in addressing the challenges of principally the climate crisis and digitalisation. The von der Leyen Commission has six policy guidelines in all, namely:

- i. a European Green Deal;
- ii. an economy that works for people;
- iii. a Europe fit for the digital age;
- iv. promoting our European way of life;
- v. a stronger Europe in the world;
- vi. a new push for European democracy.

In December, as President of a geopolitical Commission, von der Leyen made her first foreign trip to Ethiopia and announced a €170 million package to help support the country's reform measures.

Treaty of Aachen – France and Germany renew their ties

On 22 January, fifty-six years to the day after the Élysée Treaty of Friendship and Reconciliation was signed between General Charles de Gaulle and Konrad Adenauer in the Élysée Palace, Emmanuel Macron and Angela Merkel signed the Treaty of Aachen to facilitate wide-ranging cooperation between their two countries in the fields of culture, education, research, mobility and climate protection. The Élysée Treaty cemented the Franco-German relationship, creating routine bilateral contacts between the two countries' governments at all levels in the areas of foreign affairs, defence, culture, education and science.

Widely seen as an exercise in updating the Élysée Treaty, the backdrop to the Aachen Treaty was the numerous challenges confronting the EU, including the rise of nationalist and populist political parties on a Eurosceptic platform, Brexit and the upcoming European elections. Key elements of the Aachen Treaty include:

- ramping up military and security cooperation;
- French backing for Germany's campaign for a seat at the UN's Security Council;
- harmonising the French and German economies;
- reinforcing cultural and cross-border ties;
- creating a Franco–German parliament.

Legislation highlights

On 26 March the EP approved the Copyright Directive. The directive seeks to ensure adequate protection for authors and artists while opening up new possibilities for accessing and sharing copyright-protected content online throughout the EU. As a consequence, US tech giants like Google will have to negotiate licensing agreements with rights' holders – e.g. record companies, collecting societies and media companies – to publish their content on YouTube and Google News. Formal approval by Council followed in April. Member states have twenty-four months to transpose the directive into national law. On 15 May phone calls and text messaging costs fell further. A new maximum price applies to all international calls and text messages within the EU. The new measures apply to private customers only, not business customers.

The Sibiu Summit and Declaration

Following on from the Bratislava Declaration on 26 September 2016 and the Rome Declaration of 25 March 2017, on 9 May the EU27 heads of state or government met in Sibiu, Romania, to agree commitments in what became known as the Sibiu Declaration. The EU27 national leaders adopted ten policy priorities or commitments which they undertook to fulfil in the coming months and years. In the Sibiu Declaration member states pledged the following:

- i. defending Europe – from east to west and from north to south;
- ii. staying united, through thick and thin;
- iii. always looking for joint solutions;
- iv. protecting the European way of life, democracy and rule of law;
- v. bringing the Union closer to its citizens;
- vi. reducing disparities (among Europeans);
- vii. providing the Union with the means to achieve its objectives;
- viii. safeguarding the future of the next generations;

- ix. protecting EU citizens;
- x. being a responsible global leader.

Subsequently, at its meeting of 20–21 June the European Council adopted the 2019–24 Strategic Agenda, which was the culmination of the Future of Europe debate and its conclusion. This document sets out the EU's political priorities for the next five years and is organised around four headings covering five policy clusters:

- i. protecting citizens and freedoms (Cluster 1: Freedom, security and justice policy cluster);
- ii. developing a strong and vibrant economic base (Cluster 2: Economic policy cluster);
- iii. building a climate-neutral, green, fair and social Europe (Cluster 3: Social and employment policy cluster, and Cluster 4: Energy and climate policy cluster);
- iv. promoting European interests and values on the global stage (Cluster 5: Global policy cluster).

Trade deals

After some twenty years, EU–Mercosur negotiations finally concluded. On 28 June the EU and Mercosur (comprising Argentina, Brazil, Paraguay and Uruguay) signed the largest trade deal in the EU's history. It is estimated to save European companies more than €4 billion in trade duties per annum. The EU together with Mercosur is made up of some 78 million consumers. Once implemented, the deal could potentially eliminate 99 per cent of agricultural and industrial tariffs on both sides, facilitate exchanges in services and government procurement, reduce technical barriers, and affect sanitary and phytosanitary measures and intellectual property.

On 30 June the EU and Vietnam signed a long-awaited free trade agreement that seeks to slash duties on almost all goods traded between them.

On 21 November the EU–Singapore free trade agreement entered into effect. Singapore agreed to remove all remaining tariffs on EU products. Technical and non-technical barriers to trade in goods were also removed in such sectors as electronics, motor vehicles and vehicle parts, pharmaceuticals and medical devices, and renewable energy, as well as raw and processed products of animal origin.

Such deals came amid international trade tensions, in particular between the US and China. In Brussels they were seen as part of an effort to push back against a rising tide of global protectionism.

Brexit: Polarised politics, divided nation

Turmoil and chaos at Westminster continued throughout the year as a divided House of Commons, reflecting a divided nation, struggled to move forward with the vexed issue of Brexit. This had become a toxic issue for both the Conservative Party and the Labour Party, leading to defections from their benches. Meanwhile, the unity of the EU27 remained robust, evolving from principle to established practice.

While many MPs were prepared to back Brexit (albeit reluctantly in the case of some), there was no clear parliamentary majority in favour of what form Brexit should take. Prime Minister Theresa May's minority government failed three times to secure a parliamentary majority in favour of her Withdrawal Agreement Bill (WAB). The Withdrawal Agreement covered the exit terms of the UK's departure, chiefly the 'divorce bill', citizens' rights and arrangements to avoid a hard border on the island of Ireland, the so-called backstop. Parliamentary ratification of the WAB was required to bring an end to the first phase of Brexit. Contention centred on the backstop, an insurance policy designed to avoid a hard border on the island of Ireland in all circumstances. For the EU27, including Ireland, continued frictionless trade between north and south was considered essential to protecting the Good Friday Agreement and safeguarding the peace process in Northern Ireland. Under Theresa May's deal the UK as a whole, including Northern Ireland, would remain in the EU's customs union until or unless a new future trade agreement between the EU27 and the UK was in place which rendered a hard border on the island of Ireland unnecessary. Hard British Brexiters (e.g. Jacob Rees-Mogg and the European Research Group) took the view that the backstop potentially opened up the possibility of the UK remaining in the EU's customs union indefinitely and would constitute Brexit in name only, or 'BRINO'. They sought without success a unilateral exit clause or a time limit to prevent this.

On 22 March, in response to Prime Minister Theresa May's request, the European Council agreed to extend Article 50 of the Treaty on European Union (TEU) to 22 May 2019 if the Withdrawal Agreement was passed, or 12 April 2019 if it was not. May accepted this. On 27 March the House of Commons took control of

parliamentary business and voted on no fewer than eight Brexit options, ultimately rejecting all of them. On 3 April the House of Commons voted 313 to 312 to pass legislation to avoid a no-deal 'hard Brexit' and to seek an extension. On 11 April a special European Council met to consider May's second request for an extension until 30 June. The EU leaders duly agreed a flexible extension, or 'flexextension', namely 31 October 2019, which was to be reviewed on 20–21 June. The flexextension provided Prime Minister May with six more months. Britain could leave earlier if it passed the Withdrawal Agreement.

On 24 July Boris Johnson replaced May to become prime minister, fulfilling a lifetime's political ambition. Johnson swiftly purged his government of Tory rebels, resulting in an unequivocally Leave Cabinet, and committed to exiting the EU, its single market and its customs union without a deal if necessary on 31 October 2019. Johnson's acceptance speech was replete with promises of government expenditure plans in a move that was widely regarded as a prelude to launching the Conservative Party's general election campaign.

With Johnson as prime minister, twists and turns continued apace. On 24 September, in a sensational judgement, the Supreme Court unanimously ruled Johnson's prorogation of parliament for five weeks as unlawful, void and of no effect. On behalf of the Supreme Court, Lady Hale stated that the prorogation was unlawful because it had the effect of frustrating or preventing the ability of parliament to carry out its constitutional functions without reasonable justification. The House of Commons duly resumed parliamentary business the following day.

On 10 October Taoiseach Leo Varadkar and Prime Minister Johnson met in Liverpool to address the issue of the backstop. In the agreement which followed, Northern Ireland was to remain *de jure* in the UK customs territory but *de facto* in the EU's. This meant that Northern Ireland would continue to adhere to the EU's customs code and continue to be in regulatory alignment with the EU's single market. In other words, the backstop was effectively replaced by a border 'down the Irish Sea' between Northern Ireland and Great Britain, a position which Johnson, like Theresa May, had once vigorously rejected. Johnson's move angered Arlene Foster and the Democratic Unionist Party, who accused the prime minister of breaking his word to Northern Ireland. Under the deal, goods coming from Great Britain to Northern Ireland will be subject to some checks

to ensure that the EU knows what is potentially coming into the European single market through Northern Ireland post Brexit.

On 19 October, or ‘Super Saturday’, the House of Commons voted to compel Prime Minister Johnson to request an extension of Article 50 TEU as the Withdrawal Agreement had not yet been adopted by parliament. Johnson sent an unsigned letter making the request to the European Council President, Donald Tusk, and a second letter, which he did sign, to distance himself from the request.

The EU27 response to the request for an extension was to grant a further extension to 31 January 2020. If there was still no ratification by 31 January 2020, and if the British government did not revoke Article 50, EU treaties would simply cease to apply to the UK at midnight 31 January 2020.

On 22 October MPs voted to allow Boris Johnson’s WAB to advance to the next stage by 329 votes to 299 but they subsequently rejected the rapid timetable for the bill, arguing that three days was not enough to scrutinise the bill, which ran to 100 pages. Johnson then ‘paused’ the Brexit process as he sought to persuade MPs to approve his plan for a general election. Once assured that a no-deal Brexit was definitively ‘off the table’, MPs voted for a general election to take place on 12 December 2019. It was to be Britain’s third general election in four years.

The December general election was considered to be the most consequential election in Britain for decades and the most unpredictable given the volatility of the British electorate. In the event, it resulted in a convincing parliamentary majority for the Conservative Party. A number of factors accounted for the Conservative Party’s historic victory. These included, inter alia, Boris Johnson’s successful mantra of ‘Get Brexit done’, which resonated with a Brexit-weary electorate; doubts about the leadership qualities of Jeremy Corbyn, the Labour Party leader; Nigel Farage’s decision to stand down Brexit Party candidates in all Tory-held constituencies; as well as the split in the Remain vote between the Labour Party and the Liberal Democrats, which contrasted with the united Leave vote led by Boris Johnson and the Conservatives.

For the EU27, there was now no doubt that the House of Commons would ratify the prime minister’s WAB before 31 January 2020. This meant that the first phase of Brexit – that is, agreeing the terms of exit – will come to an end and Phase II, the negotiation of a future trade deal between the UK and the EU27, will begin. The WAB provides for a transition period until the end of December 2020 to conclude a trade

deal. For the duration of the transition, or ‘implementation’, period, there will be no disruption of any kind in EU–UK trade relations. The transition period may be extended to the end of 2022 if the UK government requests an extension by 1 July 2020. As Prime Minister Johnson has repeatedly ruled out making such a request, insisting that he could deliver an ‘oven-ready’ Brexit deal in eleven months, a no-deal Brexit at the end of 2020 remains a distinct possibility.

Greta Thunberg and the ‘Fridays for Future’ movement

On 16 April the teenage climate activist from Sweden, Greta Thunberg, was invited to speak at the Environment Committee during the EP’s plenary session in Strasbourg ahead of the European elections. Thunberg’s solo protest outside the Swedish parliament in Autumn 2018 led to her founding the ‘Fridays for Future’ movement, which quickly evolved into a global phenomenon with millions of young people and concerned adults ‘school striking’ on Fridays to draw attention to the ongoing climate and ecological crisis. Eschewing air travel because of the carbon emissions involved, Thunberg embarked on a tour of Europe and the US throughout the year participating in demonstrations each Friday wherever she happened to be. Thunberg delivered her high-profile speeches in her trademark blunt style to, inter alia, the EP in Strasbourg and the UN in New York in September, as well as the COP25 in Madrid on 11 December. Such speeches are credited with raising to an unprecedented level public awareness worldwide of the urgent need for more ambitious government targets and policies to reduce manmade greenhouse gas emissions in line with international scientific advice. *Time* magazine named Thunberg ‘Person of the Year’, its youngest ever recipient.

EU to lead global action on the climate crisis

On 11 December Ursula von der Leyen, as President of the European Commission, unveiled her ambitious plans for the EU to halve its greenhouse gas emissions by 2030 and to become the first climate-neutral continent by 2050. She described it as the EU’s ‘man on the moon’ moment. Von der Leyen presented the European Green Deal as the EU’s new growth strategy. Its wide-ranging measures will seek to transform EU citizens’ way of living and working, of producing and consuming, leading to healthier lifestyles and more innovative businesses. Hailed as a historic proposal, von der Leyen’s intervention

came as the talks on implementing the 2015 Paris Agreement appeared to stall. It was widely seen as injecting much needed momentum into the UN climate action conference held on 2–13 December in Madrid, COP25. The 2015 Paris Agreement's core goal was holding global heating to no more than 2°C above pre-industrial levels, with an aspiration to hold it to 1.5°C. As the first major economic bloc to propose a 2030 and 2050 goal, the EU seeks to lead the way and galvanise other key states such as China and India into making similar commitments and thus save the Paris Agreement.

The Commission's proposals raised concerns in some member states, namely Poland, Czechia and Hungary, about the cost implications of moving away from coal. To address such concerns, von der Leyen's road map included the establishment of a 'just transition fund' to mobilise, together with the European Investment Bank and the private sector, some €100 billion per annum in investment over the next seven years. The European Green Deal is the responsibility of Frans Timmermans, the First Executive Vice-President of the European Commission.

On 12 December Charles Michel announced that the European Council endorsed the Commission's goal of making the EU carbon-neutral by 2050. The issue of Poland's request for an exemption is to be revisited in June 2020. Michel represented British Prime Minister Boris Johnson, who did not attend the European Council meeting because of the British general election.

Sakharov Prize for Freedom of Thought

During its December plenary the EP awarded the Sakharov Prize for Freedom of Thought to laureate Ilham Tohti, the renowned Uyghur economics professor. Serving a life sentence in China since September 2014, Tohti is a moderate advocate of the rights of the Uyghur minority and of dialogue with the Han majority in China. Tohti's daughter accepted the prize on his behalf.

EU Ombudsman, Emily O'Reilly

On 16 December the EP re-elected Emily O'Reilly as EU Ombudsman by 320 votes to 208, providing her with a mandate for a further five years.