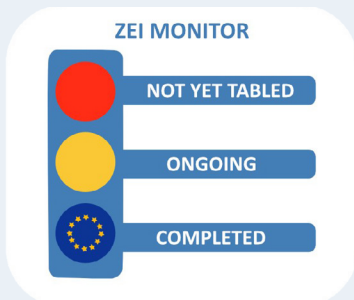




FUTURE OF EUROPE OBSERVER

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This issue of the ZEI Future of Europe Observer takes stock of the implementation of the Von der Leyen Commission's annual work programmes. It includes analyses on the progress made within the Commission's six political priorities, visualised by the ZEI Monitor traffic, and provides an outlook for the coming year. This is the review of the penultimate year of the current Commission's term of office. Later this year, this project will be finalised in the form of a forthcoming book, which will contain a complete analysis and evaluation of the von der Leyen Commission.



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FUTURE OF EUROPE OBSERVER

accompanies the debate on governance and regulation in the European Union. Authors are ZEI Scholars, Master of European Studies Fellows, and Alumni.

TRANSFORMATION IN TIMES OF WAR

A continent reconciled with nature, at the forefront of new technologies as well as united in freedom and peace (von der Leyen 2023). This is how the Commission President describes Europe's aspirations and presumably also the current wishes of most Europeans. However, given that the year 2023 was dominated by wars, these goals were under severe pressure. Above all, the ideal of peace seems a long way off, even though Ms von der Leyen is primarily talking about internal peace.

There is still a war raging on the European continent in Ukraine, which has developed into a war of attrition over the course of the year. In addition to this military conflict, the Hamas attack on Israel and Israel's subsequent military response, which was carried out with the utmost severity, added another war that is keeping the world on tenterhooks. The result was a partial overlay of the Russian war of aggression. As a consequence, there was a noticeable drop in media attention, which reinforced the increasing war-weariness that is slowly spreading among the EU member states. In recent months, there has been a significant decline in aid commitments by 87 per cent and Ukraine's dependence on a few supporting states has increased significantly (Schulz 2023). Nevertheless, the accession negotiations with the EU agreed in December (European Council 2023) can at least be seen as a ray of hope for Ukraine.

The focus of the year was otherwise on the downstream effects of the war, such as high inflation, economic stagnation and migration and asylum management. In fact, the European Central Bank succeeded in significantly reducing inflation through its interest rate policy, although it will not be able to reach its target of 2 per cent in the near future. Economically, a recession was also prevented and the European labour market proved

to be extremely resilient, so that unemployment figures are surprisingly at a record low despite modest economic forecasts (European Commission 2023). The EU also considers the breakthrough achieved in the area of migration and asylum policy, which was finally accomplished in 2023 after years of stagnation, to be a success. However, it remains to be seen how effective the mechanisms to be implemented will be.

Besides to the acute crises, the Commission also tried to maintain its focus last year on implementing the two major transformation processes, digitalisation and the European Green Deal. As a result, numerous proposals were once again launched in the context of the climate neutrality target. In addition to the Net Zero Industry Act, the complete adoption of the important Fit for 55 Package is particularly relevant here, even if numerous other decisions in the context of the Green Deal are still pending.

Considering the upcoming European elections in June this year, the term of the current Commission is drawing to a close, which is why it is understandable that its last presented work program will no longer initiate any ambitious projects. Almost all of the manageable announcements are not expected to have a legislative character and will therefore have little influence on the political balance sheet of the von der Leyen administration. The specific progress, successes, or failures achieved by the EU Commission in its six priority areas over the past year will be discussed in this issue of the Future of Europe Observer by our authors in the form of a final interim assessment, before a comprehensive evaluation of the EU's actions in the context of the crises of our time is presented in an upcoming anthology.

Henrik Suder, *Research Fellow at ZEI, University of Bonn.*

COMMISSION PRIORITY 1: A EUROPEAN GREEN DEAL

Goals and Key Players

When the European Green Deal was introduced in 2019, the deal was seen as ambitious, a centrepiece to Ursula von der Leyen's geopolitical aspiration during her term as the Commission President, underpinned by her choice in First Executive Vice-President, tasked with driving the European Green Deal to reality, Frans Timmermans. Five years on, and nobody could have predicted just how immeasurable the tasks that lay ahead. Having played out his role in spearheading the daunting task of edging closer to the European Union becoming the world's first climate-neutral continent by 2050, Timmermans resigned on 22 August 2023 in favour of national politics by throwing his candidacy hat into the Dutch elections – albeit to no avail. This in itself being a reflection of the general European mood and strong leaning to the extremer right of political thinkings. With an historical record number of elections in 2024, across the globe and including major democracies such as the European Union, the United States of America, Mexico, India and South Africa, we have yet to brace ourselves.

Still, taking stock at the beginning of 2024 progress of the past year for the European Green Deal has by no means been hampered by (geo-)political events—only to mention climatic events such as the hottest summer recorded (Copernicus 2023)—rather spurred on. Looking at the European Parliament's Legislative Train Schedule a whopping 58 proposals have already been adopted, with 21 being close to adoption, a further 38 currently tabled and another 41 announced (European Parliament 2024). As progress throughout 2022 was strongly driven by the need for both energy independency and energy savings, delivering greater and swifter energy reform than anticipated, focus for 2023 is set on the adoption of a plethora of measures within the Fit for 55 Package, including the reform of the electricity market and the establishment of a European Hydrogen Bank (COM(2022) 548 final). Further goals for 2023 are in waste management, freight transport and food systems (ibid.).

Specifically, the Commission's Work Programme for 2023 puts 11 initiatives forward within the European Green Deal, all par one directly or indirectly derived from proposals from the Conference on the Future of Europe (Annexes to COM(2022) 548 final). For the first quarter, the Commission intends a legislative revision of the internal electricity market rules, including an impact assessment. The second quarter foresees a revision of the EU waste framework Di-

rective, legislation for new genomic techniques, an initiative for healthy soils, as well as a greening freight package including a promotion towards the use of rail and revisions of legislation. The Commission intends to focus efforts in the third quarter of 2023 on legislative proposals for an EU Hydrogen Bank, on a framework for sustainable food systems, the greening of corporate fleets, and a revision of animal welfare legislation. In addition, a number of REFITs are scheduled for the end of the year, including a revision of the roadworthiness package and regarding legislation on chemicals (ibid.).

Aside from the goals set forth for the European Green Deal in 2023, the year also saw a change in key players. Maroš Šefčovič took over from Timmermans, stepping up from Vice President to Executive Vice President to take the lead on the European Green Deal (European Commission 2023a) and Wopke Hoekstra, stepping out of national politics and into European politics by taking on the role of Commissioner responsible for Climate Action from 1 September 2023 (European Commission 2023b).

Progress in 2023

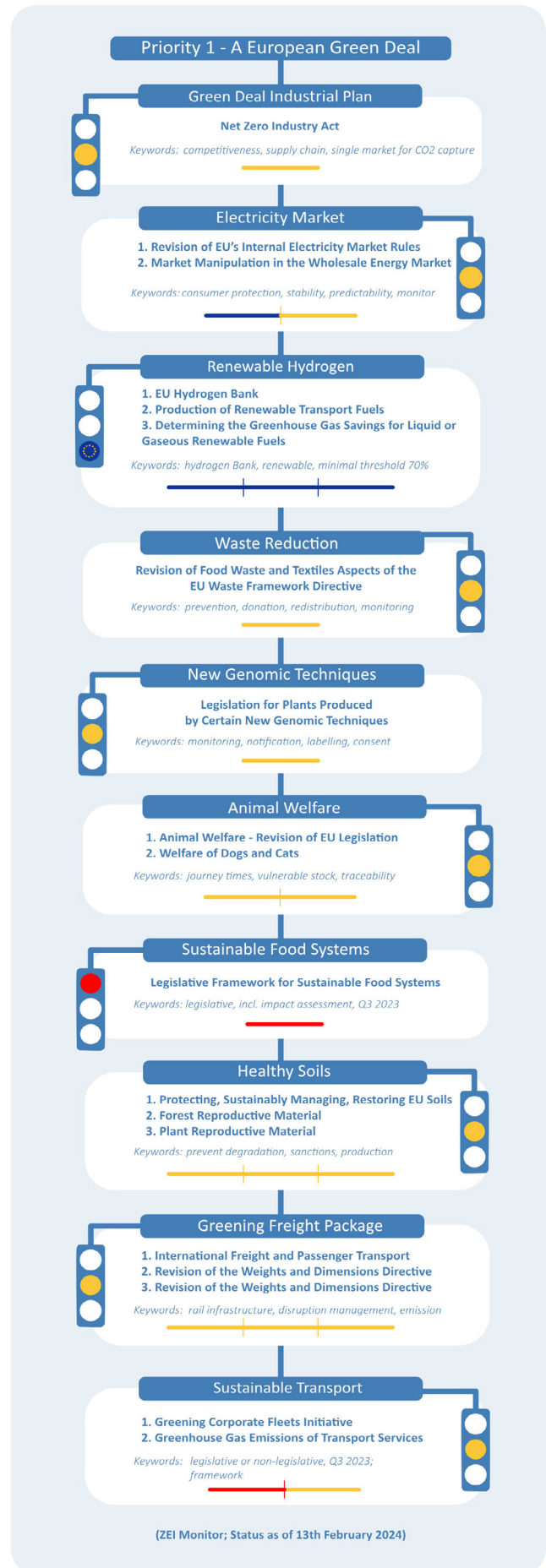
The Commission started 2023 out strong with the first quarter being its busiest with the most progress having been made. As set out, the Commission proposed a number of reforms to the EU electricity market design to on the one hand better protect consumers and on the other hand to boost renewables and enhance industrial competitiveness (European Commission 2023c). Further progress was made within the Fit for 55 Package in the Commission setting out rules for renewable hydrogen, agreeing on stronger rules for boosting energy efficiency, and agreeing on legislation regarding the deployment of alternative fuel infrastructures, as well as proposing 2030 zero-emission targets for urban public transport and heavy-duty vehicles (European Commission 2024). Also, a decision was made on the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) (Decision (EU) 2023/136) in addition to progress being made regarding maritime transport where an agreement was reached to cut emission by promoting sustainable fuels for shipping (European Commission 2024). The Commission presented its Green Deal Industrial Plan, complementing the European Green Deal and REPowerEU, with the aim of creating “a predictable and simplified regulatory environment, speeding up access to finance, enhancing skills, and open trade for resilient supply chains” (European Commission 2023d). In line with the Green Deal Industrial Plan, the Commission made two following proposals, one on the net-zero industry act and one on the critical raw materials act (COM(2023) 161 and COM(2023) 165 final). With these

Commission Priority 1: A European Green Deal

two acts, the European Hydrogen Bank was launched in a subsequent Communication (COM(2023) 156 final). Regarding the fisheries and aquaculture sector, the Commission presented a package of measure to improve the resilience and sustainability to support the full implementation of the Common Fisheries Policies (European Commission 2023e). Due to the alarming decline in wild pollinating insects, the Commission plans to tackle this head on in its Communication on a revision of the European pollinators' initiative (COM(2023) 35 final). In addition to the adoption of a proposal on the right to repair and the pending approval by the European Parliament of consumer protection legislation, the Commission launched a capacity building programme within its New Bauhaus initiative to aid in the reconstruction of Ukraine (European Commission 2023f).

The second quarter was entirely in the limelight of the Fit for 55 Package, with the Council having adopted a number of key pieces of legislation (Council of the European Union 2023). The EU Emission Trading System was reformed for all major emitting sectors including road, buildings, aviation, and maritime as well as new carbon dioxide emission standards having been agreed upon for new cars and vans, with the reform further including the establishment of a Market Stability Reserve (Directive 2003/87/EC). A regulation on land use, land use change and forestry was adopted, steadfastly including the land use and forestry sectors into the EU's emission reductions commitments (Regulation (EU) 2018/841). Supplementing those areas not covered by the ETS, member states have set themselves binding annual greenhouse gas emission targets with the Effort Sharing Regulation (Regulation (EU) 2023/857). Moreover, to ensure not only at a national and European level that emissions are reduced, the Carbon Border Adjustment Mechanism was adopted to prevent the transfer of e.g. production to outside of the EU so as to keep inter-EU emission low, i.e. prevent carbon leakage (Regulation (EU) 2023/956). To soften the impact of the reforms and consequent price changes on the most vulnerable, the Social Climate Fund has been set up and to made available to transport users, micro-enterprises and households (Regulation (EU) 2023/955).

During the summer, the Commission presented a major package of measures for the sustainable use of key resources, including measures to improve soil resilience, measures to make our food system more sustainable and resilient, measures to improve plant and forest reproductive material and measures to reduce food and textile waste (European Commission 2024). For the latter, a proposal for a targeted revision of the Waste Framework Directive was put forward (COM(2023) 420 final) as well as, regarding food systems, a proposal was put forward for a Regulation on new genomic



techniques (COM(2023) 411 final). Progress was also made within the transportation sector in that a proposal for measures was presented to green the freight transport, including three legislative proposals (COM(2023) 440 final). These measures build on the Sustainable and Smart Mobility Strategy. In addition, the Commission presented its initiative on enhancing the circularity of the automotive sector to improve end-of-life management and resource efficiency with an eye to the critical materials act presented earlier in the year (European Commission 2023g).

The final quarter of 2023 marked the completion of the Fit for 55 Package, with two final proposals adopted—a revised Renewable Energy Directive (Directive (EU) 2023/2413) and the ReFuelEU Aviation Regulation (Regulation (EU) 2023/2405)—with all nine sectors of the European Union now being subject to legally binding targets. With 2023 coming to a close, the transitional phase of the Carbon Border Adjustment Mechanism entered into application with initial application in those sectors with highest significant risk of carbon leakage, namely cement, iron and steel, aluminium, fertilisers, electricity as well as hydrogen, and a gradual phasing out across EU and non-EU businesses. Lastly, the Commission proposed a Forest Monitoring Law, to improve resilience by collecting and sharing data in a timely fashion to better manage the impacts of climate change and strengthen the capacity of forests, not only for their environmental functions but also for their socio-economic functions, e.g. sustainably produced timbers, and to be natural carbon sinks, e.g. through reforestation efforts (COM(2023)728). The monitoring system is to support the implementation of other key legislation and is part of the wider EU Forest Strategy.

Conclusion and Outlook 2024

It is no mean feat what the Commission has achieved with its ambitious European Green Deal. To recall, the European Green Deal is a four-pillar structure: to transform the economy, to mainstream sustainability, for the EU to be a global actor and to establish a European Climate Pact. During the first year of the European Green Deal (2020), Commission efforts were focused on producing strategies in order to transform the economy and to create funding and investment opportunities to make climate neutrality a reality. The Roadmap for the European Green Deal clearly set out the sectors to be transformed, including clean energy, sustainable industry, building and renovation, sustainable mobility, farm to fork, biodiversity and zero pollution. With the European Green Deal Investment Plan this is to be made a reality by using the Just Transition Mechanism. The NextGenerationEU fund supplied more financial impetus, as the COVID-19

recovery package, at the end of the year. Strategies and investment in place, the Commission sought out legislative reform in 2021 with the European Climate Law, writing into law the ambitious goals set out in the European Green Deal. Having the legal basis, the Commission proceeded to present its most comprehensive package to deliver on the European Green Deal, the Fit for 55 Package, detailing by sector how the EU is to reduce greenhouse gas emission by at least 55 per cent by 2030. Policy objectives were set on zero-pollution packages and climate change measures, however instead a wave of energy reform took hold following Russia's invasion of Ukraine. REPowerEU became a powerhouse tool to reduce independence on Russia, accelerate the transition to renewables, as well as taking a closer look at energy savings and efficiency. From a policy implementation perspective, the Commission has turned the European Green Deal into a virtuous cycle as it has leveraged every crisis in the pursuit of climate neutrality. 2023 was the hottest year on record and no sooner could come the full adoption of the Fit for 55 Package.

The EU was able to act as a global actor, not least in seemingly thriving off crises, but also in taking leadership at the United Nations Climate Change Conference (COP28) in Dubai at the end of the year—calling for greater reductions in emissions and faster transition to renewables. The bottom-line agreement was a decisive transitioning away from fossil fuels in energy systems as well as the establishment of a loss and damages fund. The EU is able to project itself as a strong leader to the world, however the upcoming European elections will show whether the EU citizens see this image mirrored. For example, the agricultural sector lags in reform, yet farmers take to the streets and are the instigators of major protests across Europe. Will the European Climate Pact hold strong? With 4.2 billion people taking to the polls in 2024, it seems unavoidable that the next crisis for the EU is just around the corner.

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COMMISSION PRIORITY 2: A EUROPE FIT FOR THE DIGITAL AGE

Goals and Key Players in 2023

In 2023, the European Commission continued to focus primarily on a work programme defined by the objectives of the Digital Compass 2030. Once again, a key element was the transformation of the connectivity sector in the EU towards comprehensive and powerful gigabit connectivity. In 2023, however, the Commission dealt less with state aid to support the network roll-out but rather with possible regulatory approaches designed to incentivise expansion and investment. For this purpose, the Commission presented a draft for a Gigabit Infrastructure Act (see II.1.).

In addition, the Commission addressed other future-oriented topics. Following initial reflections on the ever-increasing relevance of virtual worlds, the Commission has adopted a strategy for Web 4.0 and virtual worlds to steer the next technological transformation and ensure an open, secure, trustworthy, fair and inclusive digital environment for citizens, businesses and public administrations in the EU (see II.2.). In addition, the Commission advanced digitalisation in the mobility sector and adopted a number of proposals to strengthen the rights of passengers and travellers to enable smoother travel (see II.3.).

Progress and Achievements in 2023

1. Infrastructure – Gigabit Infrastructure Act

High-quality digital infrastructure is now an increasingly important pillar of the entire economy, alongside electricity, gas, water and transport networks. Excellent and secure connectivity for everyone and everywhere in the EU is becoming condition for realising long-term economic and social benefits based on modern online services and fast internet connections.

The majority of network roll-out costs are caused by:

- Inefficiencies in infrastructure roll-out related to the use of existing passive infrastructure (e.g. ducts, distribution boxes and antenna systems),
- difficulties in coordinating construction work,
- complex authorisation procedures and
- bottlenecks in the roll-out of in-building physical infrastructure.

To face these problems, the Gigabit Infrastructure Act proposed by the Commission has a clear focus: reducing costs

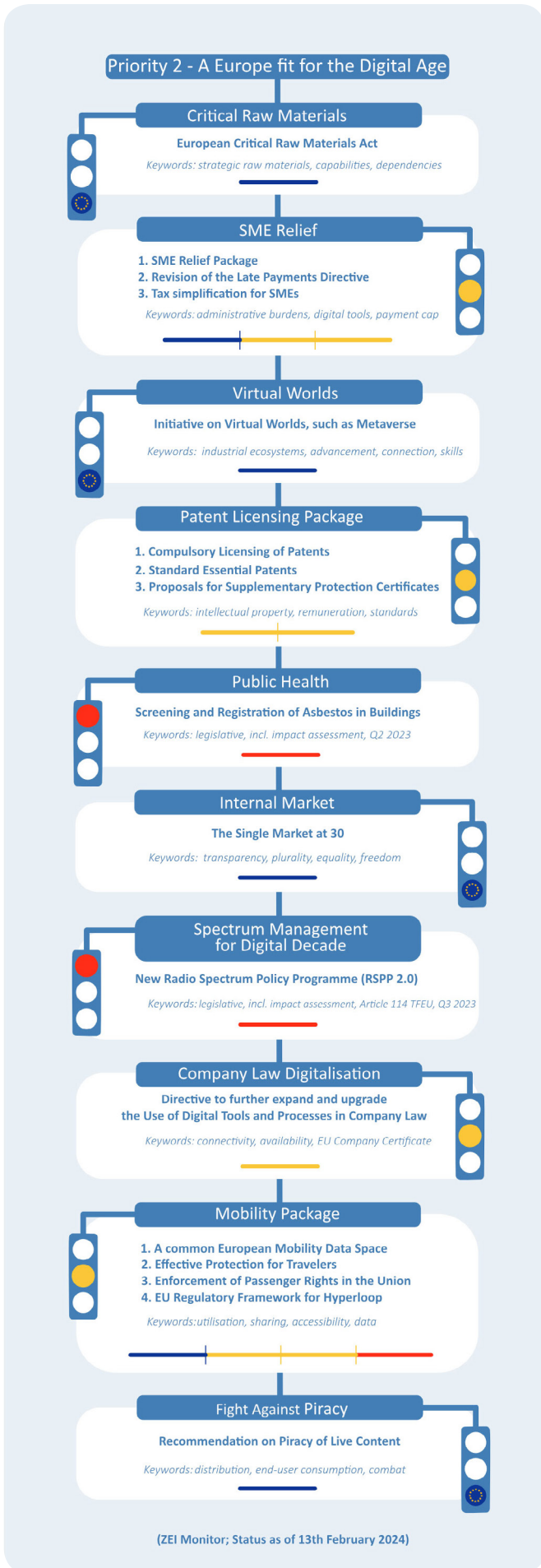
by speeding up procedures and cutting red tape. This aims to create new incentives for investment and expansion. The Gigabit Infrastructure Act follows the basic philosophy of the Cost Reduction Directive (2014/61/EU) but takes the objectives and implementation mechanisms to a new level, as it now constitutes a regulation that is applicable directly (Article 288 para 2 TFEU). Scope for implementation, which impaired the effectiveness of the Cost Reduction Directive from the outset, now belongs to the past. The Gigabit Infrastructure Act is thus an essential piece of legislation to achieve Europe's connectivity objectives and targets, as set out in the EU's Digital Compass for this decade, and to deploy fibre networks in the EU.

The broadband cost reduction directive (BCRD, 2014/61/EU), currently in force, aimed to facilitate the roll-out of high-speed electronic communications networks by lowering the costs of deployment with a set of harmonised measures. The digital targets, on which BCRD was based, have either been reached or become obsolete since 2014. For example, though the ratio of European households having access to a 30 Mbps internet network has risen from 58,1 per cent in 2013 to 90,1 per cent in 2021, this speed is not any more future proof, given the increased need of businesses and citizens to access networks with much higher capacity.

Beside the advances in the digital technologies since 2014, other factors have made the revision of the BCRD necessary as well. Low returns on equity and high investment costs that prevail in the telecom industry have started to derail the progress to reach the 2030 digital targets laid down in the Digital Decade Policy Programme. The Commission estimates that the investment gap between the present level and what would be necessary to reach these connectivity targets, is around 65 billion Euro annually.

Against this background, on 23 February 2023, the Commission submitted a proposal on measures to reduce the cost of deploying gigabit electronic communications networks and repealing Directive 2014/61/EU (Gigabit Infrastructure Act). On 3 June 2023, the Telecommunications Council took note of a progress report and on 5 December 2023, reached a general approach on this file:

- The new law aims to lower the unnecessarily high costs of the electronic communication infrastructure deployment, partially caused by the permit-granting procedures before deploying or upgrading the networks. These procedures are still complex, sometimes lengthy, and different across member states.
- The regulation also aims to speed up the deployment of the networks, provide legal certainty and transparency



for all economic actors involved, and provide for more efficient planning and deployment processes for operators of public electronic communications networks.

- The Gigabit Infrastructure Act, which is of minimum harmonisation nature, also addresses deployment and access to in-building physical infrastructure. It is expected to facilitate cross-border applications and to allow stakeholders, electronic communications operators, equipment manufacturers or civil engineering companies, to achieve better economies of scale.

2. Digitalisation – Web 4.0 and Virtual Worlds

The internet is developing rapidly. Moving beyond the current Web 3.0, the third generation of the internet, whose main characteristics are transparency, decentralisation and the full empowerment of users, the next generation, Web 4.0, will enable the integration of digital and real objects and environments as well as better interaction between humans and machines. The Economic Outlook for the EU beyond 2030, published in March, highlights digitalisation as one of its key drivers and Web 4.0 as a major technological shift that will bring a seamlessly connected, intelligent and immersive world. It is estimated that the global market volume of virtual worlds will increase from 27 billion Euro in 2022 to over 800 billion Euro by 2030. Virtual worlds will influence how people live together, bringing both opportunities and risks that need to be addressed. The new strategy aims for a Web 4.0 and virtual worlds that reflect EU values and principles, where people’s rights fully apply and where European businesses can thrive.

The strategy aligns with the objectives of the 2030 Digital Decade policy programme and builds on three of its core digitalisation pillars: Skills, Businesses and Public Services. Overall, the strategy is based on the following pillars:

Strengthening people’s literacy and skills to raise awareness, promote access to trustworthy information and build a talent pool of virtual world specialists. The Commission will take forward the guiding principles for virtual worlds proposed by the Citizens’ Forum and will develop guidelines for the general public in the form of a “toolbox for citizens” by the first quarter of 2024. As virtual world specialists have a crucial role, the Commission will work with member states to create a talent pipeline and promote skills development, including for women and girls, through projects funded under the Digital Europe Programme and for digital content creators under the Creative Europe Programme.

Business: Support a European industrial ecosystem for Web 4.0 to build excellence and fight fragmentation. There is currently no EU ecosystem that brings together the different

players in the virtual worlds and Web 4.0 value chain. The Commission has proposed a possible partnership for virtual worlds under Horizon Europe, which could start working from 2025 to promote excellence in research and develop an industrial and technological roadmap for virtual worlds. To foster innovation, the Commission will also support creative and media companies in the EU to test new creative tools, bring together developers and industrial users and work with member States to develop real-world laboratories for Web 4.0 and virtual worlds.

Public authorities: Promoting societal progress and virtual public services to realise the opportunities that virtual worlds can offer. The EU is already investing in major initiatives such as Destination Earth (DestinationE), local digital twins for smart communities or the European digital twin of the ocean, to enable researchers to advance science, industry to develop precision applications and public authorities to adopt informed policy decisions. The Commission is launching two new public flagship initiatives: “CitiVerse”, an immersive urban environment that can be used for urban planning and management, and a European virtual human twin that replicates the human body to support clinical decision-making and personalised treatment.

Shaping global standards for open and interoperable virtual worlds and Web 4.0 to ensure that they are not dominated by a few large players. The Commission will work with internet governance stakeholders around the world to promote Web 4.0 standards in line with EU objectives and values.

3. Mobility – Improved Rights and Better Information for Travellers

The package to improve travellers’ rights and information includes clarified rules on reimbursement of costs of flights booked through an intermediary or multimodal travel to better protect passengers from cancellations. They will also ensure smoother journeys, especially when travelling with different travel services or transport modes, ensuring that passengers have access to direct assistance and enabling better real-time information, e.g. on delays and cancellations.

The proposals adopted focus on three aspects:

Strengthening passenger rights: When it comes to passenger rights, there are still some gaps in the current rules and shortcomings in the implementation and enforcement of the rules to prevent passengers from fully benefiting from these rights. The proposal for a revision of the Passenger Rights Regulations addresses these problem areas by strengthening enforcement mechanisms and introducing rules for passen-

gers who have booked their flights through an intermediary, including reimbursement. The proposal on passenger rights in the context of multimodal travel also includes, for the first time, new rules to protect passengers using different modes of transport such as buses, trains and planes.

Protection of package travellers: Following the revision of the Package Travel Directive in 2015, drawing lessons from the COVID-19 pandemic, the protection of package travellers will be more effective in the future, especially in crisis situations. The proposed changes will give travellers stronger and clearer rights and clarify the obligations and responsibilities of package tour operators.

Better multimodal travel information services and the creation of a common European mobility data space: Multimodality, i.e. the combination of transport modes, can reduce overall transport emissions by enabling travellers to choose the most efficient and sustainable mode of transport. The revision of the Delegated Regulation on EU-wide multimodal travel information services will make it easier for passengers to find real-time information on different transport modes via travel information services and to access real-time updates, e.g. on delays and cancellations, during their journey. New types of information will also be available, such as whether a train can carry bicycles and whether it is accessible to passengers with disabilities or reduced mobility.

Conclusion and Outlook: Europe’s digital future in 2024

In 2023, the Commission made great progress in shaping digitalisation for the benefit of EU citizens. In particular, it will be interesting to see what the next steps in the Web 4.0 and virtual worlds strategy and the strategy for the European multimodal data space will look like, as these are still only concepts or proposals.

However, other promising topics are also on the Commission’s agenda for 2024, such as the EU Space Law and the Strategy on Space Data Economy.

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COMMISSION PRIORITY 3: AN ECONOMY THAT WORKS FOR PEOPLE

Goals and Key Players

As to evaluate the European Commission's activity in 2023, we will base ourselves on the previous year. 2022 should have been the year in which the member states of the European Union continued their recovery from the economic impact of the COVID-19 pandemic. Instead, the year was marked by the Russian invasion of Ukraine on 22 February 2022. This war of aggression dramatically altered the European and global security landscape and the EU's overall economic outlook. At the same time, the economies of the EU had commenced the transformation of their industrial base away from fossil fuels towards carbon-neutral energy sources.

The European Commission was well aware of the significantly changed environment and the associated challenges, but also the implied opportunities when formulating its goals for 2023. The diagnosis laid out in the Commission's work programme is that of a "collision of crisis". Russia's attack extended beyond military strikes against Ukraine. Simultaneously, the aggressor utilised its position as the major supplier of energy to pressure the EU. The supply of natural gas was initially delayed and throughout 2022 severely cut down, which in turn triggered an energy crisis. The measure was intended to deter the bloc from supporting Ukraine in its defensive efforts and resulted in an unexpected and sharp increase in inflation, which had a strong adverse effect on the purchasing power of EU consumers. Although alternative sources to substitute for Russian supply were swiftly secured, predicting the persistence of inflation and the duration of the conflict presented a major challenge.

In her 2022 State of the Union address, Commission President von der Leyen embraced the challenges but also saw the opportunities the Union had at hand. This is reflected in the Commission's goals, which emphasized the need to not only continue facilitating the economic recovery in the aftermath of the pandemic but also leveraging the pressure applied by Russia to accelerate Europe's energy transition. Acknowledging the additional pressure, key policy goals were to accelerate the reform of the EU's system of economic governance as well as the introduction of new own financial resources to bolster the stability of the Union's budget. The prior Juncker Commission had started the reform of the institutional framework of the Euro area. However, Jean-Claude Juncker famously compared these reforms to the "repair (of) a burning plane whilst flying". The implication is that reforms that require unanimity are often facilitated in times of crisis. To maximize the euro area's resilience to

crisis and minimise the probability of another sovereign debt crisis, the completion of Juncker's reforms was crucial. Consequently, its realisation was reflected by the work programme of the Commission for 2023 and finds explicit mention in the State of the European Union address of 2022.

In response to the pandemic, the EU had introduced the NextGenerationEU recovery plan, which in large part is financed by the issuance of debt. Thus, financial resources are needed to cover debt service as well as repayment in the future. Additional challenges such as the support and in the medium term, the rebuilding of Ukraine ahead, new own financial resources foster the Commission's ability to respond swiftly and decisively to new developments. In the future, instruments similar to NextGenerationEU will likely be needed, which makes the reform of the system of the Commission's own financial sources even more urgent.

In the same line, the initiative to review the Multiannual Financial Framework (MFF) had been announced. Both initiatives contribute to the European Union's ability to steadily support Ukraine in the medium and long-term. Furthermore, the Commission did not overlook the necessity to complement the short-run measures to stabilise the European economy by medium and long-term initiatives: Featuring the initiative which targets the economic growth potential of small and medium-sized enterprises. Here, the stated goal was to reduce red tape and the associated costs to financially relieve this group of enterprises. The remaining initiatives set-out in the work programme for 2023 circle around enhancing the everyday lives of European citizens such as improving customer rights in retail investment services or the social economy package. Another notable initiative concentrates on union-wide minimum corporate taxation.

For the key initiatives arising from the crisis, particularly concluding the Eurozone reform, adjusting the MFF, and expanding the set of the Commission's own financial resources, require unanimous approval of the European Council. The key players are the heads of state or government of the 27 EU members, the European Council President and the President of the European Commission.

Progress in 2023

The core of the Commission's work programme were the initiatives for the review of the MFF, economic governance, and the strengthening of long-term economic growth in the EU. These goals and the possibilities of achieving them were heavily influenced by an environment shaped by macro-economic and security-related crises. The Russian invasion of Ukraine sent an exogenous shock by rapidly increasing energy prices which threatened to induce a severe cost-of-living crisis. The root cause is the direct impact on house-

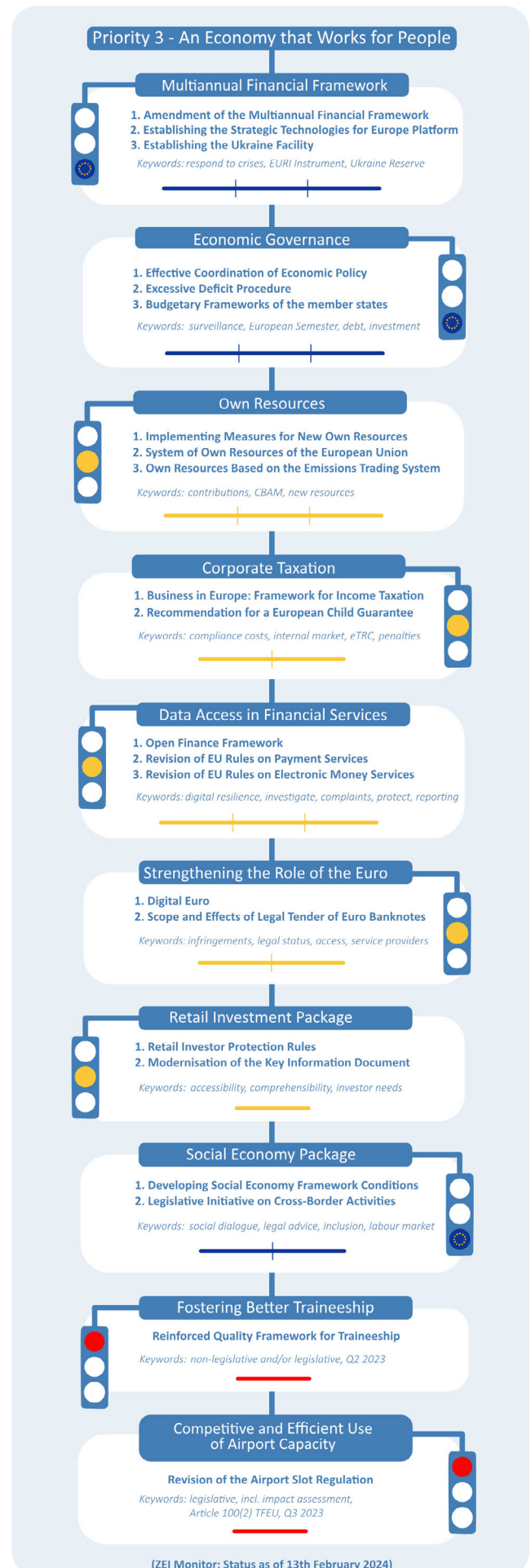
Commission Priority 3: An Economy that Works for People

hold energy bills as well as on the prices of goods due to increased production costs. This led to a hike in the inflation rate across the euro area and beyond.

Thus, short-term fiscal action to support private households and stimulate the economy was needed. The cost of the short-term fiscal response was already financed through past decisions, notably NextGenerationEU, which still had about 700 billion euros to be spent. Luckily, the money intended to boost Europe's recovery from the COVID-19 pandemic was already dedicated to finance an economic stimulus. In that respect, the Commission was ready to respond without delay. The work programme reflects the need to ensure the EU's ability to fulfil the commitment to support its citizens as well as the defensive efforts of Ukraine for as long as necessary, as spelled out by President von der Leyen in her State of the Union speech of 2022. Making good on the promise of securing sufficient funds and increasing the euro area's resilience against sovereign debt and financial crisis. In 2023, the Commission was able to make considerable progress regarding the first two items on its to-do list.

The proposed Council Decision for the review of the MFF included continued substantial support for Ukraine and agreement on other key priorities of the Commission, such as the Strategic Technologies for Europe platform. But an agreement could not be passed at the European Council in mid-December 2023. A special Council had to be convened on February 1, 2024 as to overcome initial refusal by Hungary with respect to reaffirmation of the EU's support for Ukraine. However, the proposal for new own financial resources for the common budget remains undecided till date. The proposal of the Commission was sent back for further adjustments. As it stands, new own financial resources to cover debt service on NextGenerationEU and similar programmes might be implemented as an exceptional instrument to backstop the existing budget as the primary source for such payments. Thus, subject to future negotiations and an adjusted proposal by the Commission, permanent additional revenues seem to be out of reach for the foreseeable future. Still, the review of the MFF can be viewed as a success of President von der Leyen, given the unanimity needed in the Council.

Progress in terms of economic governance of the EU, i.e. the completion of the euro area reform initiated by the prior Commission at the height of the euro crisis, came as an early Christmas present on 20 December 2023. Demanding progress in that area was a recurring theme in President von der Leyen's State of the European Union speech of 13 September 2023, which indicates that she did not anticipate any success soon. However, there is the caveat that the reforms suggested by France and Germany can be best described as



a fiscal rules reform of the respective part of the institutional framework of the euro area. Unfortunately, there is no progress on completing the Banking Union yet.

Even so, the compromise still marks a major step forward when it comes to the long-term sustainability of fiscal policy in the EU and the implementation of excessive deficit procedure. As suggested by the Commission, the reform introduces country-specific adjustment paths for excessive national debt and deficits, which aim at compliance with the Maastricht criteria in the medium and long term. Adjustment paths will be based on individual debt sustainability analysis conducted by the Commission whose suggestion then has to be approved by the European Council. A further improvement is the implementation of an escape clause, which allows for adjustment to unforeseen circumstances such as large economic shocks that make the suggested path unachievable. Debt adjustment will only start after the country has reached the deficit target of 3 per cent, making compliance more likely.

These are steps in the right direction, a lesson learned from the euro crisis was that national ownership is crucial when a country needs to adjust its fiscal policy to return to sustainable levels of debt and deficit. The results of the economic adjustment programmes undergone by Greece and Ireland as a result of the euro crisis illustrate this. Athens had little influence on the adjustment programme implemented in the wake of the euro crisis and needed several such programmes to achieve a measurable level of success. In contrast, Ireland approached the EU with its own suggestions right at the start of respective negotiations. The Irish approach ensured that the proposed measures had a high degree of national ownership allowing rapid implementation. Let us recall, the Maastricht criteria of upper limits of 3 per cent and 60 per cent on the deficit and level of debts as measured in terms of the gross domestic product were never enforced. Therefore, the increased likelihood of compliance under the new framework is an unambiguous improvement. However, the current compromise fails to address public investment adequately.

Important other policy objectives such as the green transition, the maintenance of public infrastructure, or delivering high-quality public education are likely to be adversely affected by this decision. Cuts to public investment were part of all economic adjustment programmes implemented in response to the euro crisis much to the detriment of the participating countries' long-term growth potential. Moreover, the need to increase public debt to enable crucial reforms was also at the heart of the first major overhaul of the euro area initiated by France and Germany in 2003 and completed in 2005. At hindsight, the higher deficits and debt

levels enabled by the reform in Germany can hardly be criticised. They were used to finance the Agenda 2010 which undoubtedly had substantial positive growth effects and did not increase public debt in Germany permanently. The downside was that the reforms of the Stability and Growth Pact 2005 arguably erred on the side of leniency and contributed to the high levels of public debt in other European countries, which increased the vulnerability of the euro area during the Great Recession of 2007-2009. Today, the urgent need for public investment to support the transformation of the national industrial base, as well as to build and maintain the national infrastructure during the green transition is the root cause of German government's struggle to draft state budgets that are compliant with national debt rules, which are enshrined in the constitution. It can be argued that, in both examples, inflexible rules created situations in which national governments were preoccupied with finding loopholes within existing rules instead of formulating long-term solutions for the underlying challenges that created the need for irregular expenditures. Thus, a country such as Germany with high public investment needs and recent experience with the restrictions imposed by inflexible fiscal rules that do not sufficiently consider the need for such spending should have advocated for more leeway in that respect. The insufficient consideration of public investment in deficit calculations is a major pitfall of the compromise reached at the European Council in December 2023.

The Commission's most important initiative, that is to boost economic growth in the long-term, by reducing red tape, no last-minute success could be achieved. Although the Commission put forward new proposals on the eve of the State of the European Union speech in 2023, no decisive progress was made. Most other initiatives included in the work programme for 2023 share a similar fate of inertly moving through the wheels of European legislation. Notable exceptions are the initiatives related to strengthening the euro which, like the digital euro, are now on their way to implementation by the Eurosystem, and the legislation regarding minimal corporate taxation which came into effect on 1 January 2024.

Conclusion and Outlook 2024

Measured against the priorities to be found in the State of the Union speech in 2022 and the initiatives set-out in the Commission's work programme, 2023 was a success. The Commission's main goals could be achieved. However, there is the bitter pill regarding the creation of additional own financial resources. No solution in line with the Commission's proposals could be found so far. Nevertheless, the success in reforming economic governance rules, which mostly aligns with the proposals made is predominantly positive.

In addition, the Commission should persistently aim for the realisation of the final component of the reform of the euro area, namely the Banking Union. The relevant proposals are currently under consideration by the European Council. The Commission should urge prompt decisions in 2024 as to keep the topic on the agenda. The initiative to reduce red tape could not deliver substantial results. It will have to remain on the priority-list for the future.

At first sight, the Commission's work programme for 2024 comes along being less ambitious than in previous years. One explanation might lay in the upcoming elections of the European Parliament. President von der Leyen has most recently announced her candidacy for a second term. If elect-

ed, we will see with what EU priorities she will come forward with for her second term. And there is, of course, the possibility that a new President of the European Commission - depending on the outcome of the elections – might set out quite different priorities and goals for the future of the European Union's economy to the benefit of its people.

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COMMISSION PRIORITY 4: A STRONGER EUROPE IN THE WORLD

Goals and Key Players

The European Commission set a goal for itself to boost its capability in security and defence in 2023 and beyond, in order to be able to protect its citizens and protect its guiding values and interests. These aims were the highlights of the Union's Strategic Compass, with the High Representative for Foreign Affairs and Security Policy, Josep Borrell stating, that "Europe must learn the language of power" and become a more assertive and decisive security provider (Borrell, 2022). Looking back at the Commission's policies and more importantly its concrete actions, the question arises if the European Union live up to its expectations.

The fourth priority of this Commission encompasses a wide range of policy areas that include security and defence, development policy and trade. This strategic priority also refers to relations with Africa, the EU's neighbours as well as partners around the world and humanitarian aid and civil protection. The latter policy area has dominated the European Union's role on the international scene.

As expected, the reconstruction and resilience of Ukraine remains a priority area for the European Union. This is proven by the donations and grants, which the Union provided to Ukraine, as well as developments in Ukraine's membership process.

Progress in 2023

In 2023, the European Union continued to build on the extensive assistance it provided to Ukraine in 2022, as it con-

tinues to be its largest financial donor (Armstrong & Richter, 2023). The European Commission adopted a Macro-financial Assistance + package for Ukraine, which has reached the total of 18 billion euro, which includes the 1.5 billion euro, which were added in October 2023 (Enlargement Neighbourhood Policy and Enlargement Negotiations, 2023). This macro-financial assistance goes to ensure that public services in Ukraine are functional, such as hospitals, schools, housing for relocated people as well as wages and pensions (DG NEAR, 2023). These public services are essential for the resilience of Ukraine's economy and society in general. The Commission has also been at the forefront to allocate hundreds of millions for humanitarian aid programmes in Ukraine, implemented by humanitarian partners on the ground throughout 2023.

Further to the financial assistance, which the Commission is providing to Ukraine, the European Union promotes and contributes to donations at a multilateral level. In January 2023, the Multi-agency Donor Coordination Platform for Ukraine was launched. Through this platform, various international institutions coordinate their efforts towards Ukraine's financial needs in the short and medium-term (DG NEAR 2023). The institutions which contribute to this platform include the European Union, G7 countries, the European Investment Bank, the European Bank for Reconstruction and Development, the International Monetary Fund as well as the World Bank (DG NEAR, 2023).

This initiative is one through which the European Union brings to action its continuous promotion of multilateralism, by mobilising different actors, and promoting itself as a key player in this field. The Commission's assistance to Ukraine is an all-encompassing one, ranging from financial assistance and humanitarian aid to private investment to

Ukraine - vital for the country's recovery and furthermore its reconstruction. In June 2023, the Commission signed agreements with the EIB, the EBRD and the IFC, which will mobilise 800 million euros of private investment to Ukraine (EU Solidarity with Ukraine, 2023). This investment will also ensure that Ukraine's economy is strong enough to align it to the EU acquis.

The President of the European Commission has reiterated that the future of Ukraine is in the European Union (DG NEAR, 2023). Furthermore, in the Enlargement Package, which the Commission adopted in November 2023, it recommended to the Council of the European Union to open negotiations with Ukraine, in light of the ongoing reform efforts taking place (DG NEAR, 2023). This decision was taken as a result of the substantial progress which Ukraine achieved in meeting the measures which the Commission had set-out in the previous year, including a reform of the judicial constitutional bodies, anti-oligarch legislation and anti-corruption policies (European Commission, 2022).

The negotiation framework shall be adopted once key measures are implemented by Ukraine. While the next steps depend on Ukraine's capacity to implement the reform agenda, the willingness of the European Union for Ukraine to join has become more and more visible.

The Commission also gave prominence to the Western Balkans and Moldova as the next countries to potentially join the European Union. In fact, the Council has also recommended that accession negotiations be opened with Moldova as well as Bosnia and Herzegovina, with provisional conditions for the latter (DG NEAR, 2023). Prospects for membership in the near future are less foreseeable for Albania, Montenegro, North Macedonia, Serbia as well as Türkiye.

As for two other potential candidates - Georgia and Kosovo - in the Enlargement Package the Commission recommended candidate status for Georgia, conditional to concrete steps being taken (European Union, 2023). Kosovo's application for membership was submitted in the last quarter of 2022 and therefore the potential of membership is not imminent. However, the Council and Parliament have adopted regulations, which shall pave the way for visa liberalisation between the Union and Kosovo at the beginning of 2024 (European Union, 2023).

These developments reflect that enlargement was a priority for the von der Leyen Commission, as the President herself referred to enlargement as "vital for the European Union" (European Union, 2023).

As for the Commission's work on security and defence, the results and reactions to these initiatives are less consis-

tent. While member states' defence expenditure has risen by approximately 12 per cent in 2023 (Council of the European Union, 2023), the willingness to increase the Union's budget on defence is not as evident. Furthermore, all areas of defence cooperation remain at intergovernmental level. Additionally, talks to increase the European Peace Facility - a funding mechanism outside the Union budget to sustain defence equipment for third countries - faced resistance (EURACTIV, 2023).

However, the Commission has successfully adopted initiatives, which go beyond the traditional understanding of defence, such as space, maritime energy and food security.

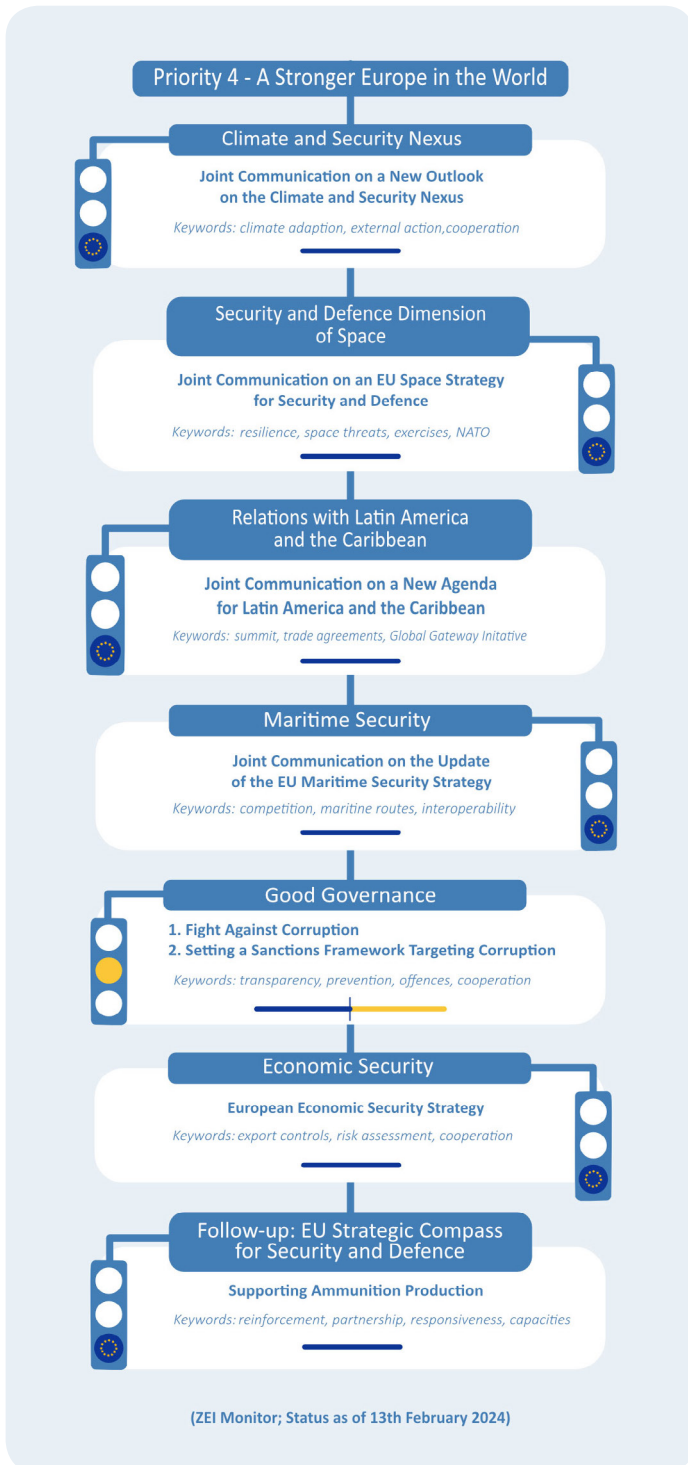
An EU-NATO Task Force on Resilience of Critical Infrastructure was launched in March 2023. In October, this Task Force presented a final assessment report which highlighted the ongoing key security challenges and identified sectors which are inter-related and of outmost importance. These sectors are energy security, transport - which includes transport infrastructure vulnerability to cyber-attacks, digital security as well as space security (European Commission, 2023). While this development is noteworthy as it encompasses the complexities of current security challenges, we await to see what next steps will be taken and whether these shall in fact ensure that the European Union's security is resilient enough to withstand the multi array of security threats.

Furthermore, in November 2023 the Council approved the conclusions on the first space strategy for security and defence of the European Union, which aim to enhance the resilience and protection of EU space systems and services as well as build the capacity to respond to any attacks (Council of the European Union, 2023).

In 2023, the von der Leyen Commission also updated its Maritime Security Strategy for an all-encompassing strategy which responds to traditional threats, hybrid and cyber-attacks on critical marine infrastructure as well as climate and environmental degradation of the oceans, such as marine pollution and loss of biodiversity (Strategic Compass, 2023). The strategic objectives of this updated Strategy include an annual naval exercise at EU level as well as deepening cooperation with regional and international organisations, including NATO.

Russia's invasion of Ukraine triggered numerous challenges for the Commission. The main immediate challenge was to address the dire energy security crisis as Russia weaponised its energy supplies. The Commission strived to ensure affordable, reliable and accessible energy for the Union's households through the diversification of energy supplies and sources. In fact, the Union drastically reduced its de-

Commission Priority 4: A Stronger Europe in the World



and solar energy sources than fossil fuels, which marks it as a leader in clean energy and sustainability (European Commission, 2023).

In 2023, the European Commission was at the forefront to condemn the weaponisation of food in light of the relentless global food crisis. The affordability and access to foodstuff became more dire following Russia's termination of the Black Sea Grain Initiative in July 2023. Russia's decision caused greater insecurity of global food supply, which consequently raised the prices for cereals and other basic foodstuff produced in Ukraine. The European Union continues to invest in its Solidarity Lanes, which allow Ukrainian products to reach the European Union. In fact, in June 2023 250 million euros were invested in nine such projects, which allowed the transfer of products between Ukraine, Moldova, and the European Union (EU Solidarity with Ukraine, 2023).

These initiatives help to maintain affordability of foodstuffs in the European Union and to the most vulnerable - including in Africa and in the Middle East - where many people who are already at the poverty line face the greatest financial shock with food inflation.

With the escalation of violence in the Middle East during the last quarter of 2023, the Commission has also worked, together with international partners, to protect civilians and ensure access to basic necessities as the humanitarian situation has severely deteriorated in Gaza. The Union has tripled its budget for humanitarian aid in Gaza to 75 million euro (European Commission, 2023) and has also launched a Humanitarian Air Bridge which will deliver humanitarian aid to Gaza from Egypt in coordination with the EU Civil Protection Mechanism and EU partners (Directorate-General for European Civil Protection and Humanitarian Aid Operations, 2023). While the Commission's political involvement in Gaza is minimal, it continues to be the largest international donor to Palestine (European Commission, 2023).

Further to being a humanitarian aid donor, the Commission strived to support its neighbours and other countries and regions experiencing underdevelopment, particularly through Global Gateway and Team Europe initiatives. Through such initiatives the European Union, its member states and agencies collaborate with actors from the private sector, civil society and international organisations to tackle global challenges. In October 2023, the European Commission launched the Africa Connected Programme. Through this programme, the European Union and Finnfund will mobilise more than 1 billion euros towards sustainable investments for digital infrastructure and digital service platforms in Sub-Saharan Africa (European Commission, 2023). This program highlights the wide array of partnerships, which

pendency on Russian fuel from 155bcm in 2021 to around 40-45bcm in 2023 (European Commission, 2023). Furthermore, the Union is stepping-up its infrastructure of clean energy through green hydrogen pipelines, supplied from its Southern neighbours. These energy corridors will continue to diversify the Union's energy supply, which strengthens its energy security as well as further enables the Union to move ahead with its clean energy transition. In 2023, the European Union successfully produced more electricity from wind

ZEI Discussion Paper C 282 / 2024

Africa – EU Relations: The evolution of an agenda of partnership - Dušan Bruić

This paper gives an overview of the evolution of the Africa-EU Partnership and its priorities between the years 2000 and 2022. It delves into the complex and dynamic relations between the two partners, whilst exploring historical and geographical aspects, inherited traits and common strategies. From the period known for strong paternalism there is a shift to a more equal partnership. The paper focuses especially on most debated issues over time, including migration, green energy and climate change and offers different perspectives. The researcher explains the reasons behind their growing relevance and reflects on main takeaways ahead of the forthcoming 2024 AU-EU Summit.



the Commission is exploring. This programme is a milestone in the Union's partnership with Africa as it continues to promote investment in Africa, which shall in turn boost economic growth and improve living standards for all citizens in Africa (European Commission, 2023).

The EU is also addressing challenges pertaining to individual countries through bilateral action plans. In October 2023, the EU and Somalia signed an 89.5 million euro multi-annual action plan to address the countries' key development and state-building challenges and advance its economic development – in line with the launch of the EU-Somalia Joint Operational Roadmap (European Commission, 2023). As explicitly stated by High Representative/Vice-President of the European Union, Josep Borrell, through such initiatives, the Union together with its partnering countries promote sustainable peace, security, and development in line with the principles of international rules-based order, which is an overarching guiding doctrine of the Union's foreign policy.

As part of its global development policy, throughout 2023, the European Union continued to promote and support the deployment of clean energy by partnering with its neighbours. One example of such initiatives is the ELMED Inter-connector. In August 2023, the European Commission granted 307 million euros for a 200 km undersea cable, which links Tunisia to Italy (ELMED Project, 2023). Through such projects the European Commission puts into action its priorities of development policy, neighbourhood as well Africa-EU partnership. The implementation and success of this project would in fact make Europe stronger in the world.

Throughout 2023, the European Commission continued to also prioritise bilateral relations with various major actors in the international sphere. These include the signing of the EU-Japan Horizon Agreement for Air Services in February 2023, EU-Republic of Korea Summit in May 2023, EU-Japan Summit in July 2023 and EU-US Summit in October 2023.

On the multilateral front, the EU-Latin America and Caribbean Joint Declaration on a Digital Alliance was also a key moment for the European Commission in 2023 whereby all parties agreed to establish an EU-LAC Digital Alliance (European Commission, 2023). This Alliance provides a framework through which various stakeholders shall cooperate on a wide range of digital issues such as artificial intelligence, digital trade, digital skills development as well as digital governance and security, while also promoting digital investments in the respective regions (European Commission, 2023).

Conclusion

As we look back at the European Commission's work in 2023, particularly its foreign policy, humanitarian aid and development are areas in which the European Commission has been proactive at international level. These priorities were encompassed in various actions of the Commission and were supported by extensive budgets, action plans and partnerships. However, the Commission's priority seems to be its Eastern neighbourhood and sub-Saharan Africa. A comprehensive agenda for the Middle East and North Africa is further down the ranking order. On a global scale, the European Commission continued to be a normative power - encompassing its fundamental norms and values in all initiatives, particularly promoting multilateralism in all facets of its foreign policy.

Prof. Dr. Stephen Calleya

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COMMISSION PRIORITY 5: PROMOTING OUR EUROPEAN WAY OF LIFE

SNATCHING VICTORY FROM THE JAWS OF DEFEAT? FINAL AGREEMENT ON RADICAL REFORM OF THE EU'S ASYLUM AND MIGRATION SYSTEM

Goals and Key Players

The von der Leyen Commission currently finds itself in the final months of its term of office. Previous editions of this Observer have flagged up the multiple different targets formulated under the heading of 'Promoting our European Way of Life', and the progress made on the various sub-fronts. Imminently, we will be placing in the spotlights the advancements from last year in one specific field that have spent a long time in waiting: the successful adoption by the Council of Ministers and the European Parliament of the so-called 'New Pact on Migration and Asylum', which was originally proposed by the Commission back in September 2020.

This terrific success once again placed the designated Commissioner for Promoting our European Way of Life in pole position: at the press conference on 20 December 2023, following the decisive meetings forging a compromise between the institutions, Mr. Margaritis Schinas underlined how the deal reached was a proud testament to the fact that "Europe can still deliver solutions on issues that matter most to its citizens". Ms. Ylva Johansson, the Commissioner for Home Affairs and closely attached to the aforementioned portfolio, thereby opined that the Pact "illustrated a keen commitment to continue to move forwards while remaining true to EU values". Ominously, on that same occasion the Justice Commissioner, Mr. Didier Reynders, declined to comment, as did Ms. Vera Jourová, entrusted with Values and Transparency. Their own successes would seem to lie elsewhere, e.g. with the Council's earlier decisions to freeze funds vis-à-vis Poland and Hungary in the face of rule of law backsliding – a topic that has been adequately covered before, and need not be commented upon again here.

Progress in 2023

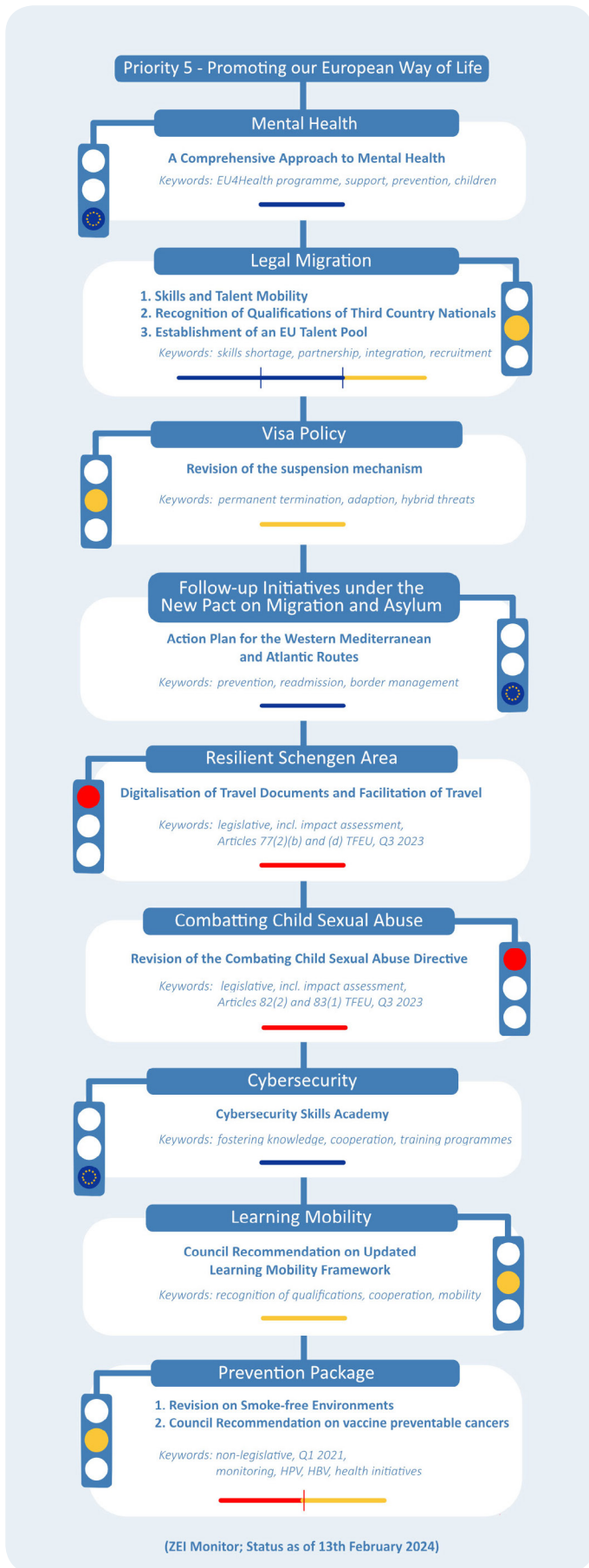
Let us then zoom in on the main elements of the agreement that is to effectively 'promote the European way of life' in the next few years, particularly by ensuring that the right people are allowed to enter, and the wrong people are kept at bay – in so doing, allowing for legitimate patterns of migration to arise while offering a maximum of domestic security to the nationals of the member states. The adopted package comprises of five Regulations that are destined to radically transform the existing legal framework. Together,

they touch upon all stages of asylum and migration management, intend to make the system more effective, and increase the solidarity between member states, facilitating a better allocation of tasks to those countries where most migrants arrive.

First up is the Asylum Procedure Regulation (APR), establishing a common procedure that needs to be followed for people in search of international protection. The instrument streamlines the differing national arrangements and imposes standards for the rights of the asylum seeker, including an entitlement to free legal counselling in the administrative procedure. It also contains clear obligations for applicants in terms of good faith cooperation with the authorities involved. The APR introduces a mandatory border procedure which aims to quickly assess whether applications for asylum are unfounded or inadmissible, targeting persons who are a danger to national security or public order, and those who have misled authorities with false information or by withholding information, holding a nationality with a recognition rate below 20 per cent. Such individuals do not get authorisation to enter the EU, and will have to reside at (or in close proximity to) the external border or indicated locations/transit zones. According to the APR, priority should be given to (reviewing the) applications of minor applicants and their family members. Member states are to establish an adequate capacity for reception and handling, as well as a fundamental rights monitoring mechanism. This capacity will be calculated per member state on the basis of a formula, which takes account of the number of irregular border crossings and refusals of entry over a three-year period. The maximum number of asylum applications a member state is required to examine in the border procedure on an annual basis will be four times its respective adequate capacity limit.

Next up is the Asylum and Migration Management Regulation (AMMR), a measure meant to replace the current 'Dublin' equivalent. This instrument will clarify the criteria for determining which country is responsible for the examination of an asylum application and modify the rules for transfers. Under the new scheme, asylum seekers are required to apply in the member state of first entry or legal stay. However, when certain criteria are met, an alternative member state may become responsible for dealing with the asylum claim. The AMMR limits the grounds for cessation or shift of responsibility, reducing the possibilities to choose the country where applicants submit their claims, thus discouraging secondary movement. It also adapts the time limits for the duration of a country's responsibility. The main ingredient of the Regulation is an innovative mechanism that endeavours to combine mandatory solidarity to support countries

Commission Priority 5: Promoting our European Way of Life



that cannot cope with the number of irregular arrivals into their territory on the one hand, with flexibility as regards the choice in the type of member state contribution on the other. The latter option would include relocations of asylum seekers and of beneficiaries of international protection, paying financial contributions, deployment of personnel, or supplying resources focused on capacity-building. There will be a minimum annual number for relocations from the most 'popular' countries, fixed at 30,000 units, whereas the minimum annual number for the financial contributions is for now pegged at EUR 600 million. Basically, member states will retain discretion as to the specific type of solidarity they wish to offer, and can ultimately not be obliged to carry out relocation operations as such.

The third pillar of the Pact is the Screening Regulation (SR), purporting to create uniform rules concerning the identification of non-EU nationals upon their arrival, allegedly in this way increasing the overall security within the Schengen area. The SR will apply to persons apprehended in connection with unauthorised crossings of an external border by land, sea or air, persons disembarked following a search and rescue operation at sea, and persons who have made an application for international protection at border crossing points or in transit zones yet do not fulfil the official conditions for entry. It also applies to persons apprehended on EU territory who have escaped external border controls. These individuals are all not authorised to enter the territory of the member states, and placed in detention in accordance with existing EU law conditions, and must remain at the disposal of the authorities at the screening location. The screening should be carried out near the external borders over a maximum period of seven days.

The fourth leg of the package establishes a special framework allowing member states to address situations of crisis and force majeure. Strikingly, this Regulation allows them to deviate from EU law and e.g. adjust the rules on registration of asylum applications, or rather request solidarity and support. Prior authorisation from the Council will nevertheless be required, so as to avoid promoting a too decentralised setup or general anarchical regime.

The fifth and last element consists of an update of the EU-RODAC Regulation, intended to make it possible to better tackle irregular movements, monitoring the paths of asylum seekers and persons in irregular situations throughout the EU. The changes here particularly allow for the registration of individual persons instead of applications, enabling authorities to better identify those concerned, as well as the member state that should be responsible for their eventual processing. Already containing fingerprints, EURODAC will

ZEI Discussion Paper C 281 / 2024

Hans-Peter Schwarz (1934-2017). Politik und Zeitkritik - Ludger Kühnhardt

Hans-Peter Schwarz was the leading biographer of the Federal Republic of Germany. With his studies on the re-organization of Germany after the Second World War and his biographies on Konrad Adenauer and Helmut Kohl, he accompanied contemporary history and wrote political cultural history himself. The long-time professor of political science and contemporary history at the University of Bonn was a profiled, often uncomfortable critic of politics and public debate. On the ninetieth birthday of Hans-Peter Schwarz, who passed away in 2017, ZEI Director Professor Ludger Kühnhardt is remembering important milestones in the work of Hans-Peter Schwarz, supplemented by personal impressions and memories.



simultaneously and controversially be expanded to henceforth comprise additional biometric data such as facial images. Further data that will be collected includes a person's name, date of birth, nationality, alongside the date and place of application for international protection. In addition to storing the data of asylum seekers, it will also cover persons who stay illegally in a country, have entered the EU irregularly, or those who disembarked following search and rescue operations. Under certain circumstances, it may even prove necessary to record whether, following security checks, a person could pose a threat to a country's internal security. Breaking with past practice, law enforcement agencies are enabled to directly access the EURODAC database.

Conclusion

The above truly constitutes a major breakthrough towards a common architecture. One may add the success of this grand pact to the progress that was made earlier in 2023, inter alia the Commission's launch of an 'EU Talent Pool' in November, and a voluntary solidarity mechanism agreed in June, alongside the issuing of two Recommendations on search and rescue, respectively on a 'migration preparedness and management system'. In line with repeated demands from EU citizens, the groundwork thus finally appears in place for a harmonised and more effective approach. In its implementation, surely the European Asylum Support Office, refurbished in 2022 to form the European Agency for Asylum, shall need to play a crucial role.

While the assembled measures ought to ensure unwanted persons are kept out or prevented from entering, conversely the Talent Pool should guarantee a steady influx of migrants who are actively desired. Meanwhile, critics have not pulled any punches, producing an avalanche of cynical commentary, especially lambasting the scant regard paid to the rule of law and international human rights standards. The viability of the solutions devised does remain ques-

tionable, not least in light of the intense bureaucracy of the various procedures, or considering too that the core of the franchise will largely depend on the good faith cooperation, burden-sharing, and voluntary contributions and by the member states.

Outlook 2024

In spite of the main components, as discussed above, having been agreed between the three key institutions, insiders are still fleshing out the details of the mentioned Regulations at the time of writing. With COREPER having confirmed the outcome, a final adoption by the Council and the Parliament is expected around April 2024. The proof of the pudding will then be in the eating – the actual operationalisation, which is, according to the aforementioned commentators, bound to throw up myriad intractable problems.

Looking back, we may conclude that most of the other themes placed under the 'Promoting the European Way of Life' heading have been addressed rather nicely, with notable successes in the spheres of health and security. A bit more would have been desirable, however, on the front of fostering skills, education and inclusion, where matters seem to have come close to a standstill. With only that relatively marginal issue left on the supranational agenda, the bets are on whether a similar portfolio is likely to feature in a second von der Leyen Commission.

Prof. Dr. Henri de Waele

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COMMISSION PRIORITY 6: A NEW PUSH FOR EUROPEAN DEMOCRACY

PUSHING EU DEMOCRACY FORWARD WITH THE EU INSTITUTION

Goals and Key Players

Legislative activity by the Commission in 2023 took place in light of the so-called Qatargate scandal. In a nutshell, this is one of the biggest corruption scandals that ever erupted within the European Union (EU). In December 2022 (Belgian) police carried out raids mainly within offices of the European Parliament (EP) and other properties in the European capital of Brussels. The core allegations included suspects who had been working within the EP - with (the then) EP Vice-president Eva Kaili at the helm - accepted money in exchange for doing bids for Qatar to host the FIFA World Cup in late 2022 (Politico 2024).

Against that backdrop, the European Commission put forward Proposals and Communications in 2023 that were aimed to further fortify the EU against corruption. These included the creation of an interinstitutional ethics body. Note that at the end of 2023 (in December) the European Commission also adopted a 'defence of democracy package' in the run-up to the European elections. These proposals are on the one hand aimed at making the European Parliamentary elections and policy processes as such more inclusive. On the other hand, proposals are also specifically targeted to improve the transparency of interest representation of third countries.

Progress in 2023

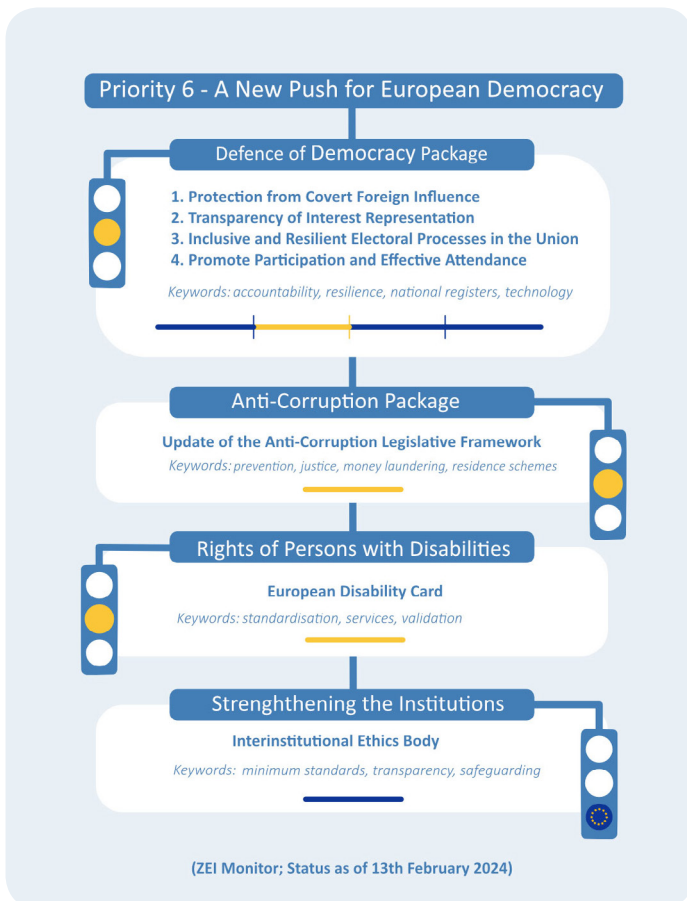
It might come as no surprise that soon after the eruption of the corruption scandal at the end of 2022, the Commission came up with an update of the Anti-Corruption Legislative Framework (on 3 March 2023). In this Proposal, the responsibility of combatting corruption is placed with member states. These are 'encouraged to adopt a range of preventive legislative, as well as repressive, measures'. One of the key milestones of the Proposal is that the Commission attempts not only to define but also to criminalise various forms of corruption. Accordingly, the Proposal stipulates penalties and measures for those persons and (legal) entities involved in corruption. Whistleblowers are also to be protected and the Proposal also reflects on how to protect the Union's financial interests (European Commission 2023a).

A few months later, on 8 June 2023, the European Commission published a communication for a Proposal for an interinstitutional ethics body. While the European Institutions

are seen to have largely established adequate ethical frameworks for both members and staff, what seems to be missing are common minimum ethical standards for members. This gap has led to concerns about coherence and clarity of the rules. This new Ethics Body is then to fill this lacuna. This Body shall thus develop common minimum standards applicable to all parties and their members. These standards are to be reviewed when necessary. Parties are furthermore to cooperate on issues of mutual interest when it comes to 'conduct of their members'. As such, the body has a very specific remit and will not 'interfere with the investigative functions' of entities like the European Anti-Fraud Office (OLAF) or the European Public Prosecutor's Office. When it comes to its composition, the Ethics Body will comprise one representative from each participating institution, alongside two independent experts. This Body shall be supported by a secretariat, which is to be based within the Commission. The Communication lays down further specifications for the composition and responsibility of this secretariat (European Commission 2023a).

In December 2023, the European Commission adopted a Defence of Democracy package, ahead of the 2024 European elections that encompassed a whole slate of proposals. On the one hand, these aimed to make the EU more 'democratic' by making electoral processes 'fairer', more inclusive and inter alia protecting electoral processes from foreign interference. In this vein, the Commission on the other hand, published a recommendation on inclusive and resilient electoral processes in the Union and enhancing the European nature and efficient conduct of the elections to the European Parliament (European Commission 2023c). Just like in the Anti-Corruption Legislative Framework, it is the member states and entities therein that are seen as the key players. The main addressees of this recommendation are thus member states, European and national political parties, political foundations, and campaign organisations. Registration procedures of voters and candidates are to be enhanced qua flexibility, inter alia through electronic means. At the same time, challenges faced by groups like older persons or marginalized groups in accessing the internet and digital technologies are to be addressed. Member states are to reduce complexity by providing 'clear and comprehensive information' so EU citizens can actually make use (and know about) their right to vote. Information provided around elections is to be free from manipulation and (foreign) interference. It is also up to political parties to ensure that voters receive correct information in a timely, accessible, and intelligible manner. Given that there is interference and manipulation of information they are to flag this together with other stakeholders (European Commission 2023c).

Commission Priority 6: A New Push for European Democracy



Other proposals are aimed to enhance the transparency of Interest Representation of third countries and making policy processes more inclusive. The first Proposal in this context is a draft for a Directive establishing harmonised requirements in the internal market on transparency of interest representation carried out on behalf of third parties (European Commission 2023d). This Proposal can thus be seen as a (another) direct reaction to Qatargate. A cornerstone of this directive is the proposal to establish transparency registers for entities that lobby on behalf of third countries. These registers thus are to enable citizens, decision-makers, and other stakeholders to trace which third countries are involved in lobbying activities. Entities that are involved in these endeavours are to keep the related information up to four years after these have ended. The second is a recommendation that is to ‘promote the engagement and effective participation’ of citizens and civil society organisations in public policy-making processes. This recommendation departs from the observation that the conditions for the participation of individual citizens and civil society organisations vary across member states. Therefore, a ‘tailored approach’ is needed here to make policy-making processes more inclusive. The Commission recommends that member states have a clearly defined policy for participation. Participants are to be informed about the outcomes/results

of policy-making processes. Frameworks for participation are to be reviewed regularly and are to be adapted with a view to transparency and inclusivity (Commission 2023e). In this context, it is also to be noted that the Commission has itself already tried to enhance its framework for citizens’ participation. European Citizens’ Panels are now part of its policy-making process. The ‘Have Your Say portal’ is to be enhanced in early 2024 and is to be a ‘new online one-stop-shop for Citizens’ Engagement’.

The package has led to very mixed and different reactions by Civil Society Organisations (CSOs), which can also be explained by the fact that the package addresses very different issues. To just give two examples: the foreign funding directive is seen as ‘deeply harmful to democracy’ and seen to put limits to the key role that civil society organisations play in healthy democracies (European Civic Forum 2023). On the other hand, the fact that the EU is further formalising its role as a ‘Europe-wide electoral standard setter’ by trying to improve the conduct of the EP elections is seen as a welcome development (Van der Staak 2023).

Conclusion and Outlook 2024

2023 was the first year after the Conference on the Future of Europe came to a close. The European Commission has picked on some of the elements of the Conference – such as the European Citizens’ Panels - and has integrated them into its policy making process.

The year was also marked by several legislative initiatives aimed to making EU policy-making more inclusive and transparent, to improve transparency and regulation of lobbying with a focus on third countries and to improve the holding of EP elections.

For 2024, it is now up to the European Parliament and the Council for the large array of national actors involved to ensure that progress both when it comes to the European Democracy Action Plan (from 2020) and regards this new Defence of Democracy package.

Note that in the run-up to the 2024 European elections, the Commission will also play a role by fostering pre-election dialogues. The European executive will do so with online platforms and other signatories of the Code of Practice on Disinformation.

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ZEI Monitor

OVERVIEW OF THE IMPLEMENTATION STATUS OF EU LEGISLATION UNDER THE VON DER LEYEN COMMISSION

38

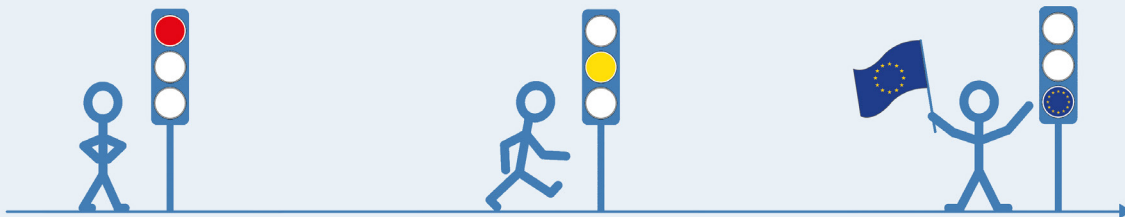
Proposal (legislative / non-legislative)
not tabled yet

121

Ongoing ordinary legislative
procedure

298

Legislative procedure completed /
non-legislative proposal published



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