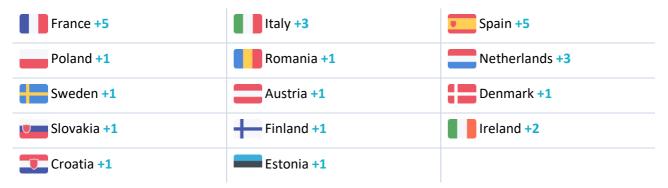


THE NEW COMPOSITION OF THE EUROPEAN PARLIAMENT

On 13 June, the European Parliament Plenary held a vote on the draft recommendation establishing the composition of the European Parliament post-Brexit. The recommendation, which endorses the draft European Council decision, was adopted through a single vote with 566 votes in favour, 94 against, and 31 abstentions. EU leaders formally adopted the decision on the new composition of the European Parliament at the summit in Brussels on 29 June.

This means that:

- The number of MEPs will decrease from 751 to 705 after Brexit;
- 46 of the current 73 UK seats will be kept for possible future EU enlargements;
- 27 UK seats will be shared out among 14 under-represented EU countries:



The Parliament decision also stresses that the new allocation will apply only if the United Kingdom leaves the EU. Otherwise, the current arrangements will stay in place until Brexit has been legally completed.



GROUP UPDATES

European People's Party (EPP)



On EPP possible Spitzenkandidat:



Michel Barnier – a strong and widely supported candidate but he would probably need to defect from the Republican Party to Macron's 'En Marche' in order to be put forward as the French candidate;



Vice Chairman of the EIB Alexander Stubb has announced that he would be interested in the candidacy, which received a major boost when current Vice-President of the European Commission Jyrki Katainen decided to retire from politics after his current tenure ends in order to support his wife's career in Finland. Stubb is now actively exploring his options in Brussels;



EU media has reported that Chairman of the EPP Parliament Group, Manfred Weber, has pitched himself as a potential candidate. According to senior EPP sources Weber, does not have the support of Angela Merkel, however, and his only supporter seems to be Austrian Prime Minister Sebastian Kurz. Weber's biggest weakness is that he has never held national office;



President of the European Parliament Antonio Tajani is a potential candidate. He is a former Vice-President of the European Commission responsible for Transport (2008-2010) and for Industry and Entrepreneurship (2010-2014) and was one of the founders of Italy's Forza Italia party (1994).



There has also been speculation around the President of Lithuania, Dalia Grybauskaitė, but she's not member of any party and the rules of the EPP say that candidates must be members of the party;



Also, former Irish Prime Minister Enda Kenny is often mentioned in the speculations.

- Topics for policy papers (to be finalised by July 2018):
 - Security;
 - Migration (focus on controlled outer borders aware of who is going in/out of Europe);
 - Prosperity (to be finalised in April 2018, aims to communicate benefits of Single Market);
 - Climate change;
 - Role of the EU.
- The Manifesto will only be developed after the EPP Electoral Congress:
 - The Manifesto will be finalised by end of January 2019;
 - The content will be heavily influenced by the candidate;
 - Elements may be taken from the policy papers, but not necessarily;
 - MEPs will have minimal influence;
 - Member parties will have a larger influence, but it is 'not a super inclusive process;'
 - Time to influence will be after the Electoral Congress: November 2018 January 2019;



S&D



On S&D possible Spitzenkandidat:



Slovakia's EU Commissioner, Maroš Šefčovič, confirmed on June 4 that he is interested the position;

There is speculation that Federica Mogherini wants the position. She has strong support in the West/South but stands weaker in the East due to her perceived close ties to Russia;



Pierre Moscovici – potentially a strong candidate but will have difficulties in finding parties to put him forward as a candidate.



Current Commission First Vice President Frans Timmermans – but he faces difficulties due to the collapse of the Dutch Labour party;

- Socialist Spitzenkandidat nominations close on October 19. An EU-wide primary vote will take place on December 1 if there is more than one candidate and a socialist congress will ratify the result on December 7-8.
- S&D congress to decide the party manifesto is rumoured to be planned for late in the race (March 2019);
- S&D is trying to profile and gather citizen's interest through a series of events/workshops called Europe Together;
- S&D is gathering input from industry, civil society, citizens etc. that may feed into the manifestos.

ALDE



On ALDE possible Spitzenkandidat:



Current chairman of the ALDE parliament group Guy Verhofstadt is interested in running. He was already their Spitzenkandidat in 2014 elections;



Current Commissioner Margrethe Vestager is a strong candidate who has large support within the party; she is also respected by other players. Her biggest challenge is her own home country, Denmark, whose current Prime Minister has announced that he might not support Vestager as a Commissioner. On the other hand, there could be elections in Denmark before the decision is made.

- The Manifesto is to be finalised by September 2018 at the latest and adopted in November 2018;
- The Manifesto will focus on broader themes rather than concrete measures and will be based on classical liberal themes: free market, trade, security, defence, and the economic side of environment and energy.
- The intention is to look at ALDE's vision of Europe in the next ten years and how to get there. It will reflect the issues and the opportunities of the upcoming decade.





- The situation of the European Conservatives and Reformists Group (ECR) has been one of the hot topics
 in Brussels as the group is losing its biggest party, the U.K. Conservatives, after Brexit.
 - Party leaders are now actively meeting potential partners in Member States.
 - In early July, the far-right Sweden Democrats left the Europe of Freedom and Direct Democracy group and joined the ECR in the European Parliament, shifting the ECR to the right. The move brings Sweden Democrats' two MEPs into the ECR and as the party has topped Swedish opinion polls in the last year, it is likely that they will pick up further seats in the 2019 election.

European Green Party (EGP)



- The EGP Committee proposes that the EGP member parties elect the Green leading candidates for the 2019 EP campaign during the 2018 Autumn Council, 23-25 November 2018, following the procedures, requirements and timeline below;
- Decision by the Antwerp Council delegates: The EGP council in Antwerp has decided to nominate two leading candidates / Spitzenkandidaten;
- Contenders and the role of member parties:
 - The EGP committee opened the call for contenders on 8 June 2018;
 - Contenders can present themselves until 14 September and must be officially nominated by the member party of each interested contender;
 - The EGP Council in Antwerp decided to nominate two Spitzenkandidaten;
 - At least one of the contenders must be eligible for election to the European Parliament. The
 contenders must present themselves for the European elections on one of the lists (including
 alliances) of an EU EGP member party;
 - Contenders are invited to present their political agenda in a maximum of two pages. They should be prepared to travel throughout the EU, to represent the Greens in leading transnational debates with the other political families, and to campaign transnationally to support EU EGP member parties' campaign activities;
 - Member parties must explicitly consent to the participation of the contenders they nominate. The
 parties can nominate a non-member as a leading candidate;
 - In a second phase, in order to emphasise the transnational character of the European elections, all
 contenders must acquire the explicit support of at least five additional EU EGP member parties by
 28 September 2018 to become a contender in the election of the Green leading candidates;
 - EU EGP member parties may support two leading candidates.



The Macron element

On possible Spitzenkandidat:



The chief executive of République en Marche, Christophe Castaner, has publicly announced that he could be potential Spitzenkandidat for the party. At the moment Castaner is on a European tour to build his progressive platform.

- President Macron is somewhat of a challenge for ALDE and also a small threat to EPP with his movement
 En Marche! being a potential European competitor;
- Macron had considered teaming up with Matteo Renzi's Democratic party in Italy as well as the SPD party
 in Germany to give a solid base to a new European political party group;
- By now, Macron realises that it is too difficult to start a new European family. He is likely to wait for the outcome of the European Parliament elections and see if he can start his own group. There is also potential for cooperation between ALDE and Macron at the European Parliament but it's complicated:
 - Macron is reluctant to join a traditional party his success came from creating something new;
 - Macron is reluctant to join someone to begin with he wants others to follow him;
 - This may lead to more difficulties to find natural majorities in the Parliament and requires more footwork for companies.

General speculation



Current Managing Director of the International Monetary Fund, Christine Lagarde, has been mentioned as a potential candidate for several high-level EU position e.g. Spitzenkandidat and Managing Director of European Central Bank;



Former Danish Prime Minister Helle Thorning-Schmidt has been active in EU-level discussions and has announced that she could be interested in top EU positions (e.g. in the Council and Commission). Denmark might have national Parliament elections before May 2019 and Helle's party is leading in the polls;

- There will be several positions to be filled at the same time in 2019 and that puzzle leaves lots of possibilities for black horses and compromise candidates;
- Given the likelihood of the Parliament moving even further away from the centre, how do we interact with a more atomised and populist/extremist Parliament?
 - The most extreme groups Europe for Freedom and Direct Democracy (EFDD) and Europe of Nations and Freedom (ENF) – make up around six to eight percent of the European Parliament and are expected to gain a bit more in the elections;
 - It is the major parties which are likely to undergo the biggest changes;
 - As we noted above, S&D has collapsed in Italy, Germany, The Netherlands and France. French
 president Emmanuel Macron has held discussions with S&D in Italy and Germany to find common



- ground and links. He has also held discussions with ALDE, which has expressed an interest in working with him.
- Macron has suggested ALDE and S&D join with En Marche! to make it a European rather than simply a French party. Should he succeed, En Marche! would be a big player in the centre-left as a Europe-wide, pro-European group, combining three separate parties/movements.
- Whatever the likelihood of that success, EPP will nonetheless probably remain the biggest coalition within the EP. That will certainly be true should Macron fail in his quest to unite the three groups he is speaking with. Instead, we would see four weaker centre parties EPP, En Marche!, ALDE and S&D. Negotiations to create coalitions among these diverse groups would become more difficult than it is now.

