

#### Introduction

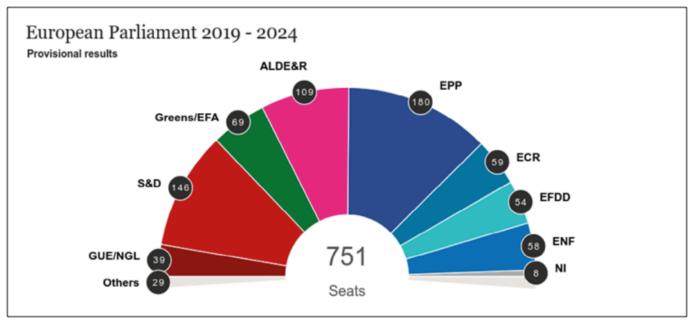
The European Parliament (EP) elections take place every five years to determine the currently 751 directly elected representatives of European citizens constituting the EP.

The delayed Brexit deadline (now 31 October 2019) meant that the UK was required to participate in these elections. Therefore, all 28 member states took part in the world's largest transnational election from 23 – 26 May 2019. At nearly 51%, turnout was higher than in recent elections, but ranged from 88% in Belgium to somewhere around 20% in certain central and eastern European countries. Below is a brief assessment of the outcome, implications and next steps.

The EP elections are important not only because they define the relative power balance between the main eight political party groups at the EU level for the next five years (2019 – 2024) — which has a major impact on the shape of future EU regulation and policy. The outcome of the elections also matters for the selection of new political leaders at the helm of various EU institutions and whose appointments are typically agreed upon in a "package deal".

The mandates of the following positions expire in autumn 2019: the presidents of the (i) European Commission (currently Mr. Juncker), (ii) European Parliament (currently Mr. Tajani), (iii) European Council (currently Mr. Tusk) and (iv) European Central Bank (currently Mr. Draghi). The mandate of Eurogroup President Centeno expires in 2020.

### Results of the EP Elections (Provisional Results as per 28 May 2019)



Source: European Parliament – 2019 European election results

#### **Political Groups in the European Parliament**

- EPP Group of the European People's Party (Christian Democrats)
- **S&D** Group of the Progressive Alliance of Socialists and Democrats in the European Parliament
- **ECR** European Conservatives and Reformists Group
- ALDE&R Group of the Alliance of Liberals and Democrats for Europe + Renaissance + USR PLUS
- GUE/NGL Confederal Group of the European United Left Nordic Green Left

- **Greens/EFA** Group of the Greens/European Free Alliance
- **EFDD** Europe of Freedom and Direct Democracy Group
- ENF Europe of Nations and Freedom Group
- **NI** Non-attached Members
- Others Newly elected members not allied to any of the political groups set up in the outgoing Parliament

#### **Assessment**

In line with recent polls, the two largest political party groups in the outgoing EP, the EPP and the S&D, came in again at first and second place with 180 and 146 seats (of 751 seats in total), respectively — though both parties lost seats (36 and 39, respectively) in comparison to the 2014 results. Consequently and importantly, the two parties also lost their joint majority in the new EP, as their combined seats amount to only 326 seats — 50 short of the 376 seats needed for a simple majority decision in the EP. They will thus have to find additional political support via at least a third political party should they wish to continue their joint leadership role in the new EP. The third largest political group in the new EP will again be the Liberal Group (ALDE) with 109 seats (up 41 seats), followed by the Green Party with 69 seats (up 17 seats).

The more EU/Euro-sceptic and populist movements also fared well in the recent elections, with the ECR, the ENF and the EFSS securing 59, 58 and 54 seats, respectively. If they were to unite under one political roof (i.e. a nightmare for most pro-European minded politicians), they would form the second largest political group behind the EPP. But, despite various attempts to unite these movements (such as the recent efforts by Italy's Matteo Salvini), these groups have so far remained separate political families at the EU level — which weakens their potential impact to the benefit of the more mainstream political parties EPP, S&D, ALDE, Greens and GUE/NGL. There are also various substantive differences between these populist political families when it comes to topics such as migration, respectively the redistribution of migrants, or on public finances (cp. AfD vs. Lega Nord/5S positions).

We would expect the EPP group to seek to form a coalition with the Liberal Group (ALDE) as well as the S&D Group in order to create a stable and pro-European majority in the new EP. But, both potential coalition partners of the EPP may want a high price for their support: one of the key EU president positions (e.g. for ALDE, the EC presidency).

Thus, it remains unclear how this negotiating process will unfold. An informal EU Summit is taking place on 28 May for EU heads of government to have a first exchange about this process.

Regardless of the reestablishment of a "grand coalition" between EPP and S&D (in partnership with ALDE and/or the Greens) or whether the collaboration remains more ad hoc in nature, we expect the mainstream and pro-European parties (EPP, S&D, ALDE, Greens and GUE/NGL) to unite regularly on key political questions in order to form a pro-European majority in the EP. This would also create a counterweight to the three EU/Euro-sceptic parties (ECR, ENF and EFDD), which have been considerably strengthened in the recent EP elections.

As mentioned above, the outcome of the EP elections also drives the process of determining the main candidates for the key EU leadership roles to be filled in the coming months. After the last EP elections in 2014, the president of the European Commission (EC) had been selected following the so-called "Spitzenkandidaten" process. This process is not a legal requirement, but has been promoted by various political parties (in particular, the large EPP group), as well the EP itself. However, there is considerable pushback amongst certain heads of state (e.g. French President Macron) against following this path again this time. The EU heads of state and government are legally (but not politically) unhindered in their decision to consider the leaders of the main political parties for this role, i.e. Manfred Weber (German) for the EPP, Frans Timmermans (Dutch) for S&D or Margrethe Vestager for ALDE, or to propose any other candidate they deem more suitable.<sup>2</sup> The candidate then still needs the approval of the EP in order to become the new EC President.

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<sup>1</sup> Essentially, the idea is that the leading candidate of the largest political party family based on the EU election outcome would field the candidate for the next EC President. In 2014, this approach was followed and EPP candidate Jean Claude Juncker was put forward by the EU heads of state as their proposed candidate.

<sup>2</sup> One potential candidate who has indirectly campaigned for the role as EC President is Michel Barnier, a former French Commissioner, who belongs to the same EPP political family as Manfred Weber.

## **National Perspectives**

While the EP elections overall led to the predicted results at the EU level, there are some remarkable results at the national level which we would like to briefly highlight.



United Kingdom: The new "Brexit Party", led by former UKIP leader Nigel Farage, won almost 32% of the vote to become the strongest political group of the UK in the new EP. In second place came the pro-Remain Liberal Democrats, with just above 20% of the popular vote, followed by the Labour Party at 14%. The Green Party came in fourth at 11%, beating the Conservative Party of Prime Minister May (due to step down on 7 June), which came in fifth place with only 9% of the popular vote. Visit our <u>Brexit Legal blog</u> for further analysis of the implications of the UK results for the Brexit process.



France: Marine Le Pen's far-right *Rassemblement National* came in first with around 23% of the vote, narrowly beating Emmanuel Macron's Renaissance list at around 22%.



Germany: The EPP camp (CDU/CSU) came in below expectations, but with 29%, still well ahead of the Social Democratic Party, which fell to a historically low 16% of the vote. The German Green Party doubled its vote visà-vis 2014 and came in at second place, with around 21% of the vote.



Hungary: The FIDESZ Party of Prime Minister Orban won around 52% of the popular vote.



Poland: The ruling PiS Party secured 45% of the vote.



Italy: The far-right Lega Nord, led by Matteo Salvini, won 34% of the vote, while its coalition partner the 5Star movement came it at third place with 17%.



Greece: Prime Minister Tsipras called for snap general elections due to the weak performance of his Syriza Party (24% vs. New Democracy Party at 33%).



Spain: The Social Democrats secured 33%, but the exiled Catalan leader Carles Puigdemont was also elected, having run his campaign from Belgium.

# **Next Steps**

The newly elected representatives to the EP will use the month of June to consolidate the political party families, discuss their groups' political priorities and, importantly, agree on and come forward with potential candidates for the EP positions of president, vice president and questors.

The month of July will include two plenary sessions, where the president, vice president and questors will be elected and the composition of the EP committees will be decided. The last week of July, after the committees have been approved, the respective committee chairs and vice-chairs are elected.

Meanwhile, the official nomination of the new EC President is foreseen for the EU Summit of 20-21 June 2019. The EP is expected to vote for and, thus, elect the new EC President based on the EU leaders' recommendation during the month of July 2019.

Following the election of the new EC President, the member states (except the country of origin of the new EC President) would come forward with their candidate(s) as EU commissioners. Based on the current EU treaties, there is still one EU commissioner per member country — thus 28 EU commissioners, including the EC President. The EP is due to approve all commissioners (as a team) after hearings are held with each individual in October 2019.

The new EU commissioners' final policy portfolios and the hierarchy between them will be determined once the EC takes office on 1 November 2019 – an important political choice largely left with the new EC President. Once the new EC starts its work, it will focus on designing new strategies and identifying focus areas for their political work in the coming five years (2019 – 2024). The result of this strategy work is typically communicated by the new EC President, followed by a detailed EC work programme which each of the 28 EU commissioners will present and which lays out which new initiatives (legal and/or non-legal measures) are currently foreseen in the coming five years.

When Brexit happens (currently scheduled to be by 31 October), the UK's 73 seats will be removed. Twenty-seven of them will be reallocated to countries which are currently under-represented by proportion to their populations and 46 will be held back to allocate to new member states at the time of EU enlargement.

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