

# COMMENTARIES

## State of the Union address (SOTEU)

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## Christian Kvorning Lassen: General Impressions – A Visionary Speech Challenged by Political Reality

President of the European Commission Ursula von der Leyen's speech radiated rhetorical strength, presenting a strong vision for a Europe that she acknowledged as currently fragile, but which has immense strength when united in its diversity and rooted in European values. Ambitious goals in climate and digitalization were further heightened through promises of increased spending; the global pandemic has spurred renewed efforts to strengthen own resources and autonomy while opening the debate on shared competencies; migration has to be managed humanely and sustainably, and Europe has to rapidly grow into a stronger geopolitical power in defence of multilateralism and fundamental values. The last part was also used to accentuate how fundamental values and rights, such as Rule of Law, are under threat within Europe itself by nationalist and populist led countries such as Hungary and Poland.

However, for all its grandeur in vision, the speech gave little indication of where the Commission is fundamentally heading, and it did not address the institutional dilemmas haunting the EU's trinity of Council, Commission and

Parliament. The Council can and will still obstruct or decrease ambitious proposals in many, if not all, of the

above stated areas. The speech did not remarkably strengthen the Parliament's hand in ongoing negotiations, and it is still unclear how the Commission aims to achieve its ambitions when negotiations turn hard.

Concretely, the EU is in the midst of the worst recession in its history, and long-term recovery will require fundamental consensus on fiscal policy. Such consensus does not currently exist, and it might require new rules – the speech gave only vague indications as to how and whether it wants to steer such a debate. For climate and digitalization, the increased spending cannot come from the European Green Deal or the Multi-Annual Financial Framework (MFF); both those ships have sailed. It is dubious that the Recovery Instrument can cover these promises as Member States will understandably want to channel those funds into recovery.

The speech hit all the right notes in terms of conveying European strength, visions and values. It is, however, not much clearer how the Commission concretely intends to achieve its agenda and overcome the inherent challenges that it faces. The Commission will have to take on the

mantle of governance more wholeheartedly and be willing to meaningfully challenge Member States if its ambitious agenda is to be realized. In that regard, it was encouraging to see that Ursula von der Leyen did not mince words when addressing the extreme right-wing elements, stalwartly calling out the authoritarianism festering within Europe.

## Christian Kvorning Lassen: A Stronger European Health Union is Needed.

Contrary to some national state leaders (none mentioned, none forgotten), von der Leyen paid tribute to the health workers who have been on the frontlines against the pandemic. In terms of concrete initiatives, two aspects stood out: the need to build a stronger European Health Union through making the EU4Health programme future-proof through additional funding and building a European BARDA – an agency for biomedical advanced research and development.

Both of these agencies have merit; Member States failed in tackling the pandemic despite early warnings by the European Center for Disease Control and Prevention, prompting a valid consideration on increasing EU competencies and clout when it comes to public health. BARDA is a sound investment given the necessity for own-resources in terms of pandemic preparedness, particularly given the projections that decreasing biodiversity will lead to future pandemics and illnesses.

One can rightfully question, however, whether the Council will once again obstruct additional funding for these initiatives or make cuts to them, as it has done in the past. This concern is emblematic of a fundamental problem that was not adequately addressed in the speech – the Parliament's position relative to the Council was not strengthened which inhibits the EU from achieving its most ambitious policy agendas due to obstruction from a select few Member States.

## Christian Kvorning Lassen: Migration – Ambitious rhetoric, dubious feasibility.

President of the European Commission Ursula von der Leyen courageously stood by two important facts with regards to migration and Europe: one, that migration has *always* been an integral part of Europe, and is weaved into our cultural fabric and identity; and two, that Europe has

a moral and legal obligation to sustainably tackle migration in a humane manner founded in European solidarity.

Furthermore, von der Leyen emphasized that saving lives at sea is not optional.

The President's statements will no doubt be targeted by the extreme/far-right, whose political existence is based on dehumanizing migrants in order to justify inflicting atrocities on them. Her insistence on the humanity at the center of Europe is thus laudable.

However, she fell short in condemning the breaches of EU law in Moria and Lesbos, a missed opportunity given that this is an integral part the Commission's role. Indeed, stronger rhetoric will need to be matched with ambitious policy actions, which has been lacking for years by now. Her reference to the upcoming New Pact on Migration revealed that the Dublin Regulation will be abolished in favour of a common policy on returns as well as new solidarity mechanisms. While harmonization is welcome, one can legitimately question whether "new solidarity mechanisms" will not be mired in the same controversies as previous proposals for solidarity, casting doubt on whether the regrettable status quo will actually change.

## Danielle Piatkiewicz: Multilateralism: Europe's Call to Global Action – Taking the Lead

President Ursula von der Leyen's State of the Union was a call to action. From meeting ambitions energy, climate and economic targets – President von der Leyen most importantly stressed the importance that Europe leads the way in global recovery.

In her remarks, she highlighted the challenges facing democracies today, further undermined by the pandemic. She warned against foreign policy challengers such as China and Russia, who seek to destabilize European unity. The recent EU-China summit was mentioned as dialogue with China continues with the EU on various issues but cautioned that they remain an "economic competitor and systemic rival" and condemned human rights violations. In turn, she warned that Russia's continued aggravation in the EU's neighborhood through electoral interference and intimidation in Georgia, Ukraine and Belarus – will not stop there unless the EU takes a stronger position and continues to stand for the sovereign rights of countries.

This was especially poignant as she stated that "our global system has fallen foul of a creeping paralysis as major powers pull out." Calling for the revitalization and reformation of the multilateral system and for the EU to lead reforms of the WHO and WTO. An important component of this call for stronger international collaboration coincided with the strength and endurance of the Transatlantic alliance based on continued shared values that many of these ideals were built upon. Whatever the outcome of the US elections in November, von der Leyen called for a new transatlantic agenda to address global issues such as trade, tech and taxation.

Von der Leyen passionately stated that "we have a vision, we have a plan and we have the investment, time to get to work." This encompasses the EU's eagerness to become a stronger global leader and the State of the Union outlined the tools and actions in place to do so. Now, it's time to get to work.

## Kateřina Davidov: EU's climate momentum not quashed by the pandemic as new target is presented

From the climate policy perspective, this year's State of the Union address was a particularly important one, because it coincides with the announcement of the EU's updated emissions reduction target for 2030 (a process required under the Paris Agreement). As anticipated by many, Ursula von der Leyen announced that the bloc should increase its target from the current 40% to "at least 55%", compared to 1990 levels.

Von der Leyen approached this potentially explosive topic in a diplomatic yet resolute way, making sure that the new proposal is tolerable by everyone. More ambitious Member States will have the possibility to aim higher, while the more reluctant Member States of Central and Eastern Europe and their high-carbon regions can count on extra funding to support their decarbonisation.

The most interesting proposal, the Carbon Border Adjustment Mechanism, was moved to a later stage in her speech and unfortunately was not elaborated upon very thoroughly. This instrument could help convince even the most skeptical Member States, as it should ensure that the EU is not alone in reducing its emissions and that other major emitters such as China and the US follow suit. More details of the plan of how the bloc could achieve the minimum 55% target should be presented in an Impact Assessment released by the Commission tomorrow.

## Jana Juzová: European Neighbourhoods – Vague Reassurances, Economy First

In her speech, Ursula von der Leyen devoted surprisingly little space to the European neighbourhoods. Apart from a reference to the importance of trust in relations with EU's closest neighbours when talking about the Western Balkans, the focus was mostly on the economy. In relation to the Western Balkans, seeking their future EU membership, Von der Leyen praised the opening of accession negotiations with Albania and North Macedonia in March as "truly historic", reassuring that "the Western Balkans are part of Europe - and not just a stopover on the Silk Road." She then mentioned the upcoming economic recovery package, focused mainly on regional investment initiatives. However, when moving on towards addressing the Eastern Partnership and southern neighbours, the speech turned very vague. The focus was exclusively on economic assistance provided by the EU to boost the economies and create jobs in both regions. What was missing, especially in regard to the Eastern Partnership, was any mention of support to democracy and good governance or geopolitical importance of these partnerships. Von der Leyen concluded this part of her speech with the obligatory acknowledgment of the importance of partnership with Africa in shaping of the future world without elaborating on the meaning of her Commission's new strategy with Africa.

## Zuzana Stuchlíková: Next Generation EU, Rule of Law and Conference on the Future of Europe

### *Conference on the Future of Europe is dead*

Once a flagship project of the Von der Leyen Commission, the Conference on the Future of Europe is officially off the radar. In her SOTEU speech, President Von der Leyen (VDL) mentioned the originally-ambitious project only once, in a relation to strengthening the EU's health policy competencies – but the mention was given the same importance as the health Summit planned for next year. No mention of reconnecting to citizens or giving them a bigger say in where the EU is heading, no word about institutional reforms. Without the full support of the Commission President, it is unlikely that the project will stand up to the original expectations and will play a significant role in shaping the EU's future.

### *EU's reaffirms its stand on multilateralism*

President Von der Leyen reaffirmed EU's strong support for multilateralism and world-wide organizations, such as the UN, WHO and WTO. While acknowledging their current paralysis and need for reform, she called for a "change by design, not by destruction", in a subtle nod to the US. EU should lead the reform activities and contribute to the WHO and WTO reforms. Such ambition is in line with the long-term EU policies, however the recent reality of the US – China – EU triangle shows that EU's leverage over other global actors is still limited.

### *Rule of law – business as usual*

As one of the last topics of SOTEU 2020, Ursula Von der Leyen stressed the importance on internal cohesion among the EU Member states, built on mutual trust, based on the same values and respect to rule of law. As expected, she talked about the upcoming EU's first annual rule of law report, set to be published later in September, as a basis of a new, unified pre-emptive approach that should see European Commission, European Parliament and Member States working together to prevent democratic backsliding. Unfortunately, many commentators have already questioned the utility of such a tool, as it does not offer much new in terms of actually addressing the problematic states. VDL stated the Next Generation budget has to be "protected against any kind of fraud, corruption and conflict of interest" – however, she avoided the topic of ex ante conditionality altogether, which can be seen as a disappointment to all who still hoped to have the European budget used as a tool in the rule of law battle.

### *Next Generation EU and Single Market back on agenda*

Large part of VDL's first SOTEU focused on the recovery plan and Next Generation EU. She stressed the historical uniqueness of the agreement reached by the EU leaders in July yet praised the European Parliament for fighting against some aspects of the deal – namely the limitation of resources allocated on the new EU health programs. Otherwise she refrained from any appeals towards the EP for a speedy adoption of the plan. What was interesting was the return of an emphasis on the single market, which was notably missing from last year VDL's Agenda – in her SOTEU, President of the EC repeatedly stressed that only smooth functioning of the internal market can be at the heart of the European recovery and attention should be given to removing existing barriers.

## Vít Havelka: The EU and the UK fights over blame for Brexit fiasco

The president of the European Commission Ursula von der Leyen devoted part of her State of the Union speech to Brexit negotiation, stating that the EU and UK are not moving forward quick enough and that the chance of no deal is growing by every day. This is an obvious fact that everyone knows and would not make Leyen's speech interesting. However, the Commission president surprised by a very strong condemnation of the UK's intention not to respect parts of the Withdrawal Agreement. Von der Leyen correctly stated that such moves will harm mutual trust in the future, as the EU and the rest of the World will simply not be able to take UK's word for granted.

The framing of Leyen's words suggest that the EU is losing patience and that it is preparing for the worst possible outcome – the no-deal. Time is running out and, although no one says it aloud, it is unlikely the negotiating teams will manage to agree on time. Now more than ever, the UK and EU fights over who is to be blamed for the negotiation fiasco. In this respect, it is good that the President of the EC reminds the UK that its actions are an unprecedented breach of the international law and will consequences in the future.

*The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.*



Co-funded by the  
Europe for Citizens Programme  
of the European Union