

# Juncker's State of the Union – Time for Action

On 12 September Commission President Jean-Claude Juncker presented his last State of the Union speech to the European Parliament. Juncker made clear that a lot of work still lies ahead for the Commission and he presented a large number of initiatives which the Commission still has to tackle. In this snapshot we outline the main elements of Juncker's speech, give an overview of the key initiatives and analyse whether Juncker could satisfy the high expectations.

The annual State of the Union speech (SOTU) is one of the few opportunities for the European Commission to gain visibility in the Member States and among citizens. As Juncker's last SOTU (his Commission's term ends next autumn) it raised particular interest also because Members of the European Parliament (MEPs) start positioning themselves ahead of the European Elections that will take place in May 2019. Commentators expected a legacy speech. Last year's effort set the bar high with a long-term vision and a very personal pledge for the EU. This year's speech was more grounded in realism but was accompanied by more proposals than can be expected in a final year.

## Actions not words

This year Juncker made clear from the beginning that this was not about listing his achievements or about setting out a vision for the EU. Rather, it was about the many actions that still lie ahead until the end of his Commission's mandate. Modesty and hard work were the words setting the tone.

Juncker reminded his audience that the EU is the guardian of peace, civil rights and democracy and that we need to remain vigilant against exaggerated nationalism (though the rise of populism or the future of Europe did not feature strongly). Juncker thinks that the EU must win the fight against populism with actions and not with words. This is in line with last year's speech when he said that the time for words and debate was over.

## EU as an international actor

Juncker did not linger for long on the positive developments – he only briefly mentioned that the EU has overcome the economic crises, that investments are increasing and that

more people are in work than ever before. He quickly came to one of the main themes of his speech: The EU needs to become a more assertive international player and to speak with one voice.

Juncker wants to enable the EU to play a role in shaping global affairs.

A less expected idea was his proposal for an Africa-Europe Alliance for Sustainable Investment and Jobs. This is part of the EU's strategy to tackle the root causes of migration by providing more jobs on the African continent and is also a continuation of the External Investment Plan that has a strong focus on Africa. However, delivering a trade agreement with the whole continent is very ambitious to say the least.

The most important proposal in this area is the initiative calling for a more effective decision-making procedure for the EU's foreign and security policy. This entails decision making through qualified majority that Juncker already mentioned in his previous SOTU and the full implementation of the European Defence Fund and Permanent Structured Cooperation in Defence.

Tackling climate change remains an issue in which the EU needs to pull its weight internationally. Juncker confirmed the ambitious goal to reduce CO2 emission by 45% proposed by Energy and Climate Commissioner Canete and that will be part of the EU's carbon reduction strategy ahead of the Climate Change Conference in Katowice.

## Towards European Elections

Juncker made his thinking very clear: EU citizens don't care about proposals or grand words but about action. He wants to show that the EU can make concrete differences to the life of every citizen. This explains the initiative to abolish the requirement to change the summertime arrangements and its swift implementation. He also mentioned the digital tax proposal which the Commission wants adopted before the European Elections and the ban of single use plastics as areas where citizens expect implementation. The finalisation of the many initiatives adopted as part of his original ten priorities, of which 30% are stuck in negotiations, will of course continue to be high on the agenda.

A critical area for him is the Security Union where he believes that citizens have particularly high expectations. Consequently, the Commission has proposed several new initiatives of which the proposal to remove online terrorist content within one hour stands out. Other important initiatives in this area include:

- Extension of the mandate of the European prosecutor's office to cross-border terrorism
- A new framework for combatting Anti Money Laundering through the European Banking Authority
- Proposal on the EU Civil Protection Mechanism.

Migration is obviously a key concern which is reflected in the speech and he urged Member States to find compromises and act in the spirit of solidarity as regards the outstanding proposals on how to deal with refugees.

Other concrete actions include:

- Strengthening the capacity of the European Border and Coast Guard Agency, enabling it to establish a standing corps of 10,000 border guards and strengthening its powers in the field of returns, including the power to act outside the EU
- Proposal to further strengthen the EU Asylum Agency
- Proposal to further strengthen return policy
- Proposal on entry and residence of third country nationals for highly skilled employment.

Despite the Brexit deadline approaching, Juncker mentioned this issue only briefly. He stated very clearly that while the UK cannot expect to maintain the same privileges as when it

was a member, the EU would work towards a close partnership with the UK.

Finally, the Commission will also propose a whole package of initiatives to prevent the manipulation of the European Elections, these include:

- Communication on fair and free elections
- Proposal for a regulation on a verification procedure related to infringements of personal data
- A Recommendation on election cooperation networks, online transparency, protection against cybersecurity incidents and fighting disinformation campaigns
- Guidance on the application of EU data protection law
- Tightening of rules on party funding
- Regulation to pool resources and expertise in cybersecurity technology.

## The future of Europe

As a follow-up to his previous State of the Union Juncker listed the outstanding actions that are, in his view, critical to ensure the future functioning of the EU. The summit of EU leaders that will take place in Sibiu, Romania, in May 2019 just before the European Elections will be significant in seeking to get a number of initiatives over the finishing line. Proposed actions include the ratification of the EU-Japan Economic Partnership Agreement, the agreement on the Multiannual Financial Framework and initiatives to strengthen the international role of the Euro. Juncker also wants to get an agreement on qualified majority voting in matters of external relations and tax matters.

## Last words

It was mainly in his conclusions that Juncker's words hinted to the fact that the EU is in a critical state. Not long ago it would have been unthinkable that the Commission President would mention that the freedom of speech needs to be protected, that too many journalists are intimidated or even murdered and that the rule of law is not optional. The approval of the Article 7 procedure against Hungary on the same day demonstrated that the EU is an unprecedented situation that will test European unity. The Article 7 procedure would allow to suspend certain rights of a Member State, such as the voting right in Council, because it breaches fundamental values of the EU.

*“To love Europe, is to love its nations. To love your nation is to love Europe”*

## Conclusions

This year's SOTU confirmed this Commission's philosophy of getting things done. Juncker did not talk long about the many challenges the EU is currently facing, be those the rise of populism, the persistent migration crisis, or the weakened western alliance and multilateral system and the more aggressive attitude of Europe's neighbours. He recognised the seriousness of the situation through the actions he proposed: a more assertive and sovereign Europe to face a world in which it cannot rely on the US, a strengthened European border protection and returns policy to address the migration crisis and concrete actions to fight terrorism to address the concerns of citizens.

Juncker did put forward some suggestions, such as qualified majority voting in external matters and a stronger role of the Euro internationally, that show that Juncker sees the future in a stronger Europe. These changes will require strong support by the Member States and Eurosceptics might perceive them as a further attack on national sovereignty.

For the European Parliament this SOTU was the final starting shot for the political campaigns ahead of the European Elections. For mainstream MEPs, the rise of populism and how to hold populist and nationalist parties at bay is the most pressing concern. They might have wished that Juncker had addressed the challenges directly and offered some fundamental ideas.

The SOTU lacked any reference to the Future of Europe Initiative. Considering that this initiative was meant to set a long-term vision for the EU and to connect it with its citizens, it would have been interesting to hear more about the progress and the future direction of the EU. While Juncker wants to let his actions speak for themselves, he managed to leave some inspirational words to the end with his stark warning against nationalism and his call to overcome the divisions between the East and West of Europe.

2019 will be a year of many changes for the EU. Not only will there be a new Commission President but also a new Council President and a new President of the European Central Bank. Moreover, the European Elections might bring a European Parliament with more Eurosceptic parties than ever before that risk destabilizing the EU law making process. The many initiatives listed in Juncker's Letter of Intent demonstrate that he wants to make sure that his political projects endure these changes. The Commission has demonstrated that it is very serious in delivering on its promises and stakeholders can be assured that busy months lie ahead.

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