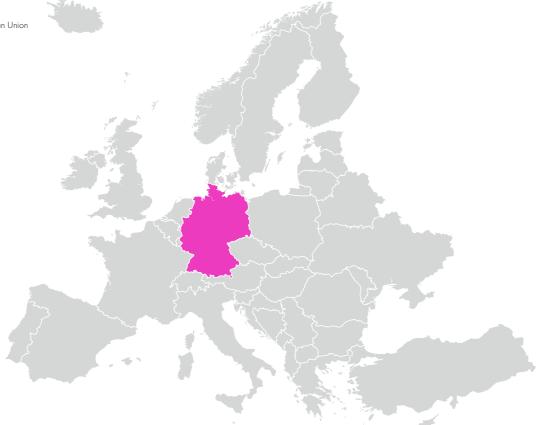
GERMAN
PRESIDENCY
OF THE COUNCIL
OF THE
EUROPEAN
UNION

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# Message from José Manuel Barroso, Former President of the European Commission

I very much welcome the German Presidency of the Council of the European Union the second half of 2020. We are facing increased and unprecedented challenges and threats due to the COVID-19 crisis, including its major economic and social consequences, but also, the intensification of the global geopolitical tensions. We in Europe have to be stronger and more united to be able to respond to these dangers. And as you have seen in the past, this does not happen automatically. Wise and determined leadership are necessary.

I know Chancellor Angela Merkel since many years. She is a political friend and I know how committed she is to Europe. During the last years she was certainly the most influential leader at European level. I remember working with her in very difficult settings and how important it was to have her dedication to the European Union. For instance, when we were in despair about negative votes in two referenda to the Constitutional Treaty, it was working together, elaborating the Berlin Declaration that was signed by herself

as Presidency of the Council, myself as President of the European Commission and Hans-Gert Pöttering as President of the European Parliament, that we created conditions that made possible the Lisbon Treaty some months later. This treaty would not have been possible without German leadership.

But not only the Chancellor, also the political leaders of the main Germany political forces, German civil servants, diplomats, academia and the civil society, they are in general very supportive of the European Union. And once more, we need a strong Germany in the center of Europe to make our EU progress.

Difficult files are – among others – the approval of the Multiannual Financial Framework and the Recovery Plan but also the designing a sophisticated strategy for our relationship with China. I believe that with the traditional European commitment of Germany, we can have excellent results during this period and that Germany will put all its weight to make all countries of the EU to come to a consensus.





José Manuel Barroso
President of the European Commission
(2004/2009 and 2009/2014)
Prime Minister of Portugal (2002/2004)

José Manuel Barroso gave Christian Wenning this statement on June 24th 2020

#### Foreword by Publisher Christian Wenning

# DEAR READERS,

Policy based on self-interest is useless for corporate or public affairs. Whether shareholder value or re-election, regional supremacy or short-term financial thinking, we are increasingly aware of the fact that the old rules of politics and business no longer apply. The German Presidency of the EU will remain in the spotlight of history for a long time for a number of reasons: It is the first presidency to start during the largest economic crisis since WWII, negotiations within the MFF on distribution of funds to stimulate the economy will take place on an unparalleled scale, and it is even unclear whether in-person meetings will be possible.

Corporate and public affairs will have to play their role in a way that enables the political decision-makers to bear the incredible burden of confident decision-making despite the tremendous consequences for coming generations. Our job as political consultants - the analysis,

strategy-building, and positioning of companies affected by regulation – will be to continue shaping businesses and policies with unprecedented impact.

In the coming months this historic EU-presidency equally requires forward thinking, courage, vigilance, and humility. Understanding the challenges and opportunities of our EU-history and creating a vision for a bold, federalist European future in policy fields previously under national authority is an indispensable requirement for the success we all desperately hope for.

Since its founding a decade ago, our firm has taken an approach of offering added value to the decision-making process. We do this by facilitating dialogue through our expertise on the issues at hand. The crisis reminded the European Union that representing short-term interests might mean the end of dialogue when it is needed most. Neither our firm, nor the political process

called "Erste Lesung" guarantee specific legislative outcomes, only that your voice will be heard during the policy-making process. New processes and a new way of understanding the EU as the center of hope will arise from this German Presidency. We are proud and eager to help where we can, and I wish our crisis-proof government with an equally historic Chancellor Angela Merkel, along with all leaders of the EU, the best of luck and bon

Have fun reading our little contribution to understanding politics and please stay safe.

Yours faithfully

Christian Wennina Founder, Erste Lesung

# **GERMANY:** RESETTING NATIONAL POLITICS

# WHILE STEERING EUROPE'S RECOVERY

ion, CDU) is currently in her fourth term as Federal Chancellor of Germany. Having steered Europe's largest economy during serious crises, her decisions had a significant impact on European integration. This will end soon. Merkel announced and confirmed: She will not be running for the chancellorship again.

The German EU Council Presidency will be her last effort for Europe – and for Germany, a country in transition.

on the surface: The effective management of the COVID-19 crisis had a stabilizing effect on the party landscape. Christian democrats regained strength, greens managed to hold on to their gains from 2019, coming in around 19 per cent, social democrats settled around 16 per cent, while liberals, leftists and the new right-wing experienced a certain drop-off in support. Democratic majorities are possible - on paper.

But on a second glance, things look different: Memories about the backlash suffered - especially by people's parties - in the financial crisis and during the 2015 migration crisis are haunting. It has been proved over the past five years: Voters back off

Angela Merkel (Christian Democratic Un- from those who show no unity. The rightwing populist party Alternative for Germany (AfD), feeding on growing anti-EU and xenophobic sentiments, became the largest opposition party at the federal elections in 2017. And democratic majorities are becoming difficult when answers to these challenges are hesitant, as it was to be seen after the state elections in Thuringia in 2019.

Currently, previous conflicts are put on hold. This might cause difficulties when the CDU elects a new party leader in Decem-Not much of the coming changes is visible ber 2020 and Germany enters the election year 2021. With the Federal Government and Chancellor Merkel in the spotlight through EU actions, how should candidates campaign for themselves as changeagents without harming their own country, government or party? Nobody wants to be blamed for taking advantage of the European crisis management.

> This complexity is certainly not the best starting point for the years that many expect to become the biggest recession since the Second World War. Where political debates will need to be open and decisions fast. The Federal Government has decided to set a clear framework for the years to come: It raised the bets. At a moment when

German courts are questioning the rule of law in the eurozone, the government reconfirmed Germany's commitment to the EU. With plenty of domestic and international support, it managed to secure Paris' goodwill with the French-German recovery plan. This agreement comes just before important negotiations on Europe's future, for which Chancellor Merkel even hinted towards a potential treaty change.

The German EU Council Presidency will be a huge effort in progressing the European project, in resetting a frozen conflict in the German political elite, as well as Chancellor Merkel's 'grand finale'. These decisive months for Europe will have a direct impact on domestic politics: The evaluation will not only be written in Brussels but in the Berlin

Szilvia Kalmár Director, Erste Lesung





## 11//

#### **GERMANY FACTS & FIGURES**

#### **DEMOGRAPHICS**



**POPULATION** (2019)



#### LIFE EXPECTANCY

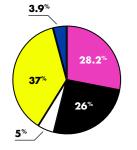


#### **OFFICIAL LANGUAGE**

German

#### **MINORITY LANGUAGES**

Danish, North Frisian, Sater Frisian, Upper Sorbian, Lower Sorbian, Romanes



#### **RELIGIONS**

- Catholic (28.2%)
- Protestant (26%)
- O Muslim (5%)
- O No religion (37%)
- Other religions (3.9%)

#### **ECONOMY**







**41,346**<sup>€</sup> GDP PER CAPITA [2019]

**TRADE** 

1,328€ BILLION **EXPORTS** (2019)

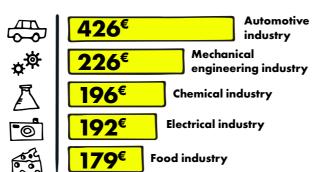


1,105€ BILLION **IMPORTS** (2019)

#### **MAIN TRADING PARTNERS:**

China, United States of America. the Netherlands, France, United Kingdom, Italy

#### **LARGEST SECTORS BY REVENUE (in Billion):**



#### **UNEMPLOYMENT RATE**

6.1% (May 2020)

#### **POLITICAL SYSTEM**



16 STATES (LÄNDER)

#### **FEDERAL REPUBLIC**

composed as a free democratic and social constitutional state



..... The Länder hold far-reaching competencies,

for example in the areas of education or police.

Legislative process through a

two-chamber parliamentary

system on the federal level:

**Bundestag** (directly elected parliamentarians) and **Bundesrat** (representation of the 16 states)

#### **PARTY LANDSCAPE**



SPD

Social

Democratic

Party (SPD)

(Bündnis 90/

Die Grünen)

Greens

Union parties: Christian Democratic Union (CDU) and Christian Social Union (CSU)



Free Democratic Party (FDP)



The Left

(Die Linke)

Alternative for

Germany (AfD)

#### HEAD OF ..... **GOVERNMENT**

Chancellor Dr. Angela Merkel

**HEAD OF STATE** 

Federal President Frank-Walter Steinmeier



## **CULTURE & SCIENCE**



ranging from physics, medicine, chemistry to literature and the Nobel peace price



officially recognized universities and colleges, **eleven** of which are part of the federal government's excellence initiative

Almost **half a million** people are employed in the cultural sector



#### **FUN FACTS**



300 **TYPES OF** 



65% of GERMAN **HIGHWAYS** have **no** 

speed limit.

**TYPES OF** 





of **GERMANY** is still covered with forest and woodland.





1,500

**TYPES OF** 

**BEER** 

## **HISTORY**



Founding of the German Empire



1914 - 1918 First World War



1918 - 1933

Weimar Republic - Germany's first Democracy



1933 - 1945 Nazi Dictatorship

> 1939 - 1945 Second World War





Founding of the Federal Republic of Germany



#### 7th October 1949 Founding of the

German Democratic Republic



## 9th November 1989

Fall of the Berlin Wall

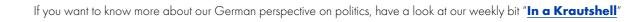




of Germany











## THE CORONA-CONTEXT

#### **EXPECTATIONS ARE SKYROCKETING**

The German Presidency will not only have to conclude negotiations on the Multiannual Financial Framework (MFF) and future EU-UK relations but also coordinate Europe's economic recovery and the EU's response to the economic and social consequences of the COVID-19-crisis. It will have to address these challenges, while also continuing to push for the urgently-needed sustainable, climate-friendly and digital transformation of the European economy.

#### A HOLISTIC APPROACH

Berlin's priorities were rapidly adapted to the new crisis situation. While other presidencies usually select three or four main topics, the German EU Council Presidency program takes a rather holistic approach: It wants Europe to become stronger and more innovative, as well as just, sustainable, and a safe place that follows its common values. Furthermore, the German Council Presidency wants the EU to continue playing an important role on the global stage.

#### **VIRTUAL VS. LIVE EVENTS**

Events planned during the German Presidency also had to be adapted to the new conditions. Most highlight events (see on the right) will be virtual or at least mixed in their format. Initial official estimates put the Council's negotiating capacity at around 30 per cent of the normal level. Germany is keen on finding new ways to build compromises in the background – as video conferences cannot replace face-to-face meetings in the long term. Most ministries hope to organize physical meetings from September 2020 onwards.

# EVENT HIGHLIGHTS OF THE GERMAN PRESIDENCY:

July & November 2020

#### Aviation Summit I & II

EU transport ministers and top industry representatives discuss "new" climate-friendly and crisis-proof air transport options for Europe.

- September 2020 Halle, Saxony-Anhalt
  High-Level Conference on Cohesion Policy
- October 2020 Berlin
  High-Level Conference
  on European Energy Policy
- October 2020 Baden-Baden, Baden-Württemberg
  High-Level Conference on Artificial Intelligence
  and Ethics of Digitalisation
- 15 16 October 2020 Brussels/Berlin

#### **Summit of the European Council**

Possible agreement on the Multiannual Financial Framework

November 2020 Berlin

## High-Level Conferences on Industry Policy and SMEs

The Federal Ministry of Economy and Energy organizes two high-level conferences to discuss the European single market's challenges.

29 November – 1 December 2020 Berlin

#### **COSAC Plenary Meeting**

Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC) – Plenary meeting, organized by the German Bundestag in cooperation with the Bundesrat

10 - 11 December 2020 Brussels/Berlin Summit of the European Council

# GERMAN EU COUNCIL PRESIDENCY CHECKLIST

We are of course aware that presidencies cannot really be measured by listing achievements from their six months of glory – especially in light of this particular crisis situation. However, should you feel the need for some box-ticking – as we Germans are known to do – here is a list of pledges contained in the German Presidency's program:

- ☐ Gradually removing corona-related restrictions within the Schengen area / for the internal market.
- ☐ Reaching an agreement on the Recovery Fund embedded into the Multiannual Financial Framework:
  - make it time-limited.
  - make it content-focused.
  - include implementation within the framework of the European Semester.
- □ EU-wide contact-tracking and warning via interoperable tracing and warning apps. Adopting Council conclusions on the establishment of a code of conduct for the use of health data in conformity with data protection.
- ☐ Debating the governance of European data spaces & the use of high quality data sets for digital services within the Council.
- Developing an EU framework for national basic security systems, discussing an EU framework for minimum wages and strengthening the role of the social partners.

- ☐ Starting the debate on legal conditions for standardized secure elements in smartphones (e.g. for storing digital identities).
- □ Reaching council agreement on including considerations to global competitiveness in the rules of merger controls (reform of the EU competition law).
- □ Adopting some kind of reference document on European research areas including "green" hydrogen. Also bringing the necessary market design for secure and sustainable supply of CO2-neutral and preferably CO2free gases into the Council.
- Paving the way for taxing the digital economy on the basis of the OECD agreement.
- ☐ Getting the Council to agree on a Financial Transaction Tax.
- ☐ Discussing the instrument for fair minimum wages proposed by the Commission in the Council.
- ☐ Concluding the discussion of a European climate law in the Council. The law is to make the EU's climate neutrality binding by 2050.
- Achieving a decision to increase the EU's national climate contribution (NDC) for 2030.

- Getting the Council to extend CO2 pricing to all sectors and introduce a moderate minimum price for CO2 within the FU FTS.
- ☐ Linking EU budget funds with Member State-compliance and rule-of-law standards.
- ☐ Agreeing on Introducing a uniform minimum level of IT security for all devices available on the market.
- □ Introducing compulsory procedures at the EU's external borders to categorise and examine asylum applications at an early stage in the course of a preliminary procedure. This allows for refusal of entry in cases with an obvious lack of need for protection.
- Developing common standards on returning illegal migrants to countries of origin.
- Adopting a European-African Agenda at the EU-African Union Summit.
- Preparing the accession negotiation frameworks for Albania and Northern Macedonia.





# PROGRAM OF THE

GERMAN PRESIDENCY

# EUROPE'S RESPONSE TO THE PANDEMIC

The Presidency plans to create conditions for economic recovery in the EU by gradually lifting corona-related restrictions. In order to find a coordinated approach out of the crisis, it aims to establish orderly procedures for the EU's political action and decision-making.

For the recovery to be economically and socially durable, the German Presidency wants the EU's financial response to be set up quickly, be "limited in time", embedded in the MFF, and implemented within the framework of the European Semester. It will work to keep markets open, strengthen international trade and counteract tendencies towards protectionism and renationalisation. For this, it will consistently implement the principles of the European Pillar of Social Rights.

The Presidency wants to improve European crisis management and take measures to secure European sovereignty in areas like pharmaceutical supply or other systematically important sectors like agriculture and food. It also wants to protect European companies from foreign takeovers and to improve e-justice solutions.

Germany plans to encourage the "Team Europe" approach, fostering joint commitment by all EU institutions and Member States to overcome the crisis. It also wants to ensure an active European role in global health in the future.

# A STRONGER AND MORE INNOVATIVE EUROPE

Secure and trustworthy data infrastructure projects will also be pushed. Germany will encourage the development and use of Artificial Intelligence and, with an eye towards the European Data Policy, focus on innovation, data access, responsible use, data literacy, and security. It emphasizes the importance of using health data in conformity with data protection. Dossiers on ecodesign, minimum standards for the security of IT products as well as liability rules are also on its agenda. Creating legal conditions for standardised secure elements in smart devices is also foreseen.

EU competition reform and modernization of European state aid law are to be supplemented by aspects of fair competition and Green Deal objectives. Competitiveness of European SMEs is to be improved, and European research areas are to be strengthened.

The Presidency will also prioritize the sustainability of public finances. Along these lines, it will implement the OECD's findings on both taxation of the global economy and effective global minimum taxation. Deepening the capital market union and creating a digital financial market union are among its aims as well. Finally, the Presidency will support the introduction of a Financial Transaction Tax

The slogan of the German Presidency highlights its aim:

Together for Europe's recovery

#### A JUST EUROPE

To strengthen Europe's social dimension and social cohesion, the Presidency will advocate for cross-border cooperation in vocational training and better working conditions for seasonal workers. The proposal for a European Unemployment Reinsurance Scheme, as well as an instrument for fair minimum wages will be further discussed.

The Council plans to adopt conclusions on the sharing of work and care between men and women in partnerships. It also plans to significantly strengthen the European Youth Work Agenda and the Youth Guarantee

Keeping the Conference on the Future of Europe in view, the German Presidency aims to reach an agreement between the Member States on the structure and mandate by autumn 2020.

#### A SUSTAINABLE EUROPE

Germany plans to closely coordinate the implementation of the Green Deal and conclude discussions on the European climate law. It seeks a decision on increasing the EU's national climate contribution by 2030 and conclusions on the new Environmental Action Plan. It wants to advance discussions on creating a necessary market design for secure and sustainable acquisition of CO2-neutral or CO2-free gases, extending CO2 pricing to all sectors, and introducing a moderate minimum price for CO2 within the EU Emissions Trading Scheme.

Moreover, it will seek a Council general approach on the Common European Agricultural Policy. The conclusions on animal welfare and food labelling should be adopted and negotiations on fishing auotas for 2021 should be concluded.

Regarding consumer protection, the Presidency intends to develop the new Consumer Agenda at an early stage.

# A SECURE EUROPE WITH COMMON VALUES

Germany will conduct a political dialogue on the rule of law between all Member States and supports linking EU budget funds to comply with these standards. The fight against hate crimes and racism on the internet is another important topic on the agenda. Through a holistic approach, the German Presidency wants to combat and report anti-Semitic incidents, as well as develop an EU strategy for integrating Sinti and Roma populations.

Cross-border cooperation between police, justice, and customs authorities shall enhance security for the citizens of Europe. To this end, regulation preventing distribution of terrorist content online shall be concluded swiftly. Germany is also striving for increased cooperation in the field of network and information security.

It wants to advance the ambitious reform of a Common European Asylum System. Common standards for repatriation and cooperation with countries of origin, host, and transit shall be developed. Also, an early operationalisation of the Frontex mandate is intended to ensure the effective protection of the external borders.

#### A EUROPEAN UNION CAPABLE OF ACTION FOR A PARTNERSHIP-AND RULE-BASD INTERNATIONAL ORDER

Germany is committed to a unified, responsible, and powerful European foreign trade. Germany aims to strengthen multilateral institutions, cooperation with international partners and key players, and the global provision of necessary resources.

The EU's policy towards China should be guided by European common interests and values. It thus seeks more reciprocity in all policy areas and wants to proceed with negotiations on the investment agreement. Germany also supports a comprehensive partnership with the United Kingdom in which fair competition is ensured and the withdrawal agreement is fully implemented. Active engagement with the US will be ensured through a broad political dialogue and a positive trade agenda, and a European-African Agenda shall be adopted. The German Presidency wants to promote digital skills and data-driven markets in Africa.

In addition to intensifying European involvement in management of major international conflicts, Germany will establish a European Centre of Competence for Civilian Crisis Management in Berlin. It will further develop the Common Security and Defence Policy and the EU-Asia connectivity strategy, and promote or launch a modernization agenda for the World Trade Organization.





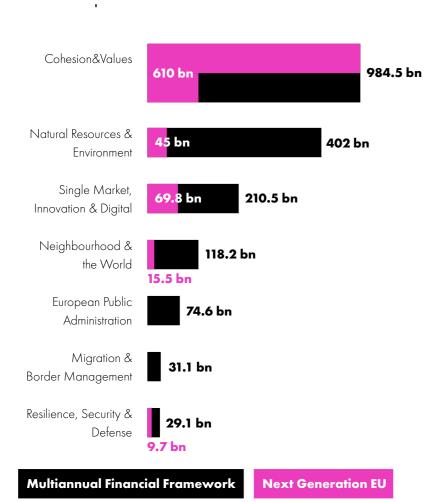
## THE MFF CHALLENGE:

## DISTRIBUTING 1850 BN EURO

# "THE INITIAL SITUATION IS ANYTHING BUT EASY (...) THIS FUND IS AN URGENT IMPERATIVE!"

Angela Merkel, Federal Chancellor of Germany

# Starting point: 1.850.000.000.000 € 1.100 bn € original budgetary plan + 750 bn € recovery fund "Next Generation EU" All included into the structure of the MFF



# HOW DOES THE EU INTEND TO FINANCE THIS?

 With "own resources": Gross-nationalincome-based (GNI-based)-based contribution of the Member States, customs duties & sugar levies, VATbased resources

#### Challenge:

With the UK having left the EU and the budget not becoming smaller, every member state will need to pay more. The German contribution is likely to increase by over 40 per cent.

2. With the Commission being allowed to borrow 750 bn € from the market: exceptional and temporary (reimbursement via EU budget until 2065)

#### Challenges:

- Tensions arise: EU borrowing requires a flexible interpretation of the treaties.
- Expensive liability: Member States are liable for this debt in proportion to their percentage share of the GNI contribution to own resources.
- Member States and the EU will have to pay off their debt, cope with the economic recession and ensure (perhaps even new rules for) fiscal discipline in parallel.

#### **ENVISIONED TIMELINE**

#### By July 2020

European Council: Political agreement on Multiannual Financial Framework 2014 – 2020 & 2021 – 2027 and Own Resources Decision

#### By summer 2020

European Parliament's consultation on Own Resources Decision

#### Early autumn 2020

Adoption of the revised Multiannual Financial Framework 2014 – 2020 + corresponding sectoral legislation

#### October 2020

European Council

#### December 2020

Adoption of the revised Multiannual Financial Framework 2021 – 2027 (European Parliament's consent) Adoption of the Own Resources Decision (Ratification by all Member States in line with their constitutional requirements)

#### January 2021

Multiannual Financial Framework 2021 – 2027 implementation starts

#### TASK OF THE GERMAN EU COUNCIL PRESIDENCY

Reaching an agreement among Member States on the distribution of the money.

#### Questions still to be answered:

- The size of the financial package: Some Member States still question the 750 bn € additional funding, while in the view of the southern Member States it is "not negotiable".
- The share of grants and loans within the Next Generation EU funds: The EU Commission proposed EUR 500 billion in grants and EUR 250 billion in loans, but this is questioned by the 'Frugal Four'1.
- The timeframe for repaying debt the EU incurred through issuing bonds
- The criteria for allocating resources and the distribution keys between Member States
- New own resources proposed by the Commission
- The abolition or withdrawal of the budget rebates introduced at that time for the five net contributors due to the British rebate

## The more complicated, the easier to agree?

Finding a compromise will be a tough nut to crack. Germany, however, hopes that the new complexity of the € 1850 bn package will somehow make an agreement easier. Some arguments are:

- The massive additional funding of the cohesion policy instruments could please the Member States usually protecting this budget line against restructuring.
- The limited liability and the temporary structure of the EU borrowings could open room for compromise with the Thrifty Four.

#### A Germany-specific detail:

All 27 national parliaments and the EP have to agree on the compromise. The Bundestag usually is rough terrain when it comes to EU bonds and common debts.

The German parliament, however, will find itself in a political dilemma: If Germany (as the Presidency) negotiates the compromise, its rejection by the Bundestag would not only reflect poorly on the German government, but also on Germany's European performance.





Four member states (Austria, Denmark,
 The Netherlands, Sweden) who oppose issuing debt to bail out hardest hit nations.

## **EU INTEGRATION PROCESS AND FUTURE OPTIONS**



#### 1952 (Treaty of Paris)

#### "WE LAYED THE FOUNDATIONS..."

By establishing the European Coal and Steel Community we demonstrated the economic and political benefits of European cooperation after the devastations of World War II.

#### 6 FOUNDING MEMBERS:

France, Germany, Belgium, the Netherlands, Luxembourg, Italy

#### 1958 (Treaties of Rome)

#### "... THEN ECONOMY DROVE US CLOSER..."

It worked out well and we decided to create a common market



#### "... AND EVEN NEW MEMBER STATES JOINED! ..."

United Kingdom, Ireland and Denmark (1973); Greece (1981); Spain and Portugal (1986)

#### 1987 (The Single European Act (SEA))

#### "...NOTHING COULD STOP US! ..."

We aimed to complete the single market and created the European political cooperation on

#### 1993 (Maastricht Treaty)

#### "... SO WE CREATED THE EU..."

Two additional areas of cooperation have been established: the Common Foreign and Security Policy (CSFP) and Justice and Home Affairs (JHA). We also cleared the way for an economic and monetary union (EMU).

#### 1995 - 2013

#### "...IT WAS A HIT!..."

Austria, Sweden and Finland (1995); Poland, Hungary, Czechia, Slovakia, Slovenia, Estonia, Latvia, Lithuania, Cyprus and Malta (2004); Bulgaria and Romania (2007); Croatia (2013)

#### "... THE EURO MADE SENSE..."

We introduced Euro coins and banknotes, and 19 member states have adopted the common currency already.

#### 2009 (Treaty of Lisbon)

#### "...WE SUFFERED A FIRST HICKUP..."

Some of us did not support the idea of a "Constitutional Treaty" so a new EU Reform Treaty was signed including new areas for majority decisions.



## WHERE **WE CAME FROM**

## **PATHS WE COULD TAKE**

#### 2009 ECONOMIC AND **DEBT CRISIS**

Creation of Economic Stability Mechanism (ESM) and debates over more fiscal policy integration

#### **2015 MIGRATION CRISIS**

New Frontex mandate for common external border control and reform of the common asylum and migration policy

#### 2016 - 2020 BREXIT

In a UK-wide referendum in 2016, 52 per cent voted to leave the EU. The withdrawal agreement was negotiated and the UK left the EU on 31 January 2020.

#### **2020 CORONA CRISIS**

Challenges on coherent crisis response and more European sovereignty in key areas (health, industry, digitalisation)

### **AND HERE WE ARE NOW**



#### The current status in the EU and division of

competencies between the EU and Member States would remain. No changes would be needed in the treaties. The EU would respond to challenges according to the existing treaties and competences, as it currently is during the Corona crisis.

**KEEP CALM AND CARRY ON** 

#### MULTI-SPEED EUROPE

Only the Member States who are willing to cooperate in a policy area (e.g. Schengen area), develop common policies. Others, who are not willing to cooperate, do not take advantage of the deeper integration, but can join at a later stage.

#### 3 DEEPENING INTEGRATION

With this option, Member States would decide to cooperate closer. It was, above all, the Corona crisis which stimulated debates on more and deeper integration within the EU. It remains to be seen whether the economic shock and health crisis will bring deeper integration in - for example - fiscal and macroeconomic policies. Treaties would need to be changed for this scenario.

## **NEW TREATY?**

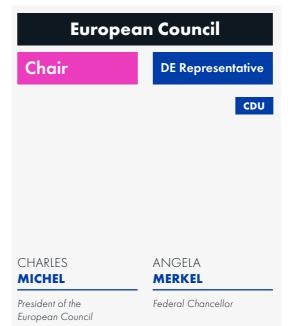
#### **CONFERENCE ON THE FUTURE OF EUROPE**

Several open questions of European integration are showing in the direction of a treaty change. The Conference on the Future of Europe is in the center of attention in this regard. In order to find a workable solution to the most important issues, the German EU Council Presidency wants to focus on a limited number of questions and wants to suggest an agenda accordingly. Chancellor Merkel announced possible topics such as: reform of the Schengen system, new competition policy rules, an EU system for pandemic control, and the creation of a European Security Council.

So, all eyes are on you now. If you have a preference about the future of Europe, prepare to speak up!



## MHO IS MHOS



Foreign Affairs and

Security Policy

of Foreign Affairs

## **Political Parties:**

CDU Christian Democratic Union

CSU Christian Social Union

SPD Social Democratic Party

#### **Council Configurations:**

#### AGRIFISH:

Agriculture and Fisheries

COMPET: Competitiveness

**ECOFIN:** Economic and Financial Affairs

**ENVI:** Environment

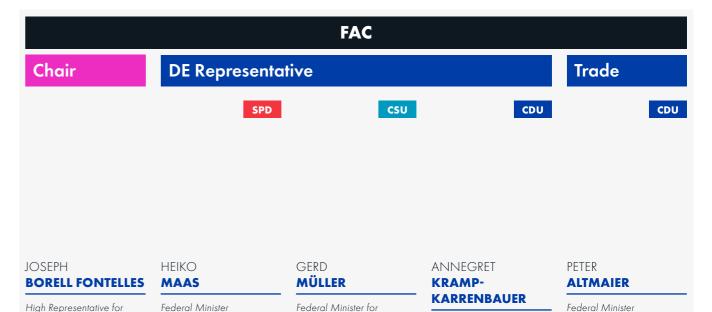
**EPSCO:** Employment, Social Policy, Health and Consumer Affairs EYCS: Education, Youth, Culture and Sport

FAC: Foreign Affairs

**GAC:** General Affairs

JHA: Justice and Home Affairs

TTE: Transport, Telecommunications and Energy



Economic Cooperation

and Development

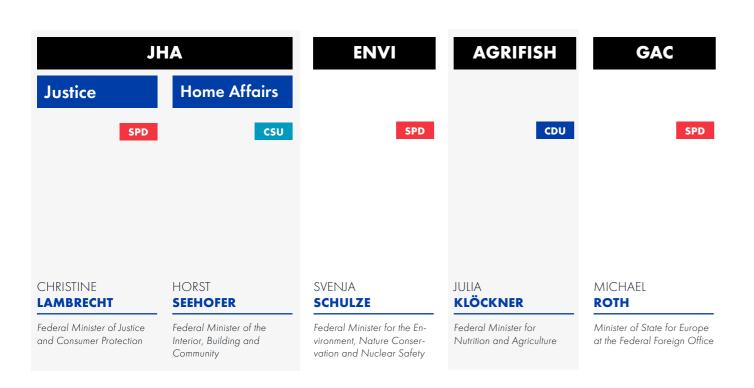
Federal Minister

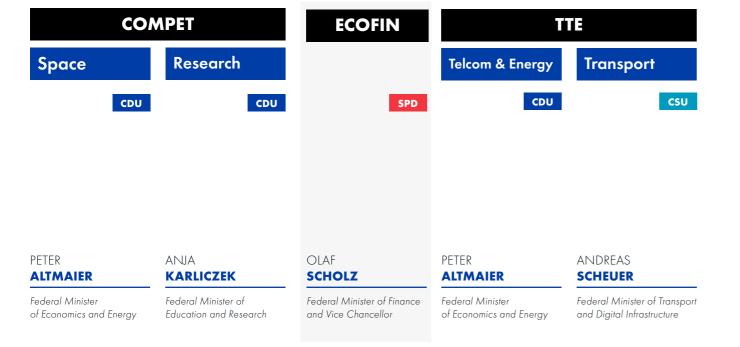
of Defence



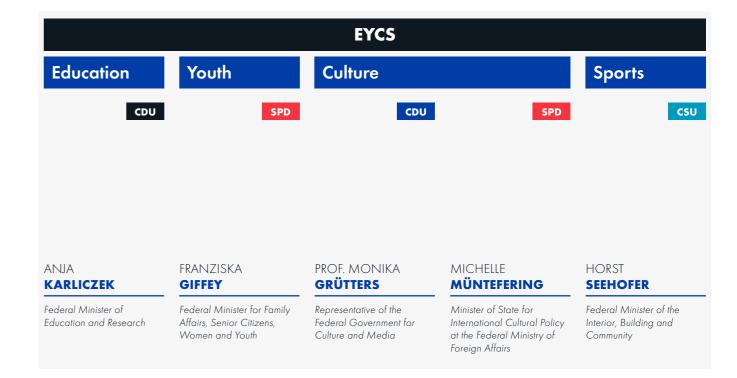
of Economics and Energy

## >MHO IS MHOS





## >MHO IS MHOS









## **FURTHER INFORMATION**

#### **OFFICIAL WEBSITE**

Germany's Presidency of the Council of the European Union: Together for Europe's recovery

#### FEDERAL GOVERNMENT

#### 29 MAY 2020

A brief explanation of Germany's Presidency of the Council of the European Union

# FEDERAL FOREIGN OFFICE

#### 29 APRIL 2020

German Presidency committed to fighting coronavirus while tackling the issues that will define our future

#### **POLITICO**

#### 3 MAY 2020

German 'corona presidency' plan pivots to crisis management

#### **EURACTIV**

#### 17 JUNE 2020

<u>Trio-presidency programme: A relay with</u> a German sprint

#### **DEUTSCHE WELLE**

#### 18 JUNE 2020

Merkel urges EU unity to counter coronavirus crisis

#### **REUTERS**

#### 15 JUNE 2020

Germany, preparing EU presidency, wants more reciprocity with China

#### **BLOOMBERG TAX**

#### 18 JUNE 2020

Germany Backs Continuing Digital Tax Talks, Official Says

#### **POLITICO**

#### 30 MAY 2020

<u>Back off, Trump. Germany wants to Make</u> Europe Strong Again

# UNDERSTANDING POLITICS ENVISIONING THE FUTURE

ANALYSIS, STRATEGY POSITIONING

