

IN THIS EDITION

Each May, on the 9th, the European Union celebrates Europe Day which stands for peace and unity in Europe. The updates from PfEU's policy fields this month demonstrate the wide variety of initiatives and the depth of the challenges that the EU addresses in pursuit of this goal. It is clear that as the EU continues striving to be a global leader and a union of members states that adheres to rule of law principles, it needs to keep its focus on these basic tenets.

The **Foreign Affairs & Security** section covers the diversion and grounding of flight FR4978 by Belarusian authorities and the challenges brought by the unanimity principle to EU foreign policy.

Finance, Trade and (Digital) Internal Markets provides updates on the respectively promising and disappointing developments in trade talks with the US and Swiss governments.

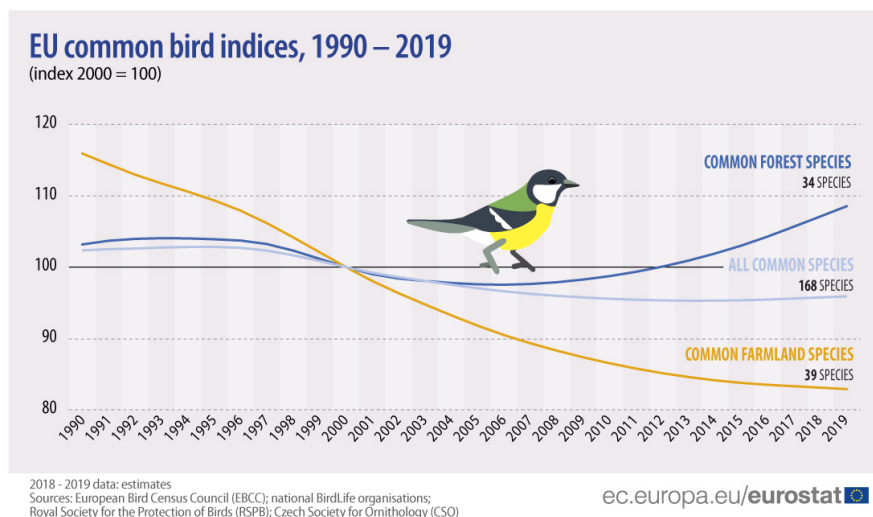
EU environmental policy saw significant discussion occur on decarbonisation and the Common Agricultural Policy and the European Union summit.



The **Democracy and Governance** section touches on the theme of being able to express criticism democratically in relation to both activities for Europe Day and for World Press Freedom day.

This month has also brought an increase in **migration** flows entering the EU, while the EU's new strategy on return sponsorship continues to prove contentious among Member States.

KEY FIGURE



Across Europe, the populations of common farmland birds remain in decline, as overall bird populations stabilise and their forest cousins boom. Birds are considered good indicators of the diversity and integrity of ecosystems, and the scientific community believes the major losses in farmland bird species can be attributed to changes in land use and agricultural practices, including the removal of landscape elements like

FOREIGN AFFAIRS AND SECURITY

Polen Türkmen —Research Associate

Belarus forced a Ryanair flight FR4978 from Athens to Vilnius, [to divert its course](#) and land in Minsk where Belarusian authorities arrested the opposition figure Raman Pratasevich who was a passenger on the flight. The President of the European Commission, Ursula von der Leyen [tweeted](#), “The outrageous and illegal behaviour of the regime in Belarus will have consequences” and added that those who are responsible “must be sanctioned”. Thus far, the EU has already imposed [three rounds of sanctions](#) on Belarus as a result of its crackdown on political opposition and its fraudulent election in August 2020, which has not been recognised by the European Union. Following an emergency council summit on 24 May, there are now [additional sanctions](#), a suspension of all EU flights over Belarus and a ban of the Belarusian airline Belavia from landing in the EU. The response was not all sticks. Von der Leyen added a carrot, claiming that there was a 3 billion euro investment awaiting Belarus, on the condition of it becoming democratic. There have been a few challenges to taking new actions against Belarus. First, the EU has been wary that additional sanctions could push Lukashenko further to Russia. Second, and more crucially, the unanimity principle in EU’s foreign policy decision-making could prevent a unified response. In particular, Viktor Orban, the Prime Minister of Hungary shares a close relationship with Lukashenko.

This happened last week, when [Hungary blocked a statement](#) demanding an immediate cease-fire between Israel (with which it also shares a close relationship) and Palestine. While the EU could not deliver a statement, [Josep Borrell did](#). “We condemn the rocket attacks by Hamas and other terrorist groups on the Israeli territory, and we fully

support Israel’s right to defense,” and “we have also considered and stated that this has to be done in a proportionate manner and respecting international humanitarian law.” Borrell also urged Israel “not to proceed with evictions in Sheikh Jarrah,” which is a neighbourhood in East Jerusalem where Palestinians are planned to be forcibly evicted, to be replaced with Jewish settlers. In reaction to Hungary’s blocking of the statement, [Borrell said](#) he found it hard to understand and that EU foreign policy was “not a caprice but a mandate” for EU Member States to reach a unanimous position on important issues. Hungary’s blocking of the statement for ceasefire between Israel and Palestine follows [another recent blocked EU statement](#) against Beijing’s crackdown on democracy in Hong Kong.

It is therefore clear that the principle of unanimity is increasingly problematic to the EU’s image and power as a normative and unified regional actor, especially in the face of new political crises (Also see our article: [To QMV or Not to QMV?](#)). As more Member States turn to the EU for a multilateral response to the hostilities in the neighbourhood, the more urgently the EU will have to build its foreign policy mechanisms and rethink its position on the principle of unanimity. The recent disengagement of the United States with crises in Europe, as well as Hungary’s repeated disagreement with the rest of the 26 Member States on foreign policy matters also ties back to issues of Rule of Law within the bloc. Overall, these realities show that the moment is ripe for the long-awaited policies of Strategic Compass and Strategic Autonomy that aim to unify the EU on foreign policy matters further.



FINANCE, TRADE AND (DIGITAL) INTERNAL MARKET

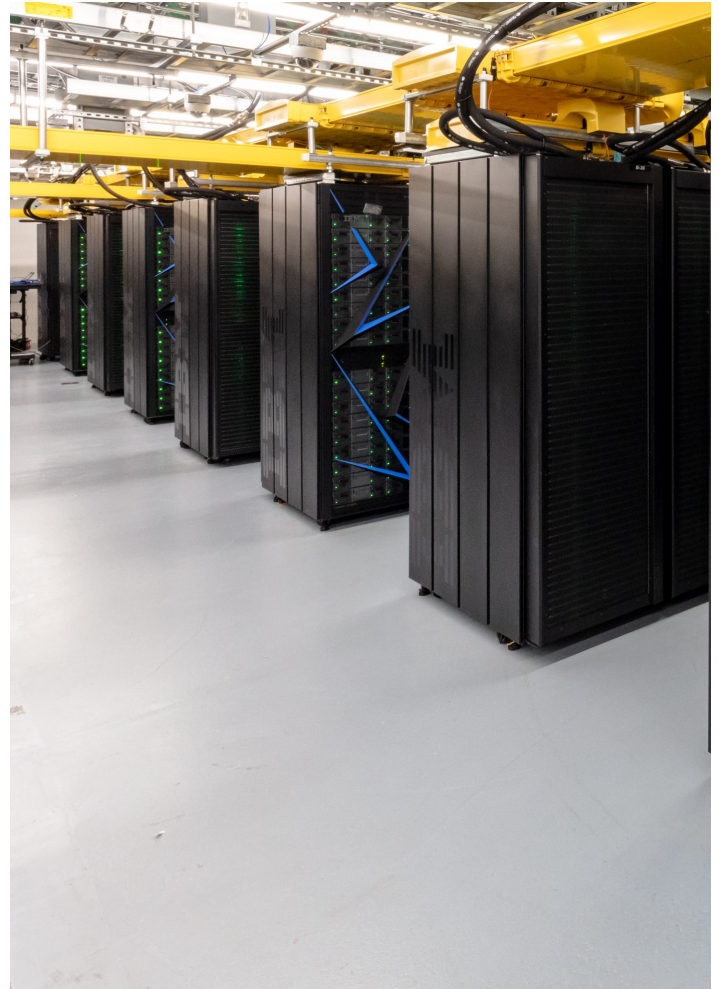
Simon Gehrmann—Permanent Author

Trade relations between the EU and the USA under the new administration are set to further normalize as both parties chart a path that ends the US application of tariffs on imports from the EU. In a [Joint European Union – United States statement on addressing global steel and aluminium excess capacity](#) the two sides agreed to find solutions before the end of the year that will demonstrate how the US and the EU can address excess capacity, ensure the long-term viability of our steel and aluminium industries, and strengthen their democratic alliance.

While the EU is on track to achieve an easing of the trade restrictions with the USA, the European Commission raised concerns over restrictions imposed on the EU by Saudi Arabia and Mexico. Saudi Arabia set new technical regulations on EU ceramic tiles hindering 75-80% of the industries exports, and Mexico currently restricts its export of Tequila to the EU. The Commission has stated both restrictions infringe WTO regulations and it will continue to monitor the situation and considers bringing the matters to the WTO.

The Federal Council of Switzerland decided to terminate the negotiations of the EU-Swiss Institutional Framework Agreement after seven years. The EU-Swiss Institutional Framework Agreement was intended as the foundation to enhance and develop EU-Swiss bilateral relations for the future. Its core purpose was to ensure that anyone operating in the EU Single Market, to which Switzerland has significant access, faces the same conditions. The Swiss Federal Council demanded several changes to the agreement to which the Commission could not agree out of fairness towards the other partner and member states. The Commission issued a [statement](#) that it regrets this unilateral decision of the Swiss Government. The future of Switzerland-EU relations, especially with regards to access to the Single Market is now uncertain.

European Commission President Ursula von der Leyen announced a Team Europe initiative in support of Africa's recovery from the COVID-19 pandemic at the Summit on Financing African Economies on the 18 May 2021. The EU is committing to accelerate its financial efforts in favour of a sustainable and inclusive growth model led by Africa's dynamic private sector. A first initiative in this direction was taken by the European Investment Bank (EIB) together with the Development Bank of Austria (OeEB) by launching an initiative to accelerate business investment, create thousands of



jobs across Africa.

An important step for the EU's digital autonomy was made at the beginning of May with the [European High Performance Computing Joint Undertaking \(EuroHPC JU\)](#) moving into its own headquarters. EuroHPC JU was created by the EU, European countries and private partners to develop a cutting-edge supercomputing ecosystem in Europe and thereby ensure the digital autonomy and competitiveness of the EU. The Initiative's move into its new headquarters shows that the Commission is serious about its [ambitions to lead on supercomputing](#).

WANT TO READ MORE?

Check out Niamh Saunders' recent article:

[Ten Years of the European Securities and Markets Authority: Taking stock and looking forward](#)

ENVIRONMENT

Vlad Surdea-Hernea—Permanent Author

The latest European Union summit, where the leaders of the 27 Member States have gathered, [was focused on discussing the upcoming policy proposal that will be released by the European Commission](#) in order to detail the road towards deep decarbonization. During the Summit, the Council discussed the main concerns raised by different stakeholders across Europe, mostly related to how the EU could design its climate policy in order to not affect the specific comparative advantage of some of the states. This has been especially important for less affluent states from the Eastern and Southern part of the EU, where aggressive climate policy is perceived to be expensive and remains vastly unpopular with the population. While the EU Council did not reach any conclusion on the 25th of May, states leaders have urged the Commission to make the entire process more transparent and rapid, allowing, therefore, more comprehensive preparations before the deadlines this summer. President of the Council and Chair of the Summit, Charles Michel, [announced](#) that regardless of the specific roadmap outlined by the Commission, the Council is set to discuss how to reach carbon neutrality by 2050

after the summer.

Another important environmental policy discussed during the Summit was [the reformation of the EU's Common Agricultural Policy](#). Given the current climate crisis, leaders have started discussing how to reduce emissions from agriculture, one of the most carbon-intensive sectors of the European economy. The reform aims to align agriculture with the EU's target of zero net emissions by 2050, by eliminating the 10% greenhouse gases emitted by farming. Precise details of how to reconcile these reductions with the support given to farmers are yet to be finalised, but it is likely that the discussion will take place during this year.

Finally, while most EU Member States have published their [national recovery and resilience plans](#) under the Recovery and Resilience Facility, representatives of the EU Commission are [still debating](#) whether the targets of different countries are aligned to the Union's Green Deal. As such, many of the national plans have been altered and improved during the last month, making the policies financed through this mechanism greener.

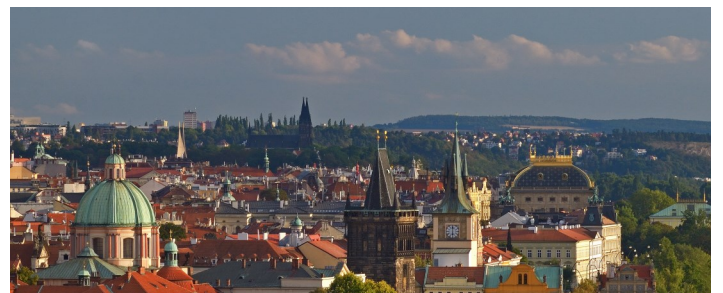
DEMOCRACY AND GOVERNANCE

Katrin Hermann—Permanent Author

One of the main highlights of the month was the Conference on the Future of Europe, which took place on the 9th of May and allowed for citizens of the EU to present their views on the future of Europe and [perhaps even influence](#) changes in the treaties. French President Emmanuel Macron led much of the festivities emphasized the Europe's all-important role as a leading world power, whose differences and challenges create solidarity and, according to him ["allows us to express criticism democratically"](#). Though potential changes to the treaties have made some EU leaders apprehensive, the opportunity to engage citizens and create a space for debate can lead to more transparency and a more democratic process – something the Conference has sought to underscore.

May 3rd also marked World Press Freedom Day, with Czech politician Věra Jourová [calling for the EU](#) to recognize the media's essential role as a pillar of democracy. Given the continued undermining of the media by authoritarian governments like Poland and Hungary, the ["media freedom act"](#) is all the more urgent. The recent media interfer-

ence perpetuated by Austrian chancellor Sebastian Kurz is coming close to mirroring the actions of these ["illiberal democracies"](#). Though the act has been tabled until next year, its purpose would be to "bring more safeguards for the media and to guarantee that in Europe they can do their job without being [under] unintended and undesired pressure". Given the threat to independent national media in Poland and Hungary, where it has been continuously attacked and eliminated, the Commission must take more concrete steps – and soon. Future elections in both countries have already been [greatly impacted](#) by this media manipulation, and will only continue to worsen if the EU does not act expeditiously.



MIGRATION

Maria Pulliam—Research Associate

May has brought an increase in migration into the EU. From the 16th to the 19th of this month over [8000 migrants entered the Spanish enclave of Ceuta](#), many of whom are children and remain in improvised shelters at the outskirts of the city. Around the same time, [2000 people arrived on the Italian island of Lampedusa](#) and efforts to relocate some of them to other Member States is proving [challenging](#). At this point, only Ireland has agreed to relocate exactly 10 people.

Furthermore, it was announced by the Greek government that the [last two refugee camps on the Island of Lesbos are closing](#), with people being relocated to Moria, where they face even more dire conditions. The shutting down of Kare Tepe, which housed around 1000 people and offered playgrounds and recreation areas for adults, is questionable and has been highly criticized by OXFAM and the UNHCR.

On April 27, the European Commission issued the [“EU Strategy on Voluntary Return and Reintegration”](#). This new strategy proposes a more coordinated and integrated approach among Member States; stronger cooperation with partner countries for reintegration schemes; and the implementation of digital tools for a more efficient EU return system. The idea behind this new strategy is to improve solidarity among Member States and overcome the challenges that complicate the uptake of voluntary returns.

It is still unclear, however, whether this new approach will solve the existing political division over responsibility-sharing in the EU. The European Commission’s proposal to sponsor returns is proving contentious among Member States. A [document obtained by EUobserver through freedom of information requests](#) this month, shows a clear

division among countries regarding timing for the return of migrants and the application for international protection.

If you are interested in migration, the [IOM has launched a dynamic webpage that connects fact-based narratives on migration with interactive data visualizations](#). The [platform](#) contains the latest global and regional international migrant stock estimates, and allows its users to interact with data and identify migration trends and patterns over the last 30 years.



IN CASE YOU MISSED IT

On Thursday 13 May PfEU hosted another Coffee Conversation about security in the Black Sea Region. With this event, PfEU's Foreign Affairs and Security team officially launched its research project on the EU's Black Sea. The talk gave a first glimpse into the main actors, events the challenges in the region. Catch up on the talk on [PfEU's YouTube Channel!](#)

