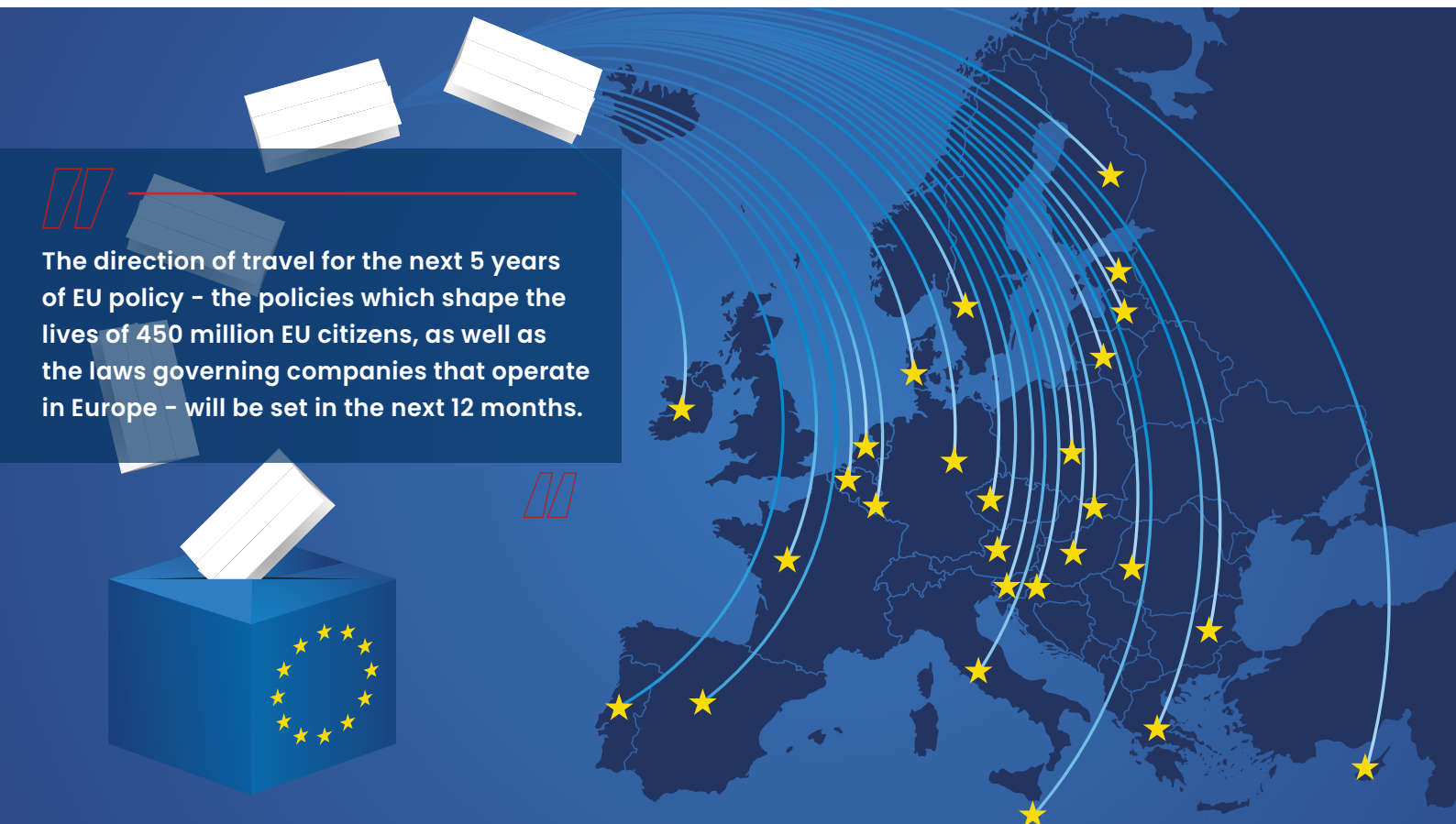


Navigating the EU's Year of Transition

Red Flag Insight - January 2024

RED FLAG



The direction of travel for the next 5 years of EU policy - the policies which shape the lives of 450 million EU citizens, as well as the laws governing companies that operate in Europe - will be set in the next 12 months.

The 'election year' of 2024 is underway. Elections will be held in countries representing around half of the world's population and GDP, including the European Parliament elections scheduled in June.

The EP elections are the centrepiece of a year of transition for the EU, which will culminate in a new institutional set-up, and a new policy agenda. The direction of travel for the next 5 years of EU policy - the policies which shape the lives of 450 million EU citizens, as well as the laws governing companies that operate in Europe - will be set in the next 12 months.

The institutional transition will develop through four, distinct phases:



Policy wrap-up phase

January – March

The coming months will see an intense phase of negotiations between the EU institutions and Member States on a number of different policy areas. These include:

- Initiatives within the Green Deal, including the Net Zero Industry Act, the Packaging and Packaging Waste Regulation, the Right to Repair Directive, the Ambient Air Quality directives and the Regulation on new genomic techniques.
- Significant cross-sectoral proposals such as the Regulation to ban products made from forced labour, the Platform Workers Directive, the Gigabit Infrastructure Act, and the European Health Data Space.
- Other headline dossiers, such as the Pharma Package, as well as the pesticides and soil monitoring reduction laws, are expected to be pushed to the next mandate.

The de facto deadline to conclude negotiations is the end of February, to allow enough time for legal checks, translations and formal approval before the last European Parliament's plenary session of 22-25 April.

There will also be important proposals coming, such as the 2040 climate target, and an initiative on digital networks.

Actions to consider:

- Engage on key dossiers as they go through final stages of legislative process
- Develop messaging and assets and launch campaign to influence long-term EU policy agenda
- Engage with European and national parties to influence the election manifestos



The campaign phase

April – June

Campaigning for the European Parliament elections has already started but will intensify in spring. As in every European election, national issues in each Member State will drive voter decisions much more than the EU agenda. Migration and the cost of living are likely to be horizontal themes across most Member States. Geopolitical tensions from Ukraine to the Middle East and Taiwan are also going to feature highly, and with them the EU's path to strategic autonomy.

Social media will inevitably play a crucial role in the campaign. With AI becoming an increasingly integral element of social media campaigning, the ability to reach voters and shape their opinions will be even more pervasive compared to the previous election. In this context, the 2024 EU elections will be the first test for the new EU content moderation rules.

Latest polls suggest that a pro-EU coalition is likely to hold, with the centre-right European People's Party (EPP), the centre-left Socialists & Democrats (S&D) and centrist Renew Europe maintaining a majority. Hypothetical alliances between centrist and right-wing parties seem unlikely at the moment. That said, right-wing parties are clearly on the rise, with Identity & Democracy (ID) and the European Conservatives and Reformists (ECR) seeking to take third place at the expense of Renew. This scenario, coupled with the expected poor performance of the Greens, means that the overall political balance will inevitably shift to the right. This could make a concrete difference when it comes to specific dossiers, in case of disagreements between centre parties.

Actions to consider:

- Continue campaign and communications activities to frame your issues in election context
- Engage with Commission officials to influence handover
- Analyse election results and what they mean for your organisation

Horse-trading phase

July - September

The game of musical chairs for EU top jobs is already underway. European Council President Charles Michel's candidacy in the EP elections means that he will resign from his position well before his mandate ends at the end of November. The top EU jobs up for grabs following an EP elections are usually decided as a package a few weeks after the elections. Michel's move might force a change of practice, or at least of timing.

Michel is understood to be eyeing the role of liberal grouping Renew Europe's lead candidate, and subsequently a senior post in the European Commission. As things stand, other credible candidates for the top Commission job are current president Ursula von der Leyen (widely considered as the favourite), European Parliament president Roberta Metsola, and Industry Commissioner Thierry Breton (whose chances as top liberal pick however look diminished after Michel's move).

The name of former ECB president and Italian PM Mario Draghi has also been thrown into the mix, but it seems unlikely that PM Giorgia Meloni will back Draghi for a Commission post, as that would mean giving up the possibility of sending one of her close allies to Brussels. Draghi's chances to land the presidency of the European Council seem better, despite the fact that he would be a non-political appointment, not having any political affiliation.

The coming European Councils will shed some light on whether leaders will choose to decouple the appointment of the European Council president from the other top jobs. The alternative is that Hungarian PM Viktor Orbán will act as interim president until Michel's successor takes office, a prospect that is not seen favourably in Brussels, given ongoing tensions between Orbán's government and EU institutions.

Actions to consider:

- Refine messaging and assets in light of the elections outcome
- Continue engagement with Commission officials to influence handover
- Analyse landscape of new EP and begin engagement

The agenda-setting phase

September - December

Developments over the coming 12 months will determine the new long-term EU policy agenda. The manifestos of the European political parties, which will emerge by early spring, will lay the foundations. The results of the elections will then steer the political trajectory, with the new institutional leadership developing the political priorities for the new mandate. The actual definition of the concrete policy priorities agenda will follow in autumn, and is expected to be finalised a few weeks after the new Commission takes office.

The definition of the 2024-2029 EU policy agenda will be an iterative process, with several intervention points and positioning opportunities for stakeholders to capitalise on. Organisations seeking to have their voice properly heard during the EU political transition will need to ensure they stand out from the crowds of stakeholders trying to influence the same process.

Integrated public affairs and strategic communication campaigns can make a real difference: combining traditional engagement tactics with well-calibrated advocacy and communication assets, impactful social media campaigns, creative activations, and a strategic use of partnerships can ensure that a specific narrative reaches the centre of the political and policy discourse.

Red Flag is a multi-award-winning strategic communications and public affairs agency. We have mounted some of the strongest and most impactful EU affairs campaigns in recent years helping to shape debates around a wide range of EU policies, including sustainability, digital and health.

Should you wish to discuss how Red Flag could support you in navigating the EU political transition and influencing the long-term policy agenda, please get in touch with Lorenzo Torti at lorenzo.torti@redflag.global.



RED FLAG

Lorenzo Torti,
Senior Consultant, Red Flag Brussels
lorenzo.torti@redflag.global