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I. Political and Policy Developments

1. Draghi urges investments and reforms to boost EU competitiveness

On 9 September, former ECB President and Italian PM Mario Draghi presented his [report](#) on the future of European competitiveness. The executive summary can be consulted [here](#).

The report, which is expected to influence the agenda of the next European Commission, starting from the mission letters von der Leyen will assign to commissioner candidates, addresses the key geo-economic challenges the EU is facing and provides recommendations on how to boost productivity across strategic sectors.

Draghi argues that to regain its competitive edge, the EU must close its innovation gap with the U.S. and China, create a joint plan for decarbonisation and competitiveness, and enhance security by reducing dependencies.

The report estimates that the EU needs an €800bn annual spending boost to overcome stagnation. Key recommendations include redirecting the EU budget toward tech and energy, introducing common borrowing for joint investments, and removing the national veto in the Council to simplify decision-making.

Draghi makes several sector-specific suggestions:

- **Sustainability:** Achieve strategic autonomy and economic growth through decarbonisation, avoiding restrictive bans like those on PFAS, which could hinder key sectors like clean energy.
- **Tech:** Strengthen the EU position in key technologies like AI, and semiconductors, including through the creation of dedicated budget lines.
- **Competition:** Facilitate the creation of European champions through consolidation in strategic sectors, including telecoms, energy and defence.
- **Trade:** Prioritise trade relations with resource-rich countries and apply defensive measures to protect the level playing field.
- **Health:** Streamline authorisation processes for medicines and medical devices, and encourage multi-country clinical trials to make the EU a leader in clinical R&D.
- **Agriculture:** Avoid strategic dependencies, particularly concerning fertilisers and pesticides.

Mainstream parties support the plan: the [EPP](#) and [Renew Europe](#) praised its focus on competitiveness, while [S&D](#) and the [Greens](#) backed its decarbonisation agenda. However, some proposals, like joint debt schemes, will face opposition from several national governments.

2. EU Commission announcement delayed by Slovenian nomination standoff

European Commission President Ursula von der Leyen has postponed the presentation of the new Commission lineup after Slovenia replaced its nominee with former diplomat Marta Kos, whose appointment still awaits parliamentary approval.

Kos's nomination has triggered a conflict between liberal PM Robert Golob and the populist Slovenian Democratic Party (SDS), which chairs the EU Affairs committee and is blocking the approval meeting. The SDS demands clarification on why the original candidate, Tomaž Vesel, withdrew. EPP leader Manfred Weber blamed Golob for the delay.

The European Parliament may now delay the commissioner-candidate hearings to November 4–12 due to a packed schedule, raising concerns that the new Commission might not take office until 2025.

Amid the extended timeline, political groups are pushing for changes in the lineup. S&D is threatening to withhold support unless their candidate, Luxembourg's Nicolas Schmit, is reconsidered for a Commission role. S&D, Renew, and the Greens are also opposing Italy's Raffaele Fitto for a top position, citing his ECR affiliation.

The EPP opposes Spain's Teresa Ribera for the digital green transition role over her anti-nuclear stance, with reports suggesting she may be shifted to a competition portfolio if her Green Deal appointment sparks too much controversy.

3. New 'conservative'-left group on the horizon

A new left-wing group could form in the European Parliament within a year, uniting non-attached MEPs from Germany's BSW, Czechia's Stačilo! (Enough!), Slovakia's Smer, and potentially southern European parties.

The group will differentiate itself from the progressive left by focussing on traditional left-wing values such as workers' rights, peace and economic stability. It is expected to oppose aid to Ukraine, crack down on migration and push back on the implementation of the Green Deal.

II. Key institutional milestones

Date	Event
Second half of September (exp)	Presentation of organigramme & mission letters
4 - 12 November (exp)	European Commissioner-candidates hearings
25 - 28 November (exp)	European Parliament vote on the new Commission
1 December (exp)	New European Commission takes office
1 December	New European Council President takes office