



Recommendations from members of the TEPSA network to the incoming Estonian Presidency

The Trans European Policy Studies Association (TEPSA) has, for many years, put forward recommendations to the incoming Council Presidency. The recommendations at hand have been prepared on the basis of individual contributions from the following members of the TEPSA network: **Michele Chang** (College of Europe, Bruges), **Jaap De Zwaan** (TEPSA, Brussels), **Andras Inotai** (IWE, Budapest), **Petr Kratochvil** (IIR, Prague), **Sabina Lange** (EIPA, Maastricht), **Funda Tekin** (CIFE, Berlin), and **Ramūnas Vilpišauskas** (IIRPS, Vilnius University). They do not necessarily represent the view of TEPSA or its member institutes.

Sabina Lange will present the recommendations to the incoming Estonian Presidency at the occasion of the TEPSA Pre-Presidency Conference on 15 and 16 June 2017 in Tallinn. The conference is organised by the Estonian Foreign Policy Institute (EVI) in cooperation with TEPSA and with the support of the Konrad Adenauer Foundation, the Federal Trust for Education and Research and the PONT project co-funded by the Erasmus+ Programme of the EU.

June 2017

Preamble

While the European Union will still face a number of both foreseeable and unforeseen problems during the Estonian Presidency, the overwhelming feeling of crisis seems now to be over. In the past six months period the Heads of State or Government of the 27 EU member states (without the United Kingdom) and the EU institutions alike recaptured the loose ends of European integration aiming for a definition of the common vision for the future path of the integration process. Additionally, recent and upcoming national elections in a number of EU Member States contribute to a more favourable setting for deeper European integration. At the same time, fear, distrust in the political elites and difficulties of coping with rapid changes in socio-economic models remain high and therefore represent relevant issues that need to be tackled. While the latter asks for improvement of social and economic conditions, fear and distrust can only be countered by listening to the citizens and better communication.

Against this backdrop, we strongly recommend to turn attention to the key questions of deeper integration, while not forgetting that the public sentiments are true. The Future of Europe discussion addresses many of the citizens' sentiments, but transparency in the work of the Council as well as of other institutions and active communication about discussions and decisions matters equally.

The recommendations that follow are for specific initiatives in the realms of (1) migration, (2) social policy, (3) digital Europe and (4) the future of Europe. All of these overlap with the priorities of the Estonian Presidency and we are confident that our recommendations can further contribute to the Presidency's success.

Migration – Putting the Own House in Order

Migration remains one of the key challenges, with some Southern EU member states having experienced the inflow of high numbers of refugees again in the last months. Although Estonia has faced a number of problems related to the refugee quota, it may still serve as an example of successful relocation representing a possible source of emulation for other Baltic and Central European countries.

It is important to realise that while there are important external factors that caused the migration malaise, the political aspects of the crisis are related to EU-internal decision-making and the inability of EU member states to find a consensus on how to deal with the inflow of war refugees and other migrants. The aim should be, therefore, not only to address the problem in the so-called source countries, but also on finding a coherent EU position on migrants and their integration internally.

The migration challenge has a direct impact on the lingering East-West division, in particular in relation to the Visegrad Four Countries, which consistently refuse to accept any refugees. As the refugees and, above all, the relocation scheme has become a hot topic for pre-election campaigns in some of these countries as well as in Germany, the window of opportunity for finding a widely acceptable solution will open up in the second half of the Estonian Presidency, after these elections are over.

This can be facilitated by the conviction across the EU that while the relocation scheme has to be maintained in one form or another, it also has to be complemented by additional measures. This would introduce greater flexibility, including the possibility of financial contributions to the relocation and greater sensitivity to domestic political concerns.

Start (Re)Building Social Europe

For several reasons linked to globalisation as well as the management of the financial and Eurozone crises, "social Europe" is back on the priority map of the European Union, as demonstrated by the Commission's report on the "European pillar of social rights" released on April 26, 2017. In the aftermath of the crises, the (re)building of "social Europe" is a crucial factor of medium- and long-term success of European integration. We therefore recommend to focus on:

- Improving growth prospects, increasing investment and creating jobs as they are expected to contribute to "social Europe".
- Establishing member country and EU-level programmes aiming at reducing the income gap (or at least decelerating the growing income gap).
- Investing into human capital (education, training, retraining and health care) in order to successfully face challenges of technological progress and of demographic changes.
- Guaranteeing "investment into an innovative society" with the aim to create sustainable social Europe.

The final point raised draws from the historical lesson that sustainable competitiveness in Europe cannot be reached without a critical mass of social cohesion. Social cohesion, therefore, is essential but cannot be reduced to financial or material issues. It is a glue of European solidarity and enhanced/recovering/re-emerging European identity.



Sharing Expertise in Digital Europe and Data Protection

Digital Europe and the free flow of data represents an opportunity for exploiting the benefits of technological progress that is bringing continuous change to citizens, businesses and governments. At the same time it also represents a challenge in terms of guaranteeing data protection and cyber security. Joint action on EU level such as in providing infrastructure as well as improving the quality of internet connections and digital economy can, therefore, only provide added value. Digital Europe is highly dynamic and the digital economy transforms national and EU wide labour markets and other areas of public policies. As one of the first priorities in establishing the digital Single Market, we therefore urge the EU to tackle the challenge of removing regulatory barriers arising from both excessive administrative and regulatory burden and differences in national rules. Given Estonia's outstanding expertise in digital related matters such as digital economy and society including e-voting we ask the Estonian Presidency to put a particular focus on and sharing with the other EU Member States its expertise in digital Europe and private data protection.

Future of the European Union – Now it is the Time for Action

The Commission's 'White Paper on the Future of Europe' is on the table since the beginning of March 2017. It contains five scenarios, offering options for 'more or less' Europe and models of differentiated integration. The follow-up process foresees intensive discussions in 2017, a continuing debate in 2018 and final conclusions in mid-2019.

The EU, however, might be well advised to speed up this process. In light of the outcomes of the recent elections in Austria, The Netherlands and France, it appears that pro-Europe sentiments are gaining ground in Europe. Elections in Germany later this year are not expected to change this trend, because whichever party will win the new German government most likely will continue to support European integration.

With an unpredictable Russian President Putin at our Eastern borders, an impulsive US President Trump in the White House and a lot of turmoil at our external borders, it has become high time to join forces regarding crucial challenges of our time, such as climate change, migration, innovation, trade, terrorism and foreign policy.

In light of the pro-EU trends in Europe and the external pressures, now is the moment to act:

- In the given circumstances, the principle of a multi-speed Europe should be looked at in a (more) positive way. If we cannot commonly agree on new steps to be taken, why not facilitate – a substantive number of – the willing Member States to act as forerunners? Obviously, the result of such cooperation should not undermine the core business of the EU (internal market 'plus') nor destabilize the functioning of the EU's institutional structures.
- We would also like to re-emphasize the reform demands in the Eurozone: Since the European semester as an instrument of economic governance continues to have only a limited impact, the Estonian Presidency should initiate a high-level review of the semester process with a remit to rethink the approach to economic policy coordination and, if necessary, to ask the Commission and the Council to go back to the drawing board. Additionally, despite the euro area's economic recovery, its banking system remains vulnerable to another crisis. The Estonian presidency should prioritize the completion of banking union and find agreement on a joint deposit insurance scheme.

The Presidency should try to come to conclusions already in the European Council of 14-15 December 2017 or, at the latest, mid 2018. There are no compelling reasons to wait, as the Commission proposed, until mid-2019.

