

“The EU’s differentiated future after Brexit”

Panel organised in the framework of the InDivEU project at the TEPSA German Pre-Presidency Conference, 25 June 2020

The EU's Differentiated Future
After Brexit
"Shaping the Future of Europe"
German Pre-Presidency Conference

25 June
14:00 CET
Online Event

#PPCBerlin
#InDivEU

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Prof. Dr. Frank Schimmelfennig
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Moderator: Dr. Christian Frommelt
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Integrating Diversity in the European Union

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In the framework of the Horizon 2020 project [“InDivEU - Integrating Diversity in the European Union”](#), on 25 June 2020 TEPSA organised a panel on “The Future of Europe” at its [German Pre-Presidency Conference \(PPC\)](#), held on the occasion of the incoming German Presidency of the Council of the EU.

The PPC is TEPSA’s biannual flagship event, taking place right before the inauguration of each new Council Presidency. Bringing together academics, think tankers, policy makers, media and civil society, the conference aims to discuss the agenda and challenges of the upcoming Presidency and of the EU more broadly. Due to the current restrictions in place because of the Covid-19 pandemic, the conference was held in a virtual format.

Moderated by **Christian Frommelt** (Director of the Liechtenstein Institute and member of the InDivEU project), the panel involved high-level practitioners and outstanding academics working on differentiated integration (DI): **Axel Dittmann** (Director for EU Institutional Affairs, Brexit, EU Coordination and EU2020 Presidency at the German Federal Foreign Office); **Brigid**



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Laffan, Director of the Robert Schuman Centre for Advanced Studies at the European University Institute and Coordinator of the InDivEU project); **Frank Schimmelfennig** (Member of the TEPSA Board, Professor and Head of European Politics Group at the Swiss Federal Institute of Technology – ETH Zürich, and Scientific Lead of the InDivEU project); and **Funda Tekin** (Member of the Board and Director of the Institut für Europäische Politik).

In his introduction, **Christian Frommelt** recalled that the European Union (EU) and the United Kingdom (UK) are currently in a decisive period of negotiations. After the 2016 referendum and the UK's decision to withdraw, Brexit became official on 31 January 2020. Subsequently, the UK and the EU entered a phase of negotiations on their future relations after the transition period will have expired at the end of 2020. However, the risk that the two parties will not conclude a substantial agreement is still present. Dr Frommelt thus introduced some key questions to guide the following debate: how realistic is the ambition to have a deal in mid-2020? If the UK's wish for a free trade agreement without an elaborate institutional framework succeeds, will this have an impact on the EU's relations with other non-members such as Norway or Switzerland? What will be Brexit's impact on the remaining EU members and their integration?

Axel Dittmann provided an overview of the German Presidency's stance on the negotiations. Germany acknowledges as a fact that the UK has left the EU, and is now committed to negotiating an ambitious agreement that can be advantageous for both sides. The political declaration that was endorsed by the EU and the UK government is a good basis and remains the guiding principle in the negotiations. The German Presidency aims at reaching a comprehensive agreement that also encompasses a common governance structure.

Mr Dittmann then touched upon what Brexit means for the EU's differentiated future. He pointed out that the EU already has a differentiated present, with many different, partly overlapping, integration regimes. After the UK's withdrawal from the EU, Mr Dittman argued, an area where a closer future cooperation with the UK would be desirable is foreign policy. However, in his view Brexit will not be a game changer for external differentiation, nor a blueprint for third countries' relations with the EU. Brexit, he argued, will not dilute the category of membership, and there will still be a clear difference between being a member of the EU and not being a member. Yet, Brexit may have an impact on the way EU members relate with each other.

Brigid Laffan underlined that, as a result of the Covid-19 pandemic, there is now a much stronger desire for a deal in London, which was not the case earlier and which is largely due to the impact of the Covid-19 crisis in the UK on the Boris Johnson government's credibility.





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For the EU, she argued, it is important to make sure that the future agreement has a dynamic capacity, as London will not always be governed by hard Brexiters. At the same time, the governance mechanism of the relationship must be coherent and institutionally robust.

While the EU can compromise to a certain extent in the negotiations, Prof. Laffan underlined, it can only do so within certain limits, as it has to protect the overall integration process and the single market, and ensure that any deal is based on a balance of rights and obligations. It is also important, she argued, that the EU maintains its unity throughout the negotiations.

Another aspect to keep in mind, highlighted Prof. Laffan, is internal differentiation within the UK: Brexit has meant that Scotland and Northern Ireland are being taken out of the EU against their wishes. Therefore, when the EU develops its future relations with the UK, it must also pay attention to its relations to Edinburgh and Belfast and closely monitor the developments in these countries.

Frank Schimmelfennig analysed the likely effects of Brexit on the EU's internal differentiation. The UK, he recalled, was the main advocate of scrapping the principle of ever closer union in European integration. However, he argued, the impact of Brexit on differentiated integration will not be that big.

Looking at some integration dynamics in the last couple of years, Prof. Schimmelfennig highlighted that a reduction of treaty-based differentiation can be observed after Brexit. However, he noted, such reduction has not been dramatic, and similar changes have already occurred in the past.

When it comes to differentiation in EU legislation, while a downward trend can be observed after Brexit, this is similar to past post-enlargement effects and does not compensate the extraordinary secondary law differentiation that can be observed in the past years.

In the last few years, noted Prof. Schimmelfennig, a three-tier structure has developed in the EU, with a core EU, a semi-periphery made mainly of non-eurozone member states, and a periphery with countries with major opt-outs such as Denmark and UK. Some experts have predicted a centripetal movement as a result of Brexit, but Prof. Schimmelfennig remained cautious: there has never been a UK-led coalition of recalcitrant member states that would collapse now that UK has left, he argued. Overall, Prof. Schimmelfennig did not see Brexit as a game changer for the dynamics of differentiated integration within the EU.

A similar conclusion was made by Prof. Schimmelfennig on Brexit's impact on the EU's external differentiation (i.e. the institutional structure that the EU has developed with non-member states). Any agreement negotiated with the United Kingdom, he argued, will not be a new institutional model of external DI.





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Funda Tekin acknowledged that differentiated integration can eventually make the separation line between members and non-members thinner: as differentiation becomes the new normal of European integration, the scope, nature and form of membership will be transformed too. However, in institutional terms, the separation line between members and non-members (which is embodied by the right to sit at the decision table) is likely to remain.

In the run up to Brexit referendum, Dr. Tekin underlined, the EU institutions started to officially acknowledge that DI could be an option for the future of European integration. After the referendum, Juncker's White Paper clearly presented differentiated integration as one of the possible scenarios for the future of the EU. This shows that DI is now part of the picture of future scenarios for EU integration not only in the academic debate, but also in the policy making sphere.

Finally, Dr. Tekin agreed that Brexit will most likely not represent a blueprint for future forms of EU external differentiation, because every country is different, and any future UK-EU relationship demands a tailor-made approach, as the relations with any other third country do. However, she concluded, it did generate a debate among third countries, for example in Turkey, on the possible alternatives to accession.



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