



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

The Trans European Policy Studies Association (TEPSA) has a tradition of formulating recommendations to the incoming Council Presidency. These recommendations have been prepared by the following members of the TEPSA network: Michele Chang (TEPSA Board, College of Europe, Bruges), Petr Kratochvíl (TEPSA Board, Institute of International Relations, Prague, the coordinator), Jaap de Zwaan (Secretary General of TEPSA, TEPSA Board Member), and Hristo Panchugov (New Bulgarian University). They do not necessarily represent the view of TEPSA or its member institutes.

Michael Kaeding (University of Duisburg-Essen), Chairman of the TEPSA Board, will present the recommendations to the incoming Bulgarian Presidency on the occasion of the TEPSA Pre-Presidency Conference on 30 November and 1 December 2017 in Sofia. The conference is organized by New Bulgarian University in Sofia in cooperation with the Trans European Policy Studies Association.

November 2017

Preamble

As the time of the first Council Presidency for Bulgaria, the coming six months will be undoubtedly challenging, both administratively and politically. But first presidencies also offer an extraordinary opportunity since in such cases, public attention to the presidency is considerably higher in the country as well as abroad than during the given country's subsequent presidencies. At the time of increased worries about the legitimacy of the European Union, the public aspect of European integration is more important than ever. It is therefore laudable that the National Forum has been established in Bulgaria to draw the limelight to the Presidency and its activities.

The Presidency has set many important priorities, ranging from sustaining the economic growth that has recently returned with a renewed vigour, to migration, energy policy, and measures related to competitiveness and to the relations between Eurozone and non-Eurozone countries. These priorities correspond very well with the ambitious Work Programme of the European Commission for 2018, which increases the likelihood of a strong synergy between the Presidency and the EC.

Equally importantly, as the brunt of the several recent crises is behind us, a new impetus for further reform has emerged. Although calls for a treaty change have become more vocal, the EU still falls short of reaching consensus on this delicate question. For these reasons, we appreciate the insistence of the Prime Minister of Bulgaria Boyko Borisov on a balanced and consensual approach as the main guideline of the Bulgarian Presidency. Indeed, this corresponds to the basic insight that unity and solidarity should remain the basic principles of the integration project.

The question of legitimacy and efficiency is directly linked to the debate on the future of the EU. Without infringing on the activities of President Donald Tusk, the Presidency of the Council has a responsibility

in this endeavour as well since the future interests of the EU as a whole are at stake here. The steps and measures scheduled for the next year and a half will need the full engagement of all Heads of State and Government, but they will also require the will to make compromises on specific points in the general interest. If the Agenda is not successfully implemented, the EU may inadvertently fall back to a period of 'muddling through', with less of an integration impetus and more initiatives to develop models of differentiated integration, thus failing to fully address the urgent needs of the EU as a whole, its member states and its citizens. Needless to say, the reputation of the EU as a global actor is at stake here too. Again, unity and solidarity are the guiding principles so that the dynamism of the integration process can be maintained, both internally and in relations with other countries and partners.

Enlargement and the Western Balkans

The enlargement policy has always been one of the most successful policies of the EU, leading to an unprecedented level of institutional and legal integration, but also to economic convergence across the Continent. However, further enlargement is fast becoming less and less popular in many EU capitals. We are strongly convinced that it is all the more important to show that future EU enlargement to the Western Balkans can be a similar success story as the past enlargement, as it could be beneficial both for the newest members of the community and for the Union as a whole. Bulgaria has a high level of regional expertise here, which allows it to remain realistic with regard to this issue and yet support the Western Balkan countries on their path to the EU.

Bulgaria has placed the so-called 'connectivity agenda' (transport, communication, infrastructure and energy) at the heart of its priorities with regard to the Western Balkans with the aim to improve the links of the region with the EU Single Market. To reach this goal, Bulgaria plans to propose an initiative for digital connectivity and a step-by-step adoption of roaming rules within the European Union by the Western Balkan countries, while passing through a gradual reduction in roaming charges and an increase in broadband internet access opportunities. This, however, seems less ambitious than necessary. While remaining realistic, Bulgaria may use the full potential of its Presidency to foster and take a leading role in the regional cooperation on issues of mutual interest (transport and energy in particular) to overcome regional disparities and pave the road to accession.

Additionally, building on its regional expertise, Bulgaria needs to engage in a comprehensive diplomatic offensive to foster positive attitudes towards further EU enlargement in the region, so that the accession of the Western Balkans becomes a tangible prospect based on the fulfilment of the conditions and the principles of merit. As part of a broader strategy, Bulgaria should actively focus (both bilaterally and through regional cooperation) on sharing its experience with the challenges that the accession process poses before candidate-countries so that best practices can be shared in the region at large.

Migration

Although the most difficult period of the migration crisis seems to be largely over, the influx of migrants has been continuing. The EU therefore urgently needs a consistent and comprehensive migration strategy, but this – notwithstanding all the mixed experiences in the recent past – is unfortunately still lacking. Not only must we better protect our external borders and combat smuggling of migrants as a priority, but we also need to ensure that once the migrants arrive in one of the Member States, the EU acts more quickly and more efficiently, *inter alia*, with regard to the number of immigration officers capable of executing the assessment of the applications for asylum and/or residence. At the same time



the often inhumane conditions under which migrants are received and housed in some Member States must be urgently improved. On the other hand a better cooperation with the countries of origin should be developed in order to return illegal migrants to their homelands faster once their claims for asylum or residence are definitively dismissed. In undertaking all these actions, solidarity from all Member States is required: all Member States should take their share of the responsibility for dealing with – and, finally, solving – the problems at stake.

Finally, reflections on how to improve the situation(s) in the migrants' unstable regions of origin should be intensified. On 27 September 2017, the European Commission has presented its mid-term review of the 2015 European Agenda on Migration (Communication COM(2017)558 final). The proposed activities and acts contained therein regarding, for example, relocation, resettlement, legal migration and an adequate return policy deserve all the necessary attention from the Bulgarian Presidency and the Member States. Similarly, the programme, as scheduled by the European Council in its conclusions of 19 October 2017, has to be fully and timely implemented.

Deeper monetary integration

Among the key issues that will redraw the landscape in the area of the EMU and set the tone in the sphere of monetary integration is the European Commission's EMU Package, which will be delivered in early December 2017. The Package will include, among other proposals, a convergence instrument to give pre-accession assistance to non-Euro countries to encourage their efforts to join the common currency area. It will also propose the creation of the post of a permanent European Minister of Economy and Finance. All these proposals have far reaching consequences for the decision-making and the institutional set-up of the Eurozone as well as the European Union as a whole.

TEPSA has long warned about the growing institutional gap between the Eurozone and the rest of the EU and the dangers related to this unfortunate development. The Bulgarian Presidency should work hard to prevent the deepening of the growing differences between the two groups of countries. While differentiated integration is a long-established principle of the integration process, it should never lead to creating obstacles to joining the more exclusive club should any non-participating country so decide in the future.

Additionally, Bulgaria can also become a role model for the other non-Eurozone countries if it is among the first to use the resources provided by the newly introduced convergence instrument. We believe that the full inclusion of Bulgaria in the ERM II, which is one of the key prerequisites for adopting the Euro in the future, is another very important step in this direction.

Future budget negotiations

By the end of May 2018, the European Commission will table its proposal for the Multiannual Financial Framework beyond 2020. As difficult as the negotiations were regarding the current budget, this time the complexity will further increase. The conditions are dramatically different from the past: the budget will be missing between 10 and 12 billion Euros following Brexit, and the potential contribution of the leaving UK to the future budget cannot be counted on. Simultaneously, the EU will have to cope with increased demands in terms of both external and internal security and migration. This also means that



cuts in sensitive areas will have to be made: for example, lower agricultural subsidies are being considered.

Even more politically explosive is the proposal to link the structural funds payments to the state of the rule of law in member states. This proposal cannot be dismissed easily, as there are worrying trends in some EU member states and it is only natural that other members of the EU express their concerns. In other words, this proposal has its merits. But the overriding formula should be cohesion *and* solidarity. Hence, any changes should always simultaneously consider their impact on the fragile state of cohesion in the EU, its legitimacy and the levels of solidarity. Solidarity here should be interpreted comprehensively, as comprising both financial aspects and refugee distribution. Again, Bulgaria can serve as an example for other states to follow as it complies with EU rules in both of the aforementioned areas.

Social dumping and economic convergence

The final issue TEPSA would like to raise is related to the double issue of social dumping and economic convergence. The two challenges are often treated separately and while social dumping is more broadly discussed in some member states, the failing economic convergence is a sensitive topic in others. A real dialogue about these issues is sadly missing even though they are in fact intimately connected. This leads to mounting misunderstandings and sensitivities.

It is a very important task of the Bulgarian Presidency to stress that the fight against what some member states call social dumping makes sense only if it is also accompanied by measures to encourage economic convergence. The slow pace of the convergence or even its stagnation is among the root causes of the rising Euroscepticism in Central and Eastern Europe. Addressing the issues of social dumping and convergence simultaneously is therefore essential. One topical instantiation of this double problem is the new directive on posted workers. It is our conviction that shortly prior to and during the Bulgarian Presidency, a consensus can slowly emerge here, but the fate of the directive as well as the willingness of the EU to work for stronger economic convergence will be a litmus test for the ability of the member states to find a broadly acceptable compromise.

