Outlook for the meetings of EU leaders, 17-18 October 2019

The meeting of Heads of State or Government on 17-18 October is expected to be dominated by Brexit. The EU-27 leaders will probably meet in a European Council (Article 50) format to discuss the most recent developments in the negotiations, and deliberate on possible consequences. At its formal meeting, the European Council will discuss the recently adopted Strategic Agenda 2019-24 and the priorities of the new Commission in the presence of the incumbents as well as the incoming Presidents of the European Commission, Ursula von der Leyen, and of the European Council, Charles Michel (current Prime Minister of Belgium). EU Heads of State or Government will also exchange views on the current state of play on the MFF negotiations in the Council, where differences in opinion remain significant on certain issues, not least on the overall size of the 2021-2027 budget. Finally, the European Council will discuss the external dimension of climate policy and consider the possibility of opening accession negotiations with Albania and North Macedonia. The meeting could also discuss foreign policy issues, notably the evolution of the situations in Ukraine and Syria, where a Turkish military operation has commenced in the northern part of the country.

1. Implementation: Follow-up on previous European Council commitments

As announced in the June 2019 European Council conclusions, EU Heads of State or Government will return to the issues of the Multiannual Financial Framework (MFF) for 2021-27 and the Strategic Agenda 2019-24, as reflected in the annotated draft agenda.

At the start of the meeting, the President of the European Parliament, David Sassoli, will address the European Council meeting for the first time in his mandate. Antti Rinne, Prime Minister of Finland, which currently holds the rotating six-month presidency of the Council of Ministers, will provide an overview on the progress made in implementing previous European Council conclusions.

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2. European Council meeting

Multiannual Financial Framework

On 17 October 2019, EU Heads of State or Government will hold an exchange of views on the next MFF. The discussion will be based on a paper by the Finnish Presidency informing EU leaders on the state of play in the negotiations. The most recent exchange of views between Member States on the main elements of the MFF took place in the General Affairs Council (GAC) of 16 September. Both the GAC discussions and the content of a draft ‘Negotiating Box’ (i.e. a document indicating the progressive completion of the negotiation, used by successive GAC meetings to prepare the final deliberation in the European Council), show that the differences of opinion on many sensitive aspects remain significant (see EPRS Legislative Train Schedule: MFF - 2021-2027). Some Member States continue for instance to advocate an EU budget equivalent to 1.0 per cent of total EU GNI, while others support a higher figure. Another point of contention is the size of the allocations to the common agriculture policy and cohesion funds.

With a view to its next meeting in December, the European Council is expected to invite the Finnish Council Presidency to update, based on the results of the discussions between EU leaders, the June 2019 Negotiating Box, including numbers. Thus, in December 2019, EU leaders would only for the first time discuss concrete numbers for the MFF, making the aim of ‘reaching an agreement in the European Council before the end of the year’ difficult to achieve.

On 10 October 2019, the new European Parliament adopted a resolution on the MFF reiterating that ‘Parliament will not rubber-stamp a fait accompli from the European Council’ and calling on the European Council to refrain from adopting detailed and purportedly binding conclusions based on the MFF negotiating box, as this would amount to direct interference in the legislative sphere.

The next institutional cycle

This meeting is the first European Council since EU Heads of State or Government agreed on a package of candidates for the EU high-level positions (see Figure 1), and the subsequent election of the new European Commission President, Ursula von der Leyen, on 16 July by the European Parliament. President-elect von der Leyen will outline her priorities for the new Commission, and discuss the recently adopted Strategic Agenda 2019-24 with EU Heads of State or Government.

The European Council is also expected to adopt a decision appointing Christine Lagarde as President of the European Central Bank, with her nomination part of the package agreed by the European Council on 2 July. Her appointment follows a hearing in the European Parliament and the subsequent positive recommendation. This meeting is the last scheduled European Council to be
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presided over by Donald Tusk, who will be replaced as European Council President by Charles Michel (currently Prime Minister of Belgium) as of 1 December.

Climate

For the third meeting in a row, the European Council will discuss climate, with a focus on its external dimension. EU leaders are expected to reiterate their support to the implementation of the Paris Agreement on climate change, to discuss the outcome of the United Nations Secretary-General’s Climate Action Summit held in New York in September 2019, and to prepare for the United Nations Climate Change Conference (COP25) to be held in Santiago de Chile in December 2019. They could also discuss the guidelines for the EU’s long-term strategy on climate change that they had committed to finalise by the end of 2019.

A group of eight EU states has recently called ‘to increase the EU’s emissions-cut target from 40 per cent to 55 per cent by 2030’, in line with a Dutch proposal made by Prime Minister Mark Rutte as part of the Future of Europe debate in the European Parliament plenary. Earlier this year, divergent views on the way forward to a carbon-neutral EU economy were particularly noticeable. In June 2019, a group of Member States (initially eight, later expanding to 18) as well as the European Parliament have expressed support for the European Commission’s communication ‘A Clean Planet for all’, pleading for an ambitious and timely climate policy promoting EU carbon-neutrality by 2050. Due to a lack of consensus on the target date for achieving carbon neutrality, the June 2019 European Council conclusions mention the objective of a transition to carbon neutrality, but specify in a footnote that ‘For a large majority of Member States, climate neutrality must be achieved by 2050’. The countries reluctant at that time to commit to a date to achieve climate neutrality were Czechia, Estonia, Hungary and Poland.

External relations

EU leaders are expected to discuss several foreign policy issues, notably the situation in Ukraine and in Syria. As regards Syria, they will most probably consider both the in-country situation, as well as the regional situation, including the ongoing Turkish military operation in the northern part of Syria. Several Member States, including France and Germany, have already expressed their concern about Turkey’s ‘unilateral military operation’ in the northern part of Syria, warned about its possible humanitarian consequences, including a possible increasing influx of migrants on the Eastern Mediterranean route, and urged Turkey to end its offensive. The Foreign Affairs Council on 14 October noted that some Member States have decided to stop arms-exports licensing to Turkey but did not decide on ‘a formal EU-wide arms embargo’.

Enlargement

Although agreement was not reached at the General Affairs Council of 15 October 2019, the European Council will most probably consider whether or not to open accession negotiations with Albania and North Macedonia.

Whilst the Commission had given a positive recommendation, the decision to open or not accession negotiations with the two countries was postponed from June 2019 to October 2019 at the latest, due to persisting diverging views among the Member States, including France and the Netherlands which oppose the opening of accession negotiations. A possible solution, based on a German proposal, would consist of green-lighting the opening of accession negotiations with both countries whilst only North Macedonia would be given a clear date to start negotiations.

Enlargement gained momentum following the joint letter of the leaders of the EU’s institutions - the European Council President Donald Tusk, the European Parliament President David Sassoli, the European Commission President Jean-Claude Juncker, and the European Commission President-elect Ursula Von der Leyen. In their letter, they outlined that the EU ‘stands before a strategic choice’ on whether or not to decide to open accession negotiations with the two Western Balkan countries which have fulfilled their share of the bargain and complied with the requirements set upon them
so far. Prior to this, during his September 2019 visit to Albania and North Macedonia, Donald Tusk said that he has ‘always thought that the EU should open accession talks with both Albania and North Macedonia, in line with the positive recommendations from the Commission,’ whilst a similar position was also expressed by the Visegrad Four (V4) group.

Other Items

Standing by their earlier commitment, EU leaders will most probably once again condemn Turkey’s drilling activities in the Cypriot Exclusive Economic Zone and reaffirm their solidarity with Cyprus.

3. European Council (Article 50) meeting

On Friday 18 October 2019, EU-27 leaders will possibly also meet in a European Council (Article 50) format to discuss the latest developments in the process following the United Kingdom’s notification of its withdrawal under Article 50 TEU.

On 2 October 2019, the UK Prime Minister, Boris Johnson, made a new proposal, including a differentiated EU-UK customs regime with no controls at or near the border which aims to replace the current ‘backstop’. The objective of the backstop, which was agreed upon by the previous UK government, is to prevent the creation of a hard border on the island of Ireland; it envisages that the UK would leave the single market but remain in a single EU-UK customs territory. The President of the European Commission, Jean-Claude Juncker confirmed ‘that while the UK has made some progress, a number of problematic points remain in the proposal, on which further work is needed by the UK’. This sentiment was also shared by the President of the European Council, Donald Tusk, whose message to the UK Prime Minister was that the EU ‘remains open but [is] still unconvinced’. A meeting between Johnson and his Irish counterpart, Taoiseach Leo Varadkar, on 10 October concluded that both ‘could see a pathway to a possible deal’. Following a meeting between EU and UK negotiators the following day, the Commission announced that ‘the EU and the UK have agreed to intensify discussions over the coming days’.

The EU’s chief negotiator, Michel Barnier, informed the General Affairs Council (Article 50) of 15 October, preparing the European Council (Article 50), about the state of play in Brexit negotiations and assessed that an agreement before the summit would be very difficult but still possible.

It is not excluded that the UK Prime Minister could – at the European Council meeting or shortly after – request a further extension to the Article 50 negotiation period. The recently adopted European Union (Withdrawal) (No 2) Act 2019 requires the UK government to request a three-month extension, if it has not secured the approval of the House of Commons for either: 1) a withdrawal agreement, or 2) leaving the EU without a withdrawal agreement, by the end of 19 October.