

editorial

The Conference on the Future of Europe: Tackling Differentiated Integration

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The European Union is struggling to recover from the COVID-19 pandemic, which has swept through European peoples and economies, causing more than 500,000 deaths (and counting) and an impact on Eurozone GDP of -6.4 per cent in 2020¹. This is the third big crisis – and possibly the most dramatic one – to impact the EU in the last 12 years, following the economic and financial crisis in 2008–2010 and the extraordinary influx of migrants arriving on European shores in 2015–2016. All these crises produced asymmetrical consequences on the member countries and citizens of the European Union. The already marked differences among member states have been exacerbated, making a unified response by the EU institutions difficult in the process and suboptimal in the outcome. And in fact, especially during the first wave of the pandemic in Europe, the actions and statements of national leaders revealed a deep rift within the EU and the Eurozone, leading to nationalistic moves in border control and export of medical supplies. Citizens have been exposed to the negative consequences of a Union with limited powers in sectors such as health and crisis management, and important decisions such as the approval of Next Generation EU and the new budget for 2021–2027 have risked failure due to the opposition of some member states.

This picture gives us an uncertain outlook for the future of the Union and raises some fundamental questions about the integration process, which will have to be answered to ensure the survival of the European project. In particular, to what extent is it possible to accommodate the growing differentiation within the Union while safeguarding the resilience of its institutions and societies? What are the prospects for integration in the light of recent crises and what reforms are needed to ensure an effective response to new crises? What are the preferences of European citizens and their expectations towards the EU?

Against this background, the Conference on the Future of Europe², which is planned to finally take off on 9 May after one year of stalemate, represents an important opportunity to reflect on the integration process in the aftermath of a devastating pandemic and in the midst of the “deepest recession in [the EU’s] history”³. European citizens will be called to debate and provide EU institutions with a series of indications on the way forward. The Council of the EU has clarified that this exercise is not intended to be positioned within the framework of Article 48 TEU, thus excluding a reform of the Treaties⁴. Member states have also stressed the need to tackle important policies such as climate transition, migration, digital inclusion and international relations. The European Parliament, on its side, has pointed to the need to examine topics such as strengthening the lead candidate (Spitzenkandidaten) process or creating transnational lists⁵. EU institutions and political leaders should be ready to face uncomfortable truths regarding citizens’ preferences on the overall direction of the EU project, and to take them into consideration in their decisions.

These preferences could lean towards a federal Union, to be achieved through consolidation of the community method, reinforcement of supranational institutions and the attribution of enhanced competences to the EU. But citizens could also claim for a reinforcement of national sovereignty in sectors that have not been managed effectively through coordination at the EU level, from migration to vaccines. Such an outcome would be favoured by Eurosceptic and nationalistic forces that undeniably play a significant role in European politics and fuel centrifugal trends already at stake in the EU, for example by negotiating further opt-outs from EU legislation, or even considering abandoning the Eurozone and the Union as such. Between these two extreme scenarios, based either on federal ambitions or on the menace of disintegration, the possible way forward could be a differentiated Union, in which willing and able member states can go further in the integration process in individual policy sectors.

While this option would allow further integration and at the same time accommodate increasing differentiation in the EU, it also bears risks connected to its complexity. In fact, it is difficult to present and explain the pros and cons of differentiated integration to European citizens so they can fully assess it in their discussions. On one side, the academic debate on differentiated integration is characterised by the proliferation of different concepts ranging from *concentric circles* to *core groups* to *multi-speed Europe* to *Europe à la carte*, which has made it less understandable for the general public. At the political level, differentiated integration has been often presented as a path towards the creation of first- and second-class member states or, more recently, as a way to accommodate British and other national claims for exceptionalism. A more pragmatic approach suggests analysing differentiation within specific policy fields, ranging from economic governance to migration to security, and assessing its limits and potentials in terms of institutional arrangements and policy practice. This approach, which is embedded in the EU IDEA project, allows academics to test their research hypothesis and derive general assumptions from concrete realities. It also gives policy-makers the opportunity to make more informed policy choices. In the context of a citizen consultation such as the Conference on the Future of Europe, this would allow everyone to think about differentiation as a possible way forward to make Europe more effective in addressing problems that affect our daily lives.

European citizens should also be reassured that the increased complexity connected to a differentiated Union does not hamper their participation in the democratic process and allows them to hold decision-makers accountable. In fact, in order to be sustainable, differentiated integration must not only produce effective governance, it must also be considered legitimate in the eyes of the affected societies⁶. Therefore, in a scenario of differentiated integration adequate parliamentary representation, at the national and the European level, must be matched with additional mechanisms that can ensure accountability through legal, administrative and social channels. Above all, what is needed is a constant and real involvement of European citizens through information, consultations and political dialogue as a prerequisite for decisions taken at the EU level⁷. The democratic participation promoted by the Conference can lay the foundations for a new Europe of the future, but it needs to be turned in a real reflection on the direction of the integration process, which can ultimately lead to a reform of the EU's policies and institutions, to be carefully prepared and duly implemented.

¹ Eurostat (2021), Newsrelease Euroindicators, No. 17 (2 February), https://ec.europa.eu/eurostat/documents/portlet_file_entry/2995521/2-02022021-AP-EN.pdf/0e84de9c-0462-6868-df3e-dbacaad9f49f

² Portugal.EU (2021), Joint Declaration on the Conference on the Future of Europe, Brussels, 10 March, https://www.2021portugal.eu/media/wm3p11ds/210310_jointdeclarationcofe_en.pdf

³ European Commission (2020), Remarks by Commissioner Gentiloni at the Press Conference on the Spring 2020 Economic Forecast, Brussels, 6 May, https://ec.europa.eu/commission/presscorner/detail/en/speech_20_822

⁴ Council of the European Union (2020), Council Position on the Conference on the Future of Europe, Brussels, 24 June, <https://www.consilium.europa.eu/media/44679/st09102-en20.pdf>

⁵ European Parliament (2020), Resolution of 15 January 2020 on the European Parliament's Position on the Conference on the Future of Europe, https://www.europarl.europa.eu/doceo/document/TA-9-2020-0010_EN.html

⁶ Thu Nguyen (2020), "Differentiated Integration and Accountability in the European Union – An Analytical Framework", in EU IDEA Research Papers (November), <https://euidea.eu/2020/11/24/differentiated-integration-and-accountability-in-the-european-union-an-analytical-framework/>

⁷ Pirozzi, Nicoletta, Pier Domenico Tortola and Lorenzo Vai (2017), Differentiated Integration: A Way Forward to Europe, Rome, Istituto Affari Internazionali (IAI), January, https://www.iai.it/sites/default/files/eu60_8.pdf

EU IDEA PUBLICATIONS

POLICY PAPERS

The Role of Differentiation in EU Foreign, Security and Defence Policy Cooperation with Neighbouring Countries

Senem Aydın-Düzgit, Professor of International Relations at the Faculty of Arts and Social Sciences, Sabancı University and Academic Affairs Coordinator of the Istanbul Policy Center (IPC); **Ian Bond**, Director of Foreign Policy at the Centre for European Reform (CER); and **Luigi Scazzieri**, Research Fellow at CER, March 2021

The EU extensively practices differentiation in its foreign, security and defence policy, both internally and externally towards its neighbours. Neighbouring countries are plugged into the EU's Common Foreign and Security Policy and its Common Security and Defence Policy to different degrees, and also cooperate with groups of member states informally outside of the EU framework. The paper focuses on external differentiation in foreign and security policy, undertaking an in-depth assessment of the ways in which Albania, Georgia, Moldova, Montenegro, North Macedonia, Norway, Serbia, Turkey, Ukraine and the UK cooperate with the EU in foreign and security policy. The paper focuses on the effectiveness, sustainability and legitimacy of the EU's external differentiation with its partners. Finally, it makes recommendations for how the EU and its partners might deepen foreign and security policy cooperation.

Europol and Differentiated Integration

Camino Mortera-Martínez, Senior Research Fellow at the Centre for European Reform (CER), **Zoran Nechev**, Senior Researcher and Head of the Centre for EU Integration, Institute for Democracy "Societas Civilis" (IDSCS), and **Ivan Damjanovski**, Associate Professor at the Political Science Department, Faculty of Law, Ss. Cyril and Methodius University in Skopje, January 2021

Europol has become a hub for differentiated integration. Initially a small anti-drugs unit, the EU's police agency is now a fully-fledged body where law enforcement agencies from all around the world work together. Seen through the organisational dimension of differentiation, police cooperation through Europol has shaped differentiated integration modalities based both on the uneven participation of actors in the policy cycle and on the differentiated access to Europol's mechanisms for exchange of information. Albeit limited, this multi-layered arrangement of police cooperation through Europol has provided the grounds for a more flexible approach towards the fight against organised crime in Europe. The various differentiated integration mechanisms at play have ultimately significantly increased transactions between law enforcement authorities in Europe and have improved cross-border cooperation in the areas within Europol's mandate.

Differentiated Integration in the Energy Sector and Its Contribution to the European Goals of Affordability, Security of Supply and Sustainability

Luca Franza, Head of the Energy, Climate and Resources Programme of the Istituto Affari Internazionali (IAI), Héctor Sánchez Margalef, Researcher at the Barcelona Centre for International Affairs (CIDOB), and Margherita Bianchi, Researcher at IAI, January 2021

This policy paper studies the role of differentiated integration in the field of energy – where an EU-level compromise is not always reachable due to strong heterogeneity among member states. The paper starts with an analysis of how differentiated integration in energy has been evolving, in order to take stock of main trends and emerging challenges. The empirical part builds on an analysis of three case studies of differentiated integration – the Energy Community, the Pentalateral Energy Forum and the Covenant of Mayors. These institutions have been selected because they diverge along several lines (e.g., rationale for promoting differentiated integration, objectives, composition, regulatory features, organisational features), allowing for a relevant comparative evaluation of their effectiveness in boosting integration. Even if all the differentiated integration institutions have limitations of some sort, the findings mostly point to three success stories, which helped advance EU integration and reach the three key objectives of EU policy-making in energy: affordability, security of supply and sustainability.

FROM THE NETWORK

| Publications

The EU One Year after the Covid-19 Outbreak: An Italian-German Perspective, Roma, Istituto Affari Internazionali (IAI), by Nicoletta Pirozzi, Head of the European Union Programme and Institutional Relations Manager at IAI and Associate at the European Governance and Politics Programme of the European University Institute (EUI); Luca Argenta, Research Fellow at the Roman Office of the German Friedrich Ebert Foundation (FES); and Paweł Tokarski, Senior Associate at the German Institute for International and Security Affairs (SWP) in Berlin, February 2021

Transatlantic relations and European strategic autonomy in the Biden era: Neglect, primacy or reform?, Finnish Institute of International Affairs (FIIA) briefing paper, by Garret Martin, Co-Director - The Transatlantic Policy Center, American University's School of International Service, and Ville Sinkkonen, Postdoctoral Fellow - Global Security Research Programme, FIIA, February 2021

EU Strategic Autonomy in the Shadow of Geopolitical Rivalry: A View from Moscow, Finnish Institute of International Affairs (FIIA) briefing paper, by Sergey Utkin, Leading Researcher - Primakov Institute of World Economy and International Relations, Russian Academy of Sciences, February 2021

An abrupt awakening to the realities of a pandemic: Learning lessons from the onset of Covid-19 in the EU and Finland, Finnish Institute of International Affairs (FIIA) working paper, by Mika Aaltola, Director - Finnish Foreign and Security Policy, FIIA; Johanna Ketola, Research Fellow - Global Security, Institute of International Affairs; Aada Peltonen, Research Assistant - Global Security, Institute of International Affairs; and Karoliina Vaakanainen, Research Assistant - Global Security, Institute of International Affairs, January 2021

The EU's Search for "Effective" Strategic Autonomy in the Neighbourhood, Roma, Istituto Affari Internazionali (IAI), by Maria Giulia Amadio Viceré, Adjunct Professor and Post-Doctoral Fellow at LUISS University (Rome) and Research Associate at IAI, and Matteo Bonomi, Research Fellow at IAI and member of the Balkans in Europe Policy Advisory Group (BiEPAG), January 2021

| Past events

European foreign policy in turbulent times: Does differentiation make the EU a stronger actor

23 March 2021, Finnish Institute of International Affairs (FIIA) in collaboration with EU IDEA

Keynote address: Federica Mogherini, Rector, College of Europe

War-torn neighbourhoods, increased great-power rivalry, as well as major global challenges such as climate change and the pandemic, call for a stronger EU foreign policy. Yet the diverging interests of EU member states continue to hamper efficient EU action. However, various modalities of differentiation within and outside the EU framework have allowed the EU member states to make Europe's voice heard in world politics. France and Germany have addressed the Ukraine crisis in the Normandy format with Russia and Ukraine. Together with the UK and the EU, they have played a key role in the EU/E3 format aimed at resolving the conflict over Iran's nuclear programme. Moreover, informal collaboration among a limited number of EU members has contributed, for instance, to the Middle East peace process. Recently, the EU has launched the Permanent Structured Cooperation enabling willing and capable member states to deepen their defence policy cooperation.

When and how has differentiation advanced the EU's role in world politics? Is more differentiation inevitable because of Brexit? What are the dangers of more differentiation in European foreign policy?

Read the **story** about the event by Eunews.

DiCE Networking Conference on Brexit

11-12 March 2021, **Differentiation: Clustering Excellence** (DiCE)

The DiCE Networking Conference on Brexit aimed at mobilizing experts and relevant stakeholders from policy-making, civil society and academia and bring them together for three roundtable debates, as well as a 'witness panel' with stakeholder involved in the Brexit negotiations. The conference focused on the distinction between internal and external differentiation and on the role of Brexit for the future of the EU in general and the effects on differentiation research in particular.

The event was opened by the three coordinators of the sister projects Integrating Diversity in the European Union (InDivEU), EU Integration and Differentiation for Effectiveness and Accountability (EU IDEA) and EU Differentiation, Dominance and Democracy (EU3D): Brigid Laffan, European University Institute; John Erik Fossum, ARENA Centre for European Studies, University of Oslo; and Nicoletta Pirozzi, Istituto Affari Internazionali.

The conference **kicked-off with a keynote** speech by Jean-Claude Piris (former DG of the EU Council's Legal Service), who offered insights on internal differentiation and its impact on the future of the EU.

Belarus: Finding a way out of the crisis - A conversation with Sviatlana Tsikhanouskaya

2 March 2021, Finnish Institute of International Affairs (FIIA)

Sviatlana Tsikhanouskaya is a leader of Belarusian opposition. She ran against Belarus' long-standing incumbent Aliaksandr Lukashenka in the presidential election of August 9, 2020. The fraudulent election and widespread police violence triggered a deep political crisis in the country and sparked unprecedented peaceful mass protests which have continued to this day. Tsikhanouskaya leads the Belarusian opposition movement from exile while campaigning to rally support for the Belarusian people in the international arena. She established the Coordination Council for the Transfer of Power, recognized by the European Parliament as the legitimate representative of the Belarusian people.

What is the current situation in Belarus? How does the opposition plan to move forward? How can the European community support the Belarusian people in their struggle against the repressive regime?

Steering the EU in Pandemic Times: The European Council between strategic responses and institutional reforms

22 January 2021, Istituto Affari Internazionali (IAI)

Beyond their immediate outlook, the decisions and emergency measures undertaken by EU leaders to face the pandemic will significantly shape the EU's future for the years to come. In front of this formidable challenge, this initiative aimed at discussing European Council's role in the response to Covid-19 and the potential wider implications of its decisions for EU governance and institutional reforms. In which ways are EU responses to the crisis unprecedented? Could the pandemic trigger a new integration drive or will it further reinforce the crisis of integration? How can the European Council avoid the risk that the pandemic further exacerbates the existing divides among the member states? Can a more flexible and differentiated approach help manage these tensions and find a proper balance between member states' coordination and EU integration?

This webinar was organized in the framework of the EUIDEA project.

THE CONSORTIUM



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